NTM Gold Limited

ACN 119 494 772

Scheme Booklet

for a scheme of arrangement in relation to the proposed acquisition of all your fully paid ordinary shares in NTM Gold Limited by Dacian Gold Limited

Your NTM Directors unanimously recommend[1] that, in the absence of a Superior Proposal, you

VOTE IN FAVOUR

of the Merger with

Dacian Gold Limited

ACN 154 262 978

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders.

This is an important document and requires your prompt attention. You should read it in its entirety before you decide how to vote on the Scheme. If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser.

Legal Adviser to NTM

STEINEPREIS PAGANIN Lawyers & Consultants

Legal Adviser to Dacian

HWL EBSWORTH LAWYERS

[1] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

Important Information

This Scheme Booklet contains important information

The purpose of this Scheme Booklet is to explain the terms of the Scheme, the manner in which the Scheme will be considered and implemented (if the Scheme Conditions are satisfied), and to provide such information as is prescribed or otherwise material for NTM Shareholders when deciding whether or not to vote in favour of the Scheme. This document includes the explanatory statement required by section 412(1) of the Corporations Act in relation to the Scheme. You should read this document in its entirety before making a decision on whether or not to vote in favour of the Scheme.

Investment decisions

This Scheme Booklet is for NTM Shareholders collectively and does not take into account an individual's investment objectives, financial situation, taxation position or other particular needs.

This Scheme Booklet should not be relied upon as the sole basis for any investment decision in relation to the Scheme, NTM Shares or New Dacian Shares. If you are in any doubt about what you should do, you should seek independent legal, financial or other professional advice before making any investment decision in relation to the Scheme.

Responsibility for information

The information concerning the NTM Group contained in this Scheme Booklet, including financial information and information as to the views and recommendations of the NTM Directors, has been provided by NTM and is the responsibility of NTM. Neither Dacian, nor its advisers, nor the advisers of NTM assume any responsibility for the accuracy or completeness of that information.

The Dacian Information has been provided by Dacian and is the responsibility of Dacian. Neither NTM, nor its advisers, nor the advisers of Dacian assume any responsibility for the accuracy or completeness of that information.

BDO Corporate Finance (WA) Pty Ltd has prepared the Independent Expert's Report set out in Annexure A of this Scheme Booklet and takes responsibility for that report. Dacian, NTM and their respective advisers do not assume any responsibility for the accuracy or completeness of the Independent Expert's Report.

Role of ASIC, ASX, and the Court

A copy of this Scheme Booklet has been examined by ASIC pursuant to section 411(2)(b) of the Corporations Act and lodged with, and registered by, ASIC under section 412(6) of the Corporations Act. NTM has requested ASIC provides statements, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides those statements, they will be produced to the Court on the Second Court Date.

A copy of this Scheme Booklet has been lodged with ASX.

Neither ASIC, ASX nor any of their officers takes any responsibility for the contents of this Scheme Booklet.

The Court is not responsible for the contents of this Scheme Booklet and, the fact that under section 411(1) of the Corporations Act the Court ordered on 27 January 2021 that a meeting of NTM Shareholders be convened by NTM to consider and vote on the Scheme and has approved the Scheme Booklet does not mean that the Court:

(a) has formed any view as to the merits of the proposed Scheme or as to how NTM Shareholders should vote (on this matter, NTM Shareholders must reach their own decision); and

(b) has prepared, or is responsible for, the content of this Scheme Booklet.

Forward-looking statements

This Scheme Booklet contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. The statements contained in this Scheme Booklet about the advantages and disadvantages expected to result from the Scheme are forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of NTM, Dacian and/or the Combined Group to be materially different from future results, performance or achievements expressed or implied by such statements. The operations and financial performance of NTM, Dacian and/or the Combined Group and the change of a Scheme Participant's ownership of NTM Shares and New Dacian Shares are subject to various risks that are summarised in Section 10 of this Scheme Booklet and that may be beyond the control of NTM, Dacian and/or the Combined Group.

As a result, NTM's actual results of operations and earnings and those of Dacian and the Combined Group following implementation of the Scheme, as well as the actual advantages and disadvantages of the Scheme, may differ significantly from those that are anticipated in respect of timing, amount or nature and may never be achieved.

The forward-looking statements included in this Scheme Booklet reflect views only as of the date of this Scheme Booklet. None of NTM, Dacian, the NTM Directors or the Dacian Directors or any other person gives any representation, assurance or guarantee

that the occurrence of the events expressed or implied in any forward-looking statements in this Scheme Booklet will actually occur and you are cautioned not to place undue reliance on such forward-looking statements.

All written and oral forward-looking statements attributable to NTM or Dacian or any person acting on their behalf are qualified by this cautionary statement. Subject to any continuing obligations under the ASX Listing Rules or the Corporations Act, neither NTM nor Dacian give any undertaking to update or revise any such statements after the date of this Scheme Booklet to reflect any change in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.

New Zealand Shareholders

This Scheme Booklet is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand Regulatory Authority under or in accordance with the Financial Markets Conduct Act 2013 (or any other relevant New Zealand law). In offering New Dacian Shares under the Scheme in New Zealand, Dacian is relying on an exemption contained in the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 and accordingly, this Scheme Booklet may not contain all the information that a disclosure document is required to contain under New Zealand law. New Zealand investors should seek their own advice and satisfy themselves as to the Australian and New Zealand tax implications of participating in the Scheme.

Ineligible Foreign Shareholders

This Scheme Booklet has been prepared having regard to Australian disclosure requirements. Other countries may have different legislative and regulatory requirements.

Neither this Scheme Booklet nor the Scheme constitute, or are intended to constitute, an offer of securities in any place in which or to any person to whom, the making of such an offer would not be lawful under the laws of any jurisdiction outside Australia and its external territories and New Zealand. NTM Shareholders who are not residents of Australia and its external territories or New Zealand should refer to Sections 5.7 and 5.8 of this Scheme Booklet for further information.

Privacy and Entitlement to inspect NTM Registers

Personal information may be collected by NTM and Dacian in the process of implementing the Scheme. This information may include the name, contact details, security holding details of NTM Shareholders, and the names of individuals appointed to act as proxy, attorney or corporate representative by a NTM Shareholder at the Scheme Meeting. The primary purpose for collecting this personal information is to assist NTM and Dacian to conduct the Scheme Meeting and implement the Scheme.

Any personal information collected may be disclosed to NTM's and Dacian's respective share registries, advisers, print and mail service providers and related bodies to the extent necessary to effect the Scheme. NTM Shareholders are entitled under section 173 of the Corporations Act to inspect and obtain copies of personal information collected. NTM Shareholders should contact Computershare Investor Services Pty Limited (**Computershare**) in the first instance if they wish to access their personal information.

Defined terms

Capitalised terms and certain other terms used in this Scheme Booklet are defined in the Glossary of defined terms in Section 15.

The Independent Expert's Report set out in Annexure A has its own defined terms and those terms are sometimes different to the defined terms in the Glossary.

Currency

All references in this Scheme Booklet to "$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, their actual calculation may differ from the calculations set out in this Scheme Booklet.

Reference to time

All references in this document to time relate to the time in Perth, Western Australia, unless otherwise specified.

Date of this document

This document is dated 28 January 2021.

IMPORTANT INFORMATION REGARDING DIRECTOR'S RECOMMENDATIONS[2]

NTM Shareholders should have regard to the fact that, that Mr Andrew Muir (NTM's Managing Director) holds or controls 4,460,000 NTM Shares (being an interest of 0.65%) and 2,500,000 NTM Performance Rights. If the Scheme is approved by the Court on the Second Court Date, in addition to his entitlement as a NTM Shareholder, Mr Muir's 2,500,000 NTM Performance Rights will be deemed to have vested and converted, which will result in 2,500,000 NTM Shares being issued to Mr Muir. Accordingly, in such circumstances, Mr Muir will hold a total of 6,960,000 NTM Shares (being an interest of 1.01% in NTM immediately prior to implementation of the Scheme), all of which would be entitled to participate in the Scheme.

Under the terms of Mr Muir's executive services agreement with NTM, Mr Muir will receive a payment equal to 6 months' salary (approximately $125,000) from NTM when he finishes up as Managing Director of NTM on implementation of the Scheme.

Mr Muir considers that it is appropriate for him to make a recommendation on the Scheme in light of the importance of the Scheme and his role as Managing Director.

The NTM Board (in the absence of Mr Muir) and, separately, Mr Muir, have determined that Mr Muir can, and should, if he wishes to do so, make a recommendation on the Scheme notwithstanding the nature of the benefits (being the aggregate Scheme Consideration of 2,577,778 New Dacian Shares (being an interest of 0.86% in Dacian), equating to approximately $1,276,000)[3] which will be received by Mr Muir if the Scheme is implemented, noting that only 925,926 New Dacian Shares, plus the payment of $125,000 under his executive services agreement, equating to approximately $583,333[4] in total is as a result of his interests outside of being a current NTM Shareholder.

NTM notes that Mr Edward van Heemst (the non-executive Chairman of NTM) has a Relevant Interest in 34,000,000 NTM Shares (being an interest of 4.96%). If the Scheme is approved by the Court on the Second Court Date, Mr van Heemst will receive 12,592,593 New Dacian Shares (being an interest of 1.55% in Dacian). Mr van Heemst notes his children together hold an interest in 3,100,000 NTM Shares. Mr van Heemst does not have a Relevant Interest in any of the NTM Shares held by his children, and this holding is noted in the interests of full transparency only.

The NTM Board (in the absence of Mr van Heemst) and, separately, Mr van Heemst, have determined that Mr van Heemst can, and should, if he wishes to do so, make a recommendation on the Scheme notwithstanding the nature of the benefits (being the aggregate Scheme Consideration of 12,592,593 New Dacian Shares (being an interest of 1.55% in Dacian), equating to approximately $6,233,333)[5] which will be received by Mr van Heemst by virtue of being a NTM Shareholder if the Scheme is implemented.

NTM notes that Dr Michael Ruane (a non-executive director of NTM) has a Relevant Interest in 95,248,084 NTM Shares (comprising 45,888,708 NTM Shares held by Empire Resources Limited (an entity of which Dr Ruane is a director) (being an interest of 6.69%) and 13,500,000 NTM Shares held by Kesli Chemicals Pty Ltd (being an interest of 1.97%), 23,675,549 NTM Shares held by Kesli Chemicals Pty Ltd ATF Ruane Super Fund (being an interest of 3.45%) and 12,183,827 NTM Shares held by Tyson Resources Pty Ltd (being an interest of 1.78%), each being entities controlled by Dr Ruane). If the Scheme is approved by the Court on the Second Court Date, Dr Ruane will receive (indirectly through the entities which hold the NTM Shares in which he has a Relevant Interest) 35,277,068 New Dacian Shares (being an interest of 4.35% in Dacian). In addition, NTM notes that Dr Michael Ruane also holds 100,000 ordinary shares in Dacian (being an interest of 0.01% in Dacian).

The NTM Board (in the absence of Dr Ruane) and, separately, Dr Ruane, have determined that Dr Ruane can, and should, if he wishes to do so, make a recommendation on the Scheme notwithstanding the nature of the benefits (being the aggregate Scheme Consideration of 35,277,068 New Dacian Shares (being an interest of 4.35% in Dacian), equating to approximately $17,462,149)[6] which will be received by Dr Ruane by virtue of being an indirect NTM Shareholder if the Scheme is implemented.

NTM notes that Mr Eduard Eshuys (a non-executive director of NTM) is also the Executive Chairman of DGO Gold Limited. DGO Gold holds 135,158,073 NTM Shares as at the date of this Scheme Booklet (being an interest of 19.71%). DGO Gold also holds 60,000,000 NTM Options. If the Scheme is approved by the Court on the Second Court Date, DGO Gold will receive 50,058,546 New Dacian Shares (being an interest of 6.17% in Dacian) for those NTM Shares held as at the date of this Scheme Booklet. In addition, Dacian and NTM have entered into the Option Cancellation Deed with DGO Gold, pursuant to which DGO Gold has agreed to

[2] The percentage interests in NTM are as at the date of this Scheme Booklet (unless noted otherwise), and the percentage interests in Dacian are following implementation of the Scheme.

[3] Calculated based on the closing price of Dacian Shares of $0.495 as at the Last Practicable Date.

[4] Calculated based on the closing price of Dacian Shares of $0.495 as at the Last Practicable Date.

[5] Calculated based on the closing price of Dacian Shares of $0.495 as at the Last Practicable Date.

[6] Calculated based on the closing price of Dacian Shares of $0.495 as at the Last Practicable Date.

the cancellation of their NTM Options. In consideration for the cancellation, Dacian will grant 22,222,222 New Dacian Options (each exercisable at $0.27 and expiring on 31 March 2022) to DGO Gold (or its nominees), with such amount being calculated at the ratio of 1 New Dacian Option for every 2.7 NTM Options held.

Mr Eshuys does not have a Relevant Interest in any of the NTM Shares or NTM Options held by DGO Gold, and this holding is noted in the interests of full transparency only.

On implementation of the Scheme, Dacian intends to appoint Mr Eshuys as a non-executive director. From the appointment date, Mr Eshuys will be paid a non-executive directors fee of $80,000 plus statutory superannuation per annum.

The NTM Board (in the absence of Mr Eshuys) and, separately, Mr Eshuys, have determined that Mr Eshuys can, and should, if he wishes to do so, make a recommendation on the Scheme notwithstanding the nature of the benefits which he will receive if the Scheme is implemented (being ordinary non-executive directors fees consistent with the fees payable to other non-executive directors of Dacian).

Contents

Reasons to vote in favour of or against the Scheme 2
Overview of this document 4
Important dates and times 6
Letter from NTM 7
Letter from Dacian 9
Meeting details and how to vote 11
1. Key reasons to vote in favour of the Scheme 14
2. Reasons why you may choose to vote against the Scheme 21
3. Implications if the Scheme is not implemented 23
4. Frequently asked questions 24
5. Overview of the Scheme 30
6. Profile of NTM 35
7. Profile of Dacian 45
8. Profile of the Combined Group 62
9. Intentions of Dacian and the Combined Group 72
10. Potential risk factors 75
11. Australian tax implications 86
12. Implementing the Scheme 91
13. Key terms of the Scheme Implementation Deed 98
14. Additional information 102
15. Glossary of defined terms 114
Annexure A – Independent Expert's Report 119
Annexure B – Scheme of Arrangement 371
Annexure C – Deed Poll 385
Annexure D – Notice of Scheme Meeting 396

Reasons to vote in favour of or against the Scheme

Reasons to vote in favour of the Scheme

- The Merger will allow for NTM Shareholders to achieve immediate value realisation at an attractive premium, and an immediate and significant increase in the potential value of NTM's resources, particularly the near surface high grade mineralisation, via the ability to access Dacian's processing facilities. The Scheme Consideration of 1 New Dacian Share for every 2.7 NTM Shares held implies a value of approximately 14.1 cents per NTM Share (based on the 30 day VWAP for Dacian Shares up to and including 13 November 2020, being the last trading day prior to the Announcement Date) (**Implied Offer Value**), compared to:
    - the closing price on ASX of NTM Shares on 13 November 2020 of 8.8 cents, representing a premium of 60.23% to the Implied Offer Value;
    - the 5 day VWAP on ASX of NTM Shares up to and including 13 November 2020 of 10.01 cents, representing a premium of 40.86% to the Implied Offer Value; and
    - the 30 day VWAP on ASX of NTM Shares up to and including 13 November 2020 of 10.96 cents, representing a premium of 28.65% to the Implied Offer Value.
- On the Last Practicable Date, the closing price of Dacian Shares on ASX was 49.5 cents and the closing price of NTM Shares on ASX was 17 cents, such that the Scheme Consideration represents a premium of 7.84% to the closing price of NTM Shares at that date. The implied value of the Scheme Consideration will continue to fluctuate depending upon the price at which Dacian Shares trade on ASX.
- The NTM Directors believe that no other single deal within economically attractive distance will allow NTM to take maximum advantage of the resources currently defined within NTM's projects in an acceptable timeframe.
- NTM Shareholders will receive a significant shareholding in an established gold producer with ongoing exposure to the Redcliffe Gold Project. NTM Shareholders will hold a significant pro forma shareholding of 31.4% in the Combined Group.
- The Merger will result in a Combined Group Mineral Resource base of 45.4Mt @ 1.88g/t for 2.75Moz[7] (see Section 1.3 for full details) and:
    - will provide NTM with an immediate transition from an explorer to gold producer whilst retaining meaningful exposure to ongoing exploration success at the Redcliffe Gold Project; and
    - enables the Combined Group to accelerate and de-risk the potential future development of the Redcliffe Gold Project, subject to mining studies and approvals, by utilising Dacian's established infrastructure and operational expertise.
- As per NTM's announcement dated 16 November 2020, all NTM Directors and the two largest shareholders, Empire Resources Group (which held an interest in NTM of 13.7%[8] at the date

[7] This figure is the combined amount of NTM's Mineral Resource base (0.679Moz) and Dacian's Mineral Resource base (2.067Moz) and Ore Reserves (0.75Moz). Please refer to the Section titled 'Reasons to vote in favour of the Scheme' and Section 1.4 for further information. The combined 45.4Mt represents the aggregate of NTM's Mineral Resource base of 13.42Mt and Dacian's Mineral Resource base of 31.96Mt.

[8] Empire Resources Group and its Associates have since acquired additional NTM Shares, taking their total interest in NTM to 13.89% as at the date of this Scheme Booklet. Refer to Section 6.6 of this Scheme Booklet for further information. The initial 13.7% interest was the combined interest of Empire Resources Limited (holding 45,888,708 NTM Shares at 16 November 2020) and Kesli Chemicals Pty Ltd, Kesli Chemicals Pty Ltd ATF Ruane Super Fund and Tyson Resources Pty Ltd (together holding 47,859,376 NTM Shares at 16 November 2020). Empire Resources provided a statement of intention letter in respect of its interest, and Kesli Chemicals Pty Ltd, Kesli Chemicals Pty Ltd ATF Ruane Super Fund and Tyson Resources Pty Ltd provided a joint statement of intention letter in respect of their combined interest.

of the announcement) and DGO Gold (which held an interest in NTM of 13.6%[9] at the date of the announcement), representing a combined voting interest of 32.9%[10] (as at the date of the announcement) intend to vote their respective NTM Shares (noted in the announcement) in favour of the Scheme, in the absence of a Superior Proposal.

- NTM Shareholders will receive exposure to an improved market rating and enhanced liquidity of the Combined Group, broader research coverage, enhanced scale and market positioning and potential future inclusion in relevant gold and ASX indices.
- The Combined Group will be lead by a strengthened Board and management team, comprising knowledge and experience of both Dacian and NTM.
- The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders.
- No Superior Proposal has emerged as at the date of this Scheme Booklet.
- Scheme Participants may be eligible for CGT rollover relief.
- The NTM Directors have unanimously recommended[11] that NTM Shareholders vote in favour of the Scheme in the absence of a Superior Proposal.

These reasons are discussed in more detail in Section 1.

Reasons why you may choose to vote against the Scheme

- You may disagree with the opinion of the Independent Expert and the recommendation of the NTM Directors.
- Your percentage interest in the Combined Group will be less than your current interest in NTM.
- The risk profile of the Combined Group will be different to that of NTM's, which you may consider to be disadvantageous to you relative to the risk profile of the current NTM business.
- You may consider that there is the potential for a Superior Proposal to emerge for NTM in the foreseeable future. However, since the Announcement Date and up to the date of this Scheme Booklet, no other proposal has been received, nor are the NTM Directors aware of any such intention of a party to make such a proposal.
- The exact value of the Scheme Consideration upon implementation of the Scheme is not certain.
- The tax consequences of the Scheme may not suit your current financial position.

These reasons are discussed in more detail in Section 2.

[9] DGO Gold and its Associates have since acquired additional NTM Shares, taking their total interest in NTM to 19.71% as at the date of this Scheme Booklet. Refer to Section 6.6 of this Scheme Booklet for further information.

[10] Following the acquisitions of additional NTM Shares by Empire Resources Limited, DGO Gold and the NTM Directors (and their respective Associates), the total combined interest is 39.22%. Refer to Sections 6.6 and 6.7 of this Scheme Booklet for further information.

[11] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

Overview of this document

What is the proposal?

Dacian Gold Limited (**Dacian**) has made a proposal to acquire all of the Shares in NTM Gold Limited (**NTM**) by way of the Scheme.

Dacian and NTM have agreed to implement the Scheme proposal under a procedure set out in the Corporations Act called a scheme of arrangement. This is a Court-supervised process under which NTM Shareholders have the opportunity to vote for or against the proposed Scheme and if the Scheme is approved by the Court then the Scheme will be binding on NTM and the NTM Shareholders.

If the Scheme is approved by NTM Shareholders and by the Court, subject to satisfaction or waiver of the Scheme Conditions:

- Dacian will acquire all of the NTM Shares in exchange for the Scheme Consideration (being 1 New Dacian Share for every 2.7 NTM Shares held) to be provided to the Scheme Participants, and NTM will become a wholly-owned subsidiary of Dacian;
- all existing NTM Options will be cancelled pursuant to the Option Cancellation Deed in exchange for the grant of 22,222,222 Dacian Options; and
- all existing NTM Performance Rights will convert into NTM Shares prior to the Record Date so that the NTM Shares issued on exercise will be exchanged for New Dacian Shares under the Scheme.

If the Scheme is not approved, the Merger will not proceed and NTM will continue to operate as a stand-alone entity, listed on the ASX.

What is this document for?

The Scheme is subject to the approval of NTM Shareholders. This Scheme Booklet contains information relevant to the decision of NTM Shareholders as to whether to vote for or against the Scheme.

The Scheme Meeting to consider the Scheme will be held at **the Celtic Club, 48 Ord Street, West Perth, Western Australia at 11:00am (WST)** on **3 March 2021**.

Why should you vote?

As a NTM Shareholder, you have a say in whether the Scheme is implemented or not – **this is your opportunity to play a role in deciding the future of the company in which you have a stake**.

Is the Scheme in the best interests of NTM Shareholders?

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders.

The NTM Directors unanimously recommend[12] that, in the absence of a Superior Proposal and on the basis that the Independent Expert maintains its opinion that the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders, NTM Shareholders vote in favour of the Scheme.

[12] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

Before making a decision about the Scheme, NTM Shareholders should read this Scheme Booklet in its entirety and if you are in doubt about what action you should take, contact your professional adviser. For further details regarding the recommendation of the NTM Directors, please refer to Section 5.4.

What you should do next:

Step 1: Read this document in full

You should read and carefully consider the information included in this Scheme Booklet in full to help you make an informed decision as to how to vote in relation to the Scheme. If you have any doubt as to what action you should take, please contact your financial, legal, taxation or other professional adviser immediately.

Step 2: Vote on the Scheme

As a NTM Shareholder, it is your right to vote on whether the Scheme should be approved, and therefore, whether the Scheme should proceed. You should note that the Scheme is subject to the Scheme Conditions. Even if NTM Shareholders approve the Scheme, it is possible that the Scheme will not be implemented if the other Scheme Conditions have not been satisfied.

You can vote in person at the Scheme Meeting scheduled for **11:00am (WST)** on **3 March 2021**, or by returning a validly completed proxy voting form by not later than **4:00pm (WST)** on **1 March 2021**. Full details of how to vote are set out in pages 11 to 12 of this document.

For further information

If you have any questions after reading this document, please call the Company Secretary of NTM, Mr Mark Maine on +61 (08) 9481 6666 or by email at mmaine@ntmgold.com.au.

Important dates and times

Key events and the expected timing in relation to the approval and implementation of the Scheme are set out in the table below.

Event	Date
Latest time and date for lodgement of completed proxy forms for the Scheme Meeting	4:00pm (Perth time) on 1 March 2021
Time and date for determining eligibility to attend and vote at the Scheme Meeting	4:00pm (Perth time) on 1 March 2021
Scheme Meeting to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia	11:00am (Perth time) 3 March 2021
If the Scheme is approved by the Requisite Majority of NTM Shareholders, the expected timetable for implementing the Scheme is:	
Second Court Date for approval of the Scheme	5 March 2021
Effective Date of the Scheme and last day of trading of NTM Shares on ASX	8 March 2021
Suspension of trading of NTM Shares on ASX	Close of trading on 8 March 2021
Record Date for determining entitlements to the Scheme Consideration	4.00pm (Perth time) 10 March 2021
Implementation Date for the issue of Scheme Consideration to Scheme Shareholders	15 March 2021
Termination of official quotation of NTM Shares on ASX	5pm (Perth time) on 15 March 2021 (or as otherwise determined by ASX)

The above dates and times are indicative only and, amongst other things, are subject to the time at which each Scheme Condition is satisfied and the dates on which all necessary Court and regulatory approvals are obtained. NTM has the right to vary any or all of these dates and times, subject to the approval of such variation by ASX, the Court and Dacian, where required.

Any variation to the above dates and times will be announced to ASX (and accordingly, details of any variations will be available on ASX's website (www.asx.com.au)) and will be published on NTM's website (www.ntmgold.com.au).

Letter from NTM

28 January 2021

Dear NTM Shareholder

On 16 November 2020, NTM Gold Ltd (**NTM**) announced a proposal to merge with Dacian Gold Limited (**Dacian**) by way of a scheme of arrangement under Part 5.1 of the Corporations Act pursuant to which Dacian would acquire all of the issued shares in NTM. NTM Shares will be exchanged by Dacian at a ratio of 2.7 NTM Shares for every 1 Dacian Share.

The implementation of the Scheme is subject to a number of conditions, including the approval of NTM Shareholders and the Court.

Your Directors believe that the Scheme is in the best interests of NTM Shareholders. The Directors unanimously recommend[13] that you vote in favour of the Scheme in the absence of a Superior Proposal.

The key reasons for your Directors' recommendation of the Scheme are set out in Section 1.1 of this Scheme Booklet. In particular:

- the close proximity and consequent synergy benefits of NTM's and Dacian's assets;
- the time and funding requirements for NTM to gain sufficient critical mass for the Redcliffe Gold Project to be a standalone operation;
- the advantages to NTM from gaining access to Dacian's processing facility to enable the development of the Redcliffe Gold Project;
- immediate exposure to gold production;
- the advantages to NTM Shareholders associated with a being part of a larger company with a higher level of liquidity; and
- a significantly larger exploration asset base and broader opportunity within the region and scope for discovery.

Each NTM Director intends to vote the NTM Shares that they own or control at the time of the Scheme Meeting (if any), and will direct any NTM proxies placed at their discretion, in favour of the Scheme in the absence of a Superior Proposal. The Independent Expert, BDO, has concluded that the Scheme is **fair and reasonable** to NTM Shareholders and therefore is in the best interests of NTM Shareholders, in the absence of a Superior Proposal.

The full report of the Independent Expert (including a technical specialist report prepared by SRK Consulting) is set out in **Annexure A**.

Your Directors consider that there is a compelling rationale for the Scheme, however, there are some possible disadvantages and risks relating to the Scheme (see Section 2), specifically:

- you may disagree with the opinion of the Independent Expert and the recommendation of the NTM Directors;
- your percentage interest in the Combined Group will be less than your current interest in NTM;

[13] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

- the risk profile of the Combined Group will be different to that of NTM's, which you may consider to be disadvantageous to you relative to the risk profile of the current NTM business;

- you may consider that there is the potential for a Superior Proposal to emerge for NTM in the foreseeable future. However, since the Announcement Date and up to the date of this Scheme Booklet, no other proposal has been received, nor are the NTM Directors aware of any such intention of a party to make such a proposal;

- the exact value of the Scheme Consideration upon implementation of the Scheme is not certain; and

- the tax consequences of the Scheme may not suit your current financial position.

The possible reasons not to vote for the Scheme are set out in Section 2 of this Scheme Booklet. I encourage you to read this Scheme Booklet (including the report of the Independent Expert) carefully in full and, if required, to seek your own legal, financial or other professional advice.

At the Scheme Meeting, shareholders will be asked to approve the Scheme. The Scheme Meeting will be held at **the Celtic Club, 48 Ord Street, West Perth, Western Australia, on 3 March 2021 commencing at 11:00am (Perth Time)**.

Your vote is important. I strongly encourage you to vote either by attending the scheme meeting in person or by completing and returning the accompanying Proxy Form so that it is received at the address shown on the Proxy Form by **4:00pm (Perth Time)** on **1 March 2021**.

Shareholders who have any questions relating to the Scheme should contact NTM on +61 8 9481 6666, between 9:00am and 5:00pm (Perth, Australia time) Monday to Friday.

Yours sincerely,

Edward (Ted) van Heemst
Non-Executive Chairman
NTM Gold Limited

Letter from Dacian

28 January 2021

Dear NTM Shareholder,

The Dacian Board and management are pleased to provide you with the opportunity to participate in the Scheme which will see the creation of a stronger, larger and more diversified company.

The Scheme has been unanimously recommended[14] by the NTM Board and each NTM Director has also indicated that they intend to vote their shares in favour of the Scheme, in both instances in the absence of a Superior Proposal. The Independent Expert, BDO, has also concluded that the Scheme is fair and reasonable to NTM Shareholders and therefore is in the best interests of NTM Shareholders, in the absence of a Superior Proposal.

By combining NTM and Dacian, you, as a shareholder of NTM, now have the opportunity to gain exposure to Dacian's assets, and as a shareholder in the Combined Group, will benefit from:

- exposure to an established gold producer with a robust operating outlook and a strengthened financial position to rapidly advance NTM's project pipeline;
- leveraging of Dacian's significant operational expertise and processing infrastructure, realising reduced capital expenditure synergies;
- highly prospective land holding position in the Leonora-Laverton District at the Mt Morgans Gold Operation with a sizeable combined Mineral Resource base of 2.75Moz and an Ore Reserve of 0.75Moz[15]; and
- significant combined pipeline of exploration and development opportunities with potential to expand and grow current production, Mineral Resources and mine life.

Dacian is focused on delivering value for all its shareholders, both existing and future, and is pleased to welcome Mr Eduard Eshuys to the board of the Combined Group, to work to make this a reality.

We are optimistic that the combination of NTM and Dacian into the Combined Group will benefit all stakeholders. We believe that combining NTM and Dacian will add value and create benefits for shareholders, employees and communities engaged with the Combined Group.

This Scheme Booklet provides detailed information about the Scheme, including the reasons for NTM Shareholders to vote in favour of, or against, the Scheme, and the risks of holding Dacian Shares (refer to Sections 1, 2 and 10 in particular). NTM Shareholders are encouraged to read this Scheme Booklet carefully.

It is our pleasure to invite you to participate in this opportunity and we look forward to your vote in favour of the Scheme at the Scheme Meeting either in person at the meeting or by proxy or representative. Assuming the Scheme is approved and successfully implemented, we also look forward to welcoming you as a shareholder of the Combined Group.

[14] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

[15] This figure is the combined amount of NTM's Mineral Resource base (0.679Moz) and Dacian's Mineral Resource base (2.067Moz) and Ore Reserves (0.75Moz). Please refer to the Section titled 'Reasons to vote in favour of the Scheme' and Section 1.4 for further information.

Yours sincerely,

Ian Cochrane
Non-Executive Chairman
Dacian Gold Limited

Meeting details and how to vote

Voting on Scheme

For the Scheme to be implemented, it is necessary that the Requisite Majority of NTM Shareholders vote in favour of passing the resolution to approve the Scheme at the Scheme Meeting.

To pass the resolution approving the Scheme, votes in favour of the Scheme must be cast by:

- more than 50% in number of NTM Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a corporation, by corporate representative); and
- at least 75% of the total number of votes cast on the Scheme Resolution by NTM Shareholders.

Voting at the Scheme Meeting will be by poll rather than by show of hands.

The Notice of Scheme Meeting is set out in Annexure D.

Entitlement to vote

If you are registered as a NTM Shareholder on the NTM Share Register as at **4:00pm (Perth Time) on 1 March 2021** you will be entitled to attend the Scheme Meeting and vote on the resolution to approve the Scheme. Registrable transfers or transmission applications received after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

Dacian excluded from voting

Dacian is excluded from voting on the Scheme by reason of the fact that it is the proponent of the Scheme. As at the date of the Scheme Booklet, neither Dacian nor any of its Associates hold any NTM Shares.

How to vote

NTM Shareholders may vote at the Scheme Meeting either in person, or by proxy, attorney or, in the case of a corporation, by corporate representative.

Means	Voting instructions
In Person	If you wish to vote in person, you may attend the Scheme Meeting commencing at **11:00am (Perth Time) on 3 March 2021** at **the Celtic Club, 48 Ord Street, West Perth, Western Australia**. All persons entitled to vote must register their attendance by disclosing their name at the point of entry to the Scheme Meeting. You (or your proxy, corporate representative or attorney) may also attend the Scheme Meeting through an online platform. To attend the Scheme Meeting online: (a) go to http://web.lumiagm.com (Meeting ID - 376-594-502); and (b) login with your username and password or click "register" if you haven't already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting. NTM Shareholders and their proxies will be able to vote on the resolution directly through the online platform at any time between the commencement of the Scheme Meeting and the closure of voting as announced by the chair during the Scheme Meeting.
By Proxy	You may vote by proxy by completing and returning the personalised proxy form that is provided with this Scheme Booklet. The completed and duly executed proxy form for the Scheme Meeting (and if the proxy form is executed by an attorney, a certified copy of the power of attorney)

Means	Voting instructions
	must be received by Computershare (NTM's share registry) by no later than **4:00pm (Perth Time) on 1 March 2021**. A completed proxy form must be returned to Computershare by posting it in the reply paid envelope (if a printed copy is requested) provided (for use in Australia) or by delivering or faxing your proxy form to the address or fax number set out on page 12 of this Scheme Booklet. NTM Shareholders who have returned a proxy form may still attend the Scheme Meeting in person and revoke the proxy and vote at the Scheme Meeting. A proxy need not be a NTM Shareholder. A proxy may be an individual or a representative of a body corporate. If you are entitled to cast two or more votes, you may appoint two proxies. You may specify the proportion or the number of votes that each proxy is appointed to exercise. If numbers or proportions of votes are not specified, each proxy may exercise half of the votes you are entitled to cast. Fractions of votes will be disregarded.
By Power of Attorney	Your vote may be cast by a duly authorised attorney. An attorney need not be a NTM Shareholder. NTM Shareholders intending to vote at the Scheme Meeting by providing a power of attorney must provide a certified copy of the power of attorney to Computershare by no later than **4:00pm (Perth Time) on 1 March 2021**. The power of attorney must be delivered by posting it in the reply paid envelope (if a printed copy is requested) provided (for use in Australia) or by faxing it to the address or fax number provided on page 12. Alternatively, the attorney may bring a certified copy of the power of attorney to the Scheme Meeting.
By Corporate Representative	A NTM Shareholder that is a body corporate may appoint an individual to act as its representative at the Scheme Meeting. To vote by corporate representative at the Scheme Meeting, a corporate NTM Shareholder should obtain an "Appointment of Corporate Representative" form from Computershare and complete that form in accordance with its instructions. Corporate representative appointment forms should be provided to Computershare by no later than **4:00pm (Perth Time) on 1 March 2021**, or alternatively brought to the Scheme Meeting.

Address for return of voting forms

NTM Shareholders should mail or fax their proxy forms, power of attorney forms to Computershare (NTM's share registry) at the following address or fax number:

By Mail: Computershare Investor Services Pty Limited
GPO Box 1282
Melbourne Victoria 3001
AUSTRALIA.

Online www.investorvote.com.au

Fax: 1800 783 447 (within Australia)
+61 (03) 9473 2555 (outside Australia).

Proxy forms, power of attorney forms and corporate representative forms must be received by **4:00pm (Perth Time) on 1 March 2021**.

Alternatively, NTM Shareholders can vote using one of the following methods by **4:00pm (Perth Time) on 1 March 2021**:

Online: at www.investorvote.com.au

By Mobile: Scan the QR Code on your Proxy form and follow the prompts.
Custodian Voting: For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Questions on this Scheme Booklet

NTM Shareholders with any questions in relation to the Scheme, should call the Company Secretary of NTM on +61 (08) 9481 6666 between 9.00am and 5.00pm, Monday to Friday, or consult their legal, financial or other professional adviser.

1. Key reasons to vote in favour of the Scheme[16]

This Section summarises the key reasons why the NTM Directors recommend that NTM Shareholders vote in favour of the Scheme.

This Section should be read in conjunction with Sections 2, 3 and 10, which describe the disadvantages and risks associated with the Scheme; implications if the Scheme does not proceed; and risk factors associated with an investment in New Dacian Shares.

1.1 The NTM Directors unanimously recommend that NTM Shareholders vote in favour of the Scheme in the absence of a Superior Proposal

Before agreeing to implement the Scheme in accordance with the Scheme Implementation Deed between Dacian and NTM, the NTM Directors considered:

- the close proximity and consequent synergy benefits of NTM's and Dacian's assets;
- uncertainty, time and funding requirements for NTM to gain sufficient critical mass for the Redcliffe Gold Project to be a standalone operation;
- the advantages to NTM from gaining access to Dacian's processing facility;
- immediate exposure to gold production, with flow through benefit to the development of the Redcliffe Gold Project;
- the advantages to NTM Shareholders associated with a being part of a larger company with a higher level of liquidity;
- a significantly larger exploration asset base broader opportunity within the region and scope for discovery;
- the ongoing review of possible corporate options to facilitate the development of Redcliffe Gold Project;
- the potential for alternative Superior Proposals to arise after the announcement of the Merger between NTM and Dacian. No Superior Proposal has emerged as at the Date of this Scheme Booklet.

The NTM Directors consider that the reasons to vote in favour of the Scheme outweigh the potential disadvantages and reasons to vote against the Scheme. Therefore, the NTM Directors unanimously recommend that, in the absence of a Superior Proposal, NTM Shareholders vote in favour of the Scheme.

As per NTM's announcement dated 16 November 2020, all NTM Directors and the two largest shareholders, Empire Resources Group (which held an interest in NTM of 13.7%[17] at the date of the announcement) and DGO Gold (which held an interest in NTM of 13.6%[18] at the

[16] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

[17] Empire Resources Group and its Associates have since acquired additional NTM Shares, taking their total interest in NTM to 13.89% as at the date of this Scheme Booklet. Refer to Section 6.6 of this Scheme Booklet for further information. The initial 13.7% interest was the combined interest of Empire Resources Limited (holding 45,888,708 NTM Shares at 16 November 2020) and Kesli Chemicals Pty Ltd, Kesli Chemicals Pty Ltd ATF Ruane Super Fund and Tyson Resources Pty Ltd (together holding 47,859,376 NTM Shares at 16 November 2020). Empire Resources provided a statement of intention letter in respect of its interest, and Kesli Chemicals Pty Ltd, Kesli Chemicals Pty Ltd ATF Ruane Super Fund and Tyson Resources Pty Ltd provided a joint statement of intention letter in respect of their combined interest.

[18] DGO Gold and its Associates have since acquired additional NTM Shares, taking their total interest in NTM to 19.71% as at the date of this Scheme Booklet. Refer to Section 6.6 of this Scheme Booklet for further information.

date of the announcement), representing a combined voting interest of 32.9%[19] (as at the date of the announcement) intend to vote their respective NTM Shares (noted in the announcement) in favour of the Scheme, in the absence of a Superior Proposal.

The decision of the NTM Directors to recommend the Merger follows an assessment of strategic options for NTM over the past four months in regard to various corporate, asset and financial options available to NTM to enhance value for NTM Shareholders. The NTM Directors consider that the Scheme will deliver greater benefits to NTM Shareholders than any other alternative currently available, including NTM continuing as a standalone entity.

Now that the Independent Expert has concluded that the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders, each NTM Director intends, in the absence of a Superior Proposal, to vote to approve the Scheme in respect of any NTM Shares they own or control.

1.2 A transaction that delivers high-value Mineral Resources within haulage distance to the Mt Morgans Gold Operation and extend mine life

The Merger aligns with Dacian's corporate strategy to become an established mid-tier gold producer, leveraging the existing Mt Morgans Gold Operation to deliver growth through exploration, development and regional consolidation.

Dacian's current operating outlook envisions a current production rate of 110,000-120,000oz for FY2021 and 100,000-110,000oz for FY2022 and FY2023, which the Combined Group will seek to grow and extend from NTM's Mineral Resource's and the Combined Group's exploration portfolio[20].

As the Redcliffe Gold Project lies within a 100km radius of Dacian's Mt Morgans Gold Operations, the Merger allows for the strategic consolidation of the shallow, high-grade Mineral Resources at NTM's Redcliffe Gold Project with a Mineral Resource Estimate of 13.4Mt @ 1.57g/t for 679koz.

1.3 Merger ratio is consistent with the relative market capitalisations for the two companies prior to the announcement of the Merger

The Scheme Consideration of 1 New Dacian Share for every 2.7 NTM Shares held implies a value of approximately 14.1 cents per NTM Share (based on the 30 day VWAP for Dacian Shares up to and including 13 November 2020, being the last trading day prior to the Announcement Date), compared to:

- the closing price on ASX of NTM Shares on 13 November 2020 of 8.8 cents, representing a premium of 60.23% to the Implied Offer Value;
- the 5 day VWAP on ASX of NTM Shares up to and including 13 November 2020 of 10.01 cents, representing a premium of 40.86% to the Implied Offer Value; and
- the 30 day VWAP on ASX of NTM Shares up to and including 13 November 2020 of 10.96 cents, representing a premium of 28.65% to the Implied Offer Value.

On the Last Practicable Date, the closing price of Dacian Shares on ASX was 49.5 cents and the closing price of NTM Shares on ASX was 17 cents, such that the Scheme Consideration represents a premium of 7.84% to the closing price of NTM Shares at that date. The implied

[19] Following the acquisitions of additional NTM Shares by Empire Resources Limited, DGO Gold and the NTM Directors (and their respective Associates), the total combined interest is 39.22%. Refer to Sections 6.6 and 6.7 of this Scheme Booklet for further information.

[20] Please refer to Dacian's ASX announcement titled 'Operations and Corporate Update' dated 13 July 2020 and its 2020 Annual Report (page 7) for further information. NTM confirms that prior to entering into the Scheme Implementation Deed, and as part of its due diligence investigations into Dacian, NTM commissioned technical experts to undertake a review of Dacian's resource and reserve position and Dacian's mine plan. That due diligence did not reveal any new information that would affect Dacian's ability to meet its production guidance.

value of the Scheme Consideration will continue to fluctuate depending upon the price at which Dacian Shares trade on ASX.

1.4 The Merger creates a company with operational diversity and flexibility with additional optimisation opportunities

The Merger will create a significant emerging ASX-listed Australian gold company with exposure to a large and diversified gold exploration and development project portfolio in Western Australia, with a significant JORC 2012 compliant Mineral Reserve and Resource inventory and considerable exploration upside.

The Merger will create the opportunity to:

- diversify production at Mt Morgans Gold Operation via the potential to source material from a number of Redcliffe deposits (subject to mining studies and approvals) for processing at the Mt Morgans plant, thereby creating operating flexibility and potentially reducing risk of a single source operation; and

- enhance and extend Dacian's existing mine plan given the presence of high-grade, shallow oxide mineralisation such as at the Hub and GTS deposits.

In addition, the Merger creates the potential:

- for mine life extensions at Mt Morgans Gold Operation via the possible addition of material from the Redcliffe deposits, subject to completion of studies and approvals;

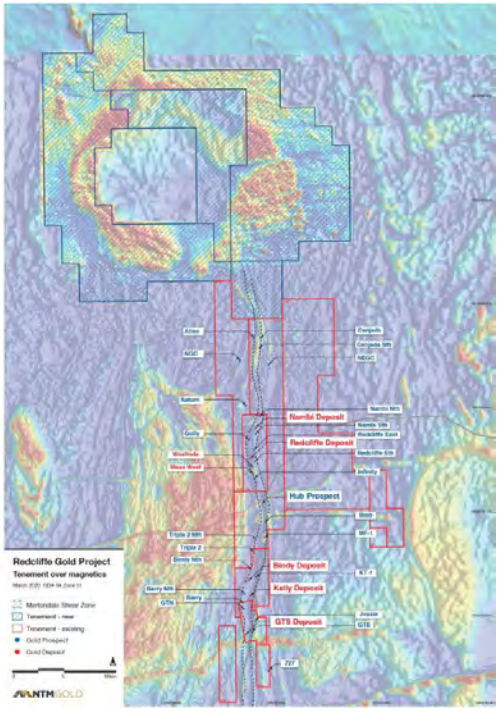
- to realise the full potential of the Combined Group's Mineral Resource base of 45.4Mt @ 1.88g/t for 2.75Moz[21]; and

- to optimise the Redcliffe Gold Project's grade profile, highlighted by the 50%+ increase in Mineral Resource average grade from 1.57g/t to 2.40g/t by lifting the cut-off grade by 0.5g/t to 1.0g/t (except for the Hub deposit).

The Combined Group will have the following key operations:

- **Redcliffe Gold Project**: NTM's 100% owned Redcliffe Gold Project is located 45-60km northeast of Leonora in the Eastern Goldfields Region of Western Australia. The Redcliffe Gold Project area comprises over 720 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.

[21] This figure is the combined amount of NTM's Mineral Resource base (0.679Moz) and Dacian's Mineral Resource base (2.067Moz) and Ore Reserves (0.75Moz). Please refer to the Section titled 'Reasons to vote in favour of the Scheme' for further information. The combined 45.4Mt represents the aggregate of NTM's Mineral Resource base of 13.42Mt and Dacian's Mineral Resource base of 31.96Mt.

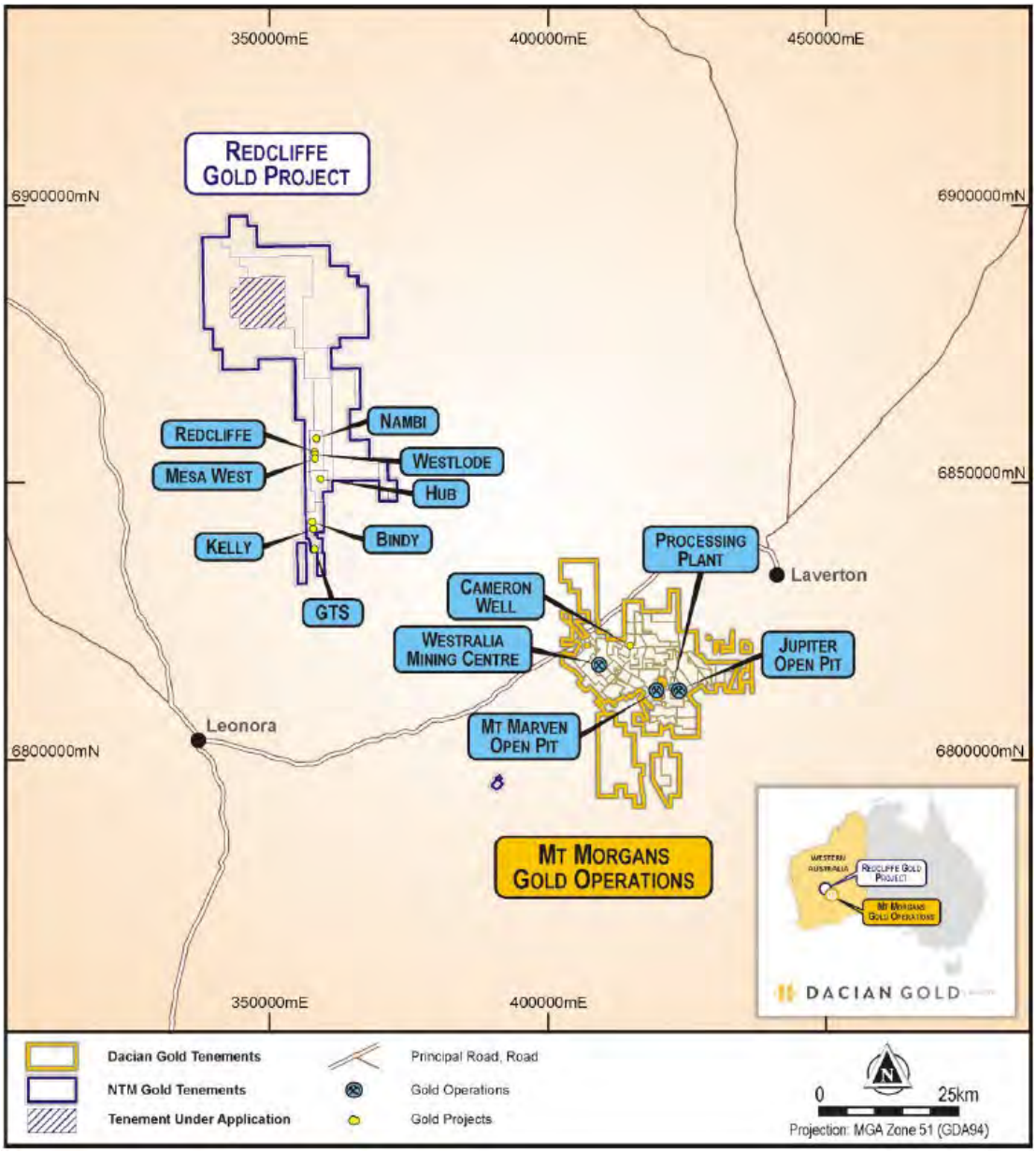


During the previous financial year, NTM undertook a substantial amount of drilling with a number of programs across the Recliffe Gold Project. NTM completed 641 drill holes for 53,575m. Of this, the vast majority was aircore drilling, with 519 holes completed for 34,411m, followed by reverse circulation drilling, with 105 holes for 16,699m, with the remainder diamond drilling.

NTM also completed a maiden Mineral Resource Estimate for Hub, undertook preliminary recovery test work for Hub, and significantly expanded the Redcliffe Gold Project via the acquisition of a large tenement package.

- **Mt Morgans Gold Operation**: Dacian's Mt Morgans Gold Operation is located 25km west of Laverton and approximately 750km north-east of Perth in Western Australia. Dacian maintains significant infrastructure at the Mt Morgans Gold Operation, centred around its 2.5Mtpa processing plant, producing open pit mines, and numerous underground and open pit development projects.

  The Mt Morgans Gold Operation is a 608km² tenement package comprising predominantly granted mining leases. It is situated amongst numerous multi-million ounce gold mines with a highly prospective tenement position.



The combination of NTM's Redcliffe Gold Project and Dacian's advanced Mt Morgans Gold Operation gives the Combined Group the opportunity to leverage its increased scale to drive operational efficiencies and pursue further value-accretive growth opportunities.

The NTM Directors believe that the Combined Group will benefit from an improved risk profile resulting from the increased breadth of the asset portfolio with greater operational and geographic diversification.

1.5 Significant shareholding in an established gold producer with ongoing exposure to the Redcliffe Gold Project

NTM Shareholders will collectively hold approximately 31.4% of the Combined Group immediately following the successful implementation of the Scheme.[22]

The Scheme provides NTM with an immediate transition from an explorer to gold producer whilst retaining meaningful exposure to ongoing exploration success at the Redcliffe Gold Project. In addition, the Merger enables the Combined Group to accelerate and de-risk the potential future development of the Redcliffe Gold Project, subject to mining studies and approvals, by utilising Dacian's established infrastructure and operational expertise.

[22] Assuming there are no Ineligible Foreign Shareholders and that Dacian does not acquire any NTM Shares outside of the Scheme.

1.6 The Combined Group will have increased market presence, greater liquidity and enhanced financial strength enabling it to better develop its existing projects, pursue a continued gold consolidation strategy and assess further opportunities in the Leonora-Laverton District.

If the Scheme proceeds, you will benefit by receiving shares in the Combined Group that are expected to be substantially more liquid than NTM Shares on a stand-alone basis.

Based on the closing price of NTM Shares and Dacian Shares on the last trading day prior to the Announcement Date, the Combined Group will have a pro forma market capitalisation of approximately $283.98 million[23]. The exact market capitalisation of the Combined Group following implementation of the Scheme may be higher or lower than this number, dependent on the price at which Dacian Shares trade on ASX after the Implementation Date.

The Combined Group's strengthened balance sheet, increased asset suite, larger resource base and increased market capitalisation is expected to raise the profile of the Combined Group in capital markets and widen the range of potential investors for the Combined Group. This in turn is expected to result in increased coverage of the Combined Group's operations by analysts and enhance the liquidity of shares in the Combined Group.

The Merger will leverage Dacian's processing infrastructure and operations in the region. This will strengthen the financial position of the Combined Group and allow NTM Shareholders to realise significant capital expenditure synergies by leveraging Dacian's recently constructed 2.5Mtpa processing facilities (with achieved throughput of 2.9Mtpa), resulting in rapid integration of NTM's Redcliffe Gold Project into Dacian's Mt Morgans Gold Operations.

Following the Scheme, there will be a significant combined pipeline of exploration and development opportunities. The Combined Group will have a highly prospective land position of over 1,300km^2 in the Leonora-Laverton District with a significant organic growth pipeline of advanced exploration targets and Mineral Resource growth opportunities, with strong cash flows supporting the discovery and delineation of potential future production sources.

NTM's exploration personnel will transition to the Combined Group, maintaining a continued and comprehensive knowledge base on the Redcliffe Gold Project.

1.7 The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders

BDO Corporate Finance (WA) Pty Ltd, as Independent Expert, has considered the terms of the Scheme and has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders.

The Scheme is considered fair because the Independent Expert has determined that the preferred value of 1 New Dacian Share to be received by NTM Shareholders as Scheme

[23] Based on 811,363,817 Dacian Shares on issue post-Scheme, and using the VWAP for Dacian Shares for the 30 day period up to and including 13 November 2020, being the last trading day prior to the Announcement Date.

Consideration (being $0.316[24]) is greater than the value of 2.7 NTM Shares prior to the implementation of the Scheme (being a low of $0.132 and a high of $0.251).

The Scheme is considered reasonable by the Independent Expert because the position of NTM Shareholders if the Scheme is approved is more advantageous than the position if the Scheme is not approved.

In addition, the Independent Expert has concluded that the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders because:

(a) the Scheme provides NTM Shareholders with exposure to a producing mine;

(b) the Combined Group may be able to utilise NTM's resource to increase production and extend the life of mine of its Mt Morgans Gold Operation;

(c) the Scheme will create an enlarged group and re-rating as a mid-tier gold producer;

(d) the Scheme creates a group with a stronger balance sheet;

(e) the Scheme allows exposure to a more diversified suite of assets and;

(f) Shareholders are not foregoing the opportunity to receive a control premium in the future.

The Independent Expert's Report is set out in Annexure A to this Scheme Booklet. The NTM Directors recommend[25] that NTM Shareholders read the Independent Expert's Report in full.

1.8 No Superior Proposal has emerged as at the Date of this Scheme Booklet

In deciding to recommend the Merger, the NTM Directors were cognisant of other potential alternatives to the Merger which remain open for NTM to consider if the Merger does not proceed. However, in exploring alternatives, no Superior Proposals have emerged. It therefore remains the view of the NTM Directors that it is unlikely that a Superior Proposal will transpire. However, any offer capable of acceptance will be considered and put to NTM Shareholders should it emerge.

1.9 Scheme Participants may be eligible for CGT rollover relief

If the Scheme is implemented, Scheme Participants may benefit from Australian CGT rollover relief, provided they qualify. Notwithstanding, you are urged to seek professional taxation advice in relation to your own personal circumstances.

For further detail regarding the general Australian tax consequences of the Scheme, please refer to Section 11 of this Scheme Booklet. Taxation laws in Australia are complex and you are encouraged to read Section 11 carefully and seek independent professional advice about your individual circumstances.

[24] Value of a New Dacian Share to be received by NTM Shareholders as consideration under the Scheme, on a minority interest basis, as detailed at section 2.4 of the Independent Expert's Report.

[25] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

2. Reasons why you may choose to vote against the Scheme

This Section summarises the potential disadvantages and risks to NTM Shareholders if the Scheme becomes Effective and the Merger occurs.

The NTM Directors consider that these disadvantages and risks are out-weighed by the advantages of the Scheme (as set out in Section 1), and that the Scheme is in the best interests of NTM Shareholders.

Further details of the following potential disadvantages and risks, and other potential risks, are set out in Section 10.

2.1 You may disagree with the recommendation by the Independent Expert and the NTM Directors

Notwithstanding the unanimous recommendation[26] by the NTM Directors, and the conclusion reached by the Independent Expert that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders, you may believe that the Scheme is not in your best interests or believe that the Scheme Consideration is inadequate.

2.2 Your percentage interest in the Combined Group will be less than your current interest in NTM

Although the Merger is expected to provide additional value through the combination of the two businesses, given the proportional shareholding of NTM Shareholders in the Combined Group (approximately 31.4%),[27] the larger portion of this value will flow to current Dacian Shareholders. However, while a larger share of the benefits will flow to Dacian's existing shareholders, in the absence of the Merger, no value from synergies will arise for NTM Shareholders.

2.3 The risk profile of the Combined Group will be different to NTM's which you may consider to be disadvantageous to you relative to the risk profile of the current NTM business

The risk profile and risk of investment for NTM Shareholders will change and you may consider the risk profile and risk of investment of the Combined Group, which includes risks relating to both the Dacian business and the NTM business, to be a disadvantage relative to that of NTM as a standalone entity.

The operations and financial performance of NTM, Dacian and/or the Combined Group and the change of a Scheme Participant's ownership of NTM Shares and New Dacian Shares are subject to various risks that are summarised in Section 10 of this Scheme Booklet and that may be beyond the control of NTM, Dacian and/or the Combined Group.

2.4 You may consider that there is the potential for a Superior Proposal to emerge for NTM in the foreseeable future

You may believe that there is a possibility that a Superior Proposal could emerge in the foreseeable future. The implementation of the Merger would mean that NTM Shareholders would not be able to obtain the benefit of any such Superior Proposal. However, since the Announcement Date and up to the date of this Scheme Booklet, no Superior Proposal has

[26] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

[27] The 31.4% figure assumes the Combined Group has a total of 811,363,817 Dacian Shares on issue following implementation of the Scheme, that there are no Inelig ble Foreign Shareholders and that Dacian does not acquire any NTM Shares outside of the Scheme.

been received, nor are the NTM Directors aware of any such intention of a party to make such a proposal.

It is important to note that shareholders in the Combined Group will still have an opportunity to realise a control premium in the event of any future change of control transaction for the Combined Group.

2.5 The exact value of the Scheme Consideration upon implementation of the Scheme is not certain

The exact value of the Scheme Consideration that would be realised by individual NTM Shareholders upon implementation of the Scheme is not certain, as it will depend on the price at which the New Dacian Shares trade on ASX.

The Scheme Consideration is fixed at a ratio of 1 New Dacian Share for every 2.7 NTM Shares held. This exposes NTM Shareholders to the risk that the effective value they receive for their NTM Shares may move adversely from the market value of the Scheme Consideration on the date of the Scheme Meeting. Alternatively, if there is an increase in the relative price of Dacian Shares then the effective value they receive for their NTM Shares may move favourably from the market value of the Scheme Consideration on the date of the Scheme Meeting.

In addition, the Sale Agent will be issued the New Dacian Shares that would otherwise be issued to Ineligible Foreign Shareholders and will sell them on market as soon as reasonably practicable after the Implementation Date (refer to Sections 5.7 to 5.8). Although the quantum of these sales is expected to be limited, it is possible that such sales may exert downward pressure on the Combined Group's share price during the applicable period.

2.6 The tax consequences of the Scheme may not suit your current financial position

If the Scheme is implemented, you may incur a tax liability on the transfer of your NTM Shares. Please refer to Section 11 for further information on the tax implications.

All NTM Shareholders are strongly advised to seek independent professional tax advice about their particular circumstances including, for foreign tax resident NTM Shareholders, the foreign tax consequences.

3. Implications if the Scheme is not implemented

This Section outlines potential implications for NTM and NTM Shareholders if the Scheme is not implemented.

3.1 You will not receive the Scheme Consideration

Each NTM Shareholder will retain their NTM Shares and will not receive any New Dacian Shares.

3.2 Future capital requirements to fund development of NTM's projects

If the Scheme is not implemented, then in order for NTM to develop or enhance its project portfolio, it would need to raise additional funds, which may include an equity issue. There can be no assurance that such funding will be available on satisfactory terms, or at all.

3.3 NTM will remain listed on ASX and continue to operate as a standalone entity

If the Scheme is not implemented, NTM will remain listed on ASX and will continue to run its business in the same manner in which it is currently operating. NTM Shareholders will therefore continue to be exposed to the risks and benefits of owning NTM Shares, including many of the risks set out in Section 10.

3.4 Transaction costs will be incurred

If the Scheme is not implemented, NTM's transaction costs of approximately $640,000 will be borne by NTM in addition to any potential Break Fee.

3.5 Uncertainty regarding the Merger may lead to the loss of key personnel

The Merger may introduce additional uncertainties that may lead to the loss of key staff. This will affect NTM operations, even if the Scheme does not proceed.

The NTM Directors and the Dacian Directors are not aware of any key employee who may wish to terminate their contractual arrangements with NTM at this time.

4. Frequently asked questions

This Section provides summary answers to some basic questions that NTM Shareholders may have in relation to the Scheme. This Section should be read in conjunction with the whole Scheme Booklet.

What is the Scheme?	A scheme of arrangement is a statutory procedure that is commonly used to enable one company to acquire or merge with another. The Scheme is a scheme of arrangement under the Corporations Act, pursuant to which NTM is asking NTM Shareholders to consider and vote on a proposal that Dacian will acquire all the NTM Shares held by NTM Shareholders as at the Record Date (4:00pm (Perth Time) on 10 March 2021. The Scheme will effect the Merger. If the Scheme is approved and implemented, NTM Shareholders (other than Ineligible Foreign Shareholders) will receive one New Dacian Share for every 2.7 NTM Shares they hold as at the Record Date. *Refer to Sections 5 and 12 for further information*.
What is the effect of the Scheme?	If the Scheme becomes Effective: • all NTM Shares will be transferred to Dacian; • NTM will become a wholly-owned subsidiary of Dacian and will be delisted from the ASX; • all Scheme Participants (other than Ineligible Foreign Shareholders) will receive the Scheme Consideration irrespective of whether they voted for or against the Scheme; and • Ineligible Foreign Shareholders will receive the Net Sale Proceeds instead of New Dacian Shares as their Scheme Consideration irrespective of whether they voted for or against the Scheme. *Refer to Sections 5.1 and 5.7 for further information*.
What does the Independent Expert say about the Scheme?	The Independent Expert has concluded that the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders. *The Independent Expert's Report set out in Annexure A to this Scheme Booklet and you are encouraged to read it in full.*
What do the NTM Directors recommend?	The NTM Directors unanimously recommend[28] that, in the absence of a Superior Proposal, NTM Shareholders vote in favour of the Scheme. Each NTM Director who holds or controls NTM Shares intends to vote in favour of the Scheme, in the absence of a Superior Proposal. *Refer to Sections 1 to 3 for further information on the reasons for the NTM Directors' recommendation.*
Who is entitled to participate in the Scheme?	NTM Shareholders on the NTM Share Register as at 4.00pm (Perth time) on the Record Date are entitled to participate in the Scheme. If the Scheme is approved and implemented, Scheme Participants (other than Ineligible Foreign Shareholders) will receive New Dacian Shares as their Scheme Consideration. Ineligible Foreign Shareholders will not receive New Dacian Shares, but will instead receive the Net Sale Proceeds as their Scheme Consideration after their proportional share of brokerage and other costs are deducted from the proceeds of New Dacian Shares sold under the Sale Facility. Dacian is excluded from voting on the Scheme by reason of the fact that it is the proponent of the Scheme. As at the date of the Scheme Booklet, neither Dacian nor any of its Associates hold any NTM Shares. *Refer to Sections 5.2 and 5.7 for further information.*

[28] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

What happens to NTM Options?	Pursuant to the Option Cancellation Deed, all existing NTM Options will be cancelled in exchange for the grant of New Dacian Options at a ratio of 1 New Dacian Option for every 2.7 NTM Options held. *Refer to Section 5.9 for further information.*
What happens to NTM Performance Rights?	NTM has a total of 2,500,000 NTM Performance Rights on issue, all held by Managing Director Mr Andrew Muir. Dacian has acknowledged and agreed that: • in accordance with their terms, the existing NTM Performance Rights will vest and convert into NTM Shares on a one for one basis on the Scheme becoming Effective; and • the NTM Shares issued on vesting will be exchanged for New Dacian Shares under the Scheme. *Refer to Section 5.10 for further information.*
Who is Dacian?	Dacian Gold Limited (ASX:DCN) is an ASX listed Western Australian based gold producer, focussed on a sustainable production profile and organic growth focus from its highly prospective land package in Western Australia. *Refer to Section 7 for further information.*
Why has the transaction been structured as a scheme of arrangement?	Effecting the transaction via the Scheme is believed to be the most efficient structure to implement the Merger and also reflects the co-operative nature of the Merger. *Refer to Sections 1 and 2 for the key reasons to vote in favour of the Scheme and the reasons why you may choose to vote against the Scheme respectively.*
What is the timetable of the transaction?	The Scheme Meeting is currently scheduled to be held at **11:00am (Perth Time) on 3 March 2021**. If NTM Shareholders approve the Scheme and Court approval is obtained, the Merger is expected to be implemented on 15 March 2021. This is based on the current scheduled timetable of key dates as set out on page 6 of this Scheme Booklet, which is subject to possible change. *Refer to the important dates and times on page 6 of this Scheme Booklet for further information.*
Under what scenarios can NTM or Dacian terminate the transaction?	The Scheme Implementation Deed provides for situations where either NTM or Dacian have the right to terminate it and the Merger. These include the Scheme not being approved by the Requisite Majority of NTM Shareholders, the Court refusing to approve the Scheme and if the remainder of the Scheme Conditions are not satisfied by the relevant time. *Refer to Section 13.6 for further information.*
What happens if the Scheme is not approved?	If the Scheme is not approved, the Merger will not proceed and NTM will continue to operate as a stand-alone entity, listed on ASX. *Refer to Section 3 for further information.*
When and where will the Scheme Meeting be held?	The Scheme Meeting will be held at **the Celtic Club, 48 Ord Street, West Perth, Western Australia at 11:00am (Perth Time)** on **3 March 2021**. You (or your proxy, corporate representative or attorney) may also attend the Scheme Meeting through an online platform. To attend the Scheme Meeting online: (a) go to http://web.lumiagm.com (Meeting ID - 376-594-502); and (b) login with your username and password or click “register” if you haven’t already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting.

	NTM Shareholders and their proxies will be able to vote on the resolution directly through the online platform at any time between the commencement of the Scheme Meeting and the closure of voting as announced by the chair during the Scheme Meeting. *Refer to the Notice of Scheme Meeting set out in Annexure D of this Scheme Booklet for further information.*
Who is entitled to vote on the Scheme?	NTM Shareholders who are recorded as members on the NTM Share Register as at **4:00pm (Perth Time) on 1 March 2021**, are entitled to vote at the Scheme Meeting. *Refer to the meeting details and how to vote Section on page 11 of this Scheme Booklet for further information.*
Is voting compulsory?	Voting is not compulsory. However, your vote is important in deciding whether the Scheme is approved. NTM Shareholders are strongly encouraged to vote. NTM Shareholders who cannot attend the Scheme Meeting may complete and return the personalised proxy form (enclosed with this Scheme Booklet) or alternatively appoint a representative with a power of attorney. *Refer to the meeting details and how to vote Section on page 10 of this Scheme Booklet for further information.*
How do I vote?	Details of how to vote are set out on pages 11 and 12 of this Scheme Booklet and are also included in the Notice of Meeting set out in Annexure D of this Scheme Booklet. *Refer to the meeting details and how to vote Section on page 10 and 11 of this Scheme Booklet for further information.*
What voting majority is required to approve the Scheme?	For the Scheme to be approved by NTM Shareholders, votes in favour of the Scheme must be received from: • a majority in number (more than 50%) of NTM Shareholders present and voting at the Scheme Meeting (in person, by proxy, by attorney or, in the case of corporate NTM Shareholders, by corporate representative); and • NTM Shareholders who together hold at least 75% of the total number of votes cast on the Scheme Resolution. *Refer to the meeting details and how to vote Section on page 10 of this Scheme Booklet for further information.*
What are the Scheme Conditions?	The Scheme Conditions that have not already been satisfied are described in Sections 12.2 and 13.1. The Scheme will only be implemented if, amongst other things: • the Requisite Majority of NTM Shareholders approve the Scheme; • the Court approves the Scheme; and • the remainder of the Scheme Conditions are satisfied. At the date of this Scheme Booklet the NTM Directors are not aware of any Scheme Condition that is likely to prevent the Scheme becoming Effective and the Merger progressing. *Refer to Section 12.2 for further information.*
Exclusivity and Break Fee	The Scheme Implementation Deed includes: • exclusivity arrangements which apply from the date of the Scheme Implementation Deed until the earlier of 31 March 2021 or termination of the Scheme Implementation Deed; and • a liquidated amount (or break fee) of $500,000 which may become payable by NTM to Dacian in certain circumstances (the break fee is not payable if the Scheme does not proceed merely because NTM Shareholders do not vote in favour of the Scheme in sufficient numbers to meet the legal tests). *Further information in relation to the exclusivity arrangements and break fee is set out in Sections 13.2, 13.3, 13.4 and 13.5.*

What happens if one or more of the Scheme Conditions are not satisfied or waived?	The Scheme will not be implemented, and NTM and Dacian will continue as separate entities, with each company bearing its own costs incurred as a result of the Merger. *Refer to Section 3 for further information*.
What if I am an Ineligible Foreign Shareholder?	New Dacian Shares will not be issued to Ineligible Foreign Shareholders under the Scheme. New Dacian Shares that would otherwise have been issued to Ineligible Foreign Shareholders will instead be issued to the Sale Agent who will then sell these shares on ASX, and Dacian will pay the Ineligible Foreign Shareholders their proportion of the Net Sale Proceeds. *Refer to Section 5.7 for further information*.
Will I have to pay brokerage fees or stamp duty?	Scheme Participants will not be required to pay brokerage or stamp duty on the transfer of their NTM Shares. Brokerage fees will however be incurred by Ineligible Foreign Shareholders whose attributable New Dacian Shares will be issued to and sold by the Sale Agent, and the Net Sale Proceeds remitted to them. *Refer to Section 5.8 for further information*.
When will I receive my Scheme Consideration?	If the Scheme becomes Effective, New Dacian Shares will be issued on the Implementation Date, which is expected to be 15 March 2021. Ineligible Foreign Shareholders will receive the Net Sale Proceeds as soon as practicable after the Implementation Date. *Refer to Section 5.2 for further information*.
Can I sell my NTM Shares now?	NTM Shareholders may sell their NTM Shares at the prevailing market price, on-market at any time before the close of trading on ASX on the Effective Date, which is expected to be 4:00pm 8 March 2021. If NTM Shareholders sell their NTM Shares before the Effective Date of the Scheme (the last day of trading in NTM Shares before suspension) they will not receive New Dacian Shares. *Refer to the Scheme of Arrangement set out in Annexure B of this Scheme Booklet for further information.*
When can I start trading my New Dacian Shares on ASX?	Deferred settlement trading of the New Dacian Shares is expected to be available from 9 March 2021. Trading on ASX of New Dacian Shares is expected to commence on a normal settlement basis on market open on 17 March 2021. *Refer to Section 12.8 for further information.*
Will the Scheme be a taxable transaction for Australian tax purposes?	Section 11 provides a description of the general Australian tax consequences of the Scheme for certain Scheme Participants. You should consult with your own tax adviser regarding the consequences of disposing of NTM Shares under the Scheme, in light of current tax laws and your particular personal circumstances. *Refer to Section 11 for further information*.
What are the benefits of Dacian acquiring NTM to form the Combined Group?	The benefits of combining NTM and Dacian to form the Combined Group include potential synergies at both a corporate and project level. At a corporate level, those synergies are expected to result from the elimination of duplicated corporate and administrative costs. At a project level, NTM's Redcliffe Gold Project offers strong synergies with Dacian's Mt Morgans Gold Operation by providing a low capital entry and an accelerated timeline to development. NTM will achieve immediate value realisation at an attractive premium, and an immediate and significant increase in the potential value of NTM's resources, particularly the near surface high grade mineralisation, via the ability to access Dacian's processing facilities. Scheme Shareholders will receive a significant shareholding in an established gold producer with ongoing exposure to the Redcliffe Gold Project. NTM Shareholders will hold a significant pro forma shareholding of 31.4% in the Combined Group.

	The Scheme will result in a Combined Group's Mineral Resource base of 45.4Mt @ 1.88g/t for 2.75Moz[29] (see Section 1.3 for full details) and: • provides NTM with an immediate transition from an explorer to gold producer whilst retaining meaningful exposure to ongoing exploration success at the Redcliffe Gold Project; and • enables the Combined Group to accelerate and de-risk the potential future development of the Redcliffe Gold Project, subject to mining studies and approvals, by utilising Dacian's established infrastructure and operational expertise. Scheme Shareholders will receive exposure to an improved market rating and enhanced liquidity of the Combined Group, broader research coverage, enhanced scale and market positioning and potential future inclusion in relevant gold and ASX indices. *Refer to Section 1 for the reasons why NTM Directors recommend*[30] *that you vote in favour of the Scheme and Section 8 for a profile of the Combined Group.*
What will be the strategy of the Combined Group?	If the Scheme is implemented it is intended that the business of NTM will be integrated into Dacian's existing business and will be continued substantially in the same manner as it is presently being conducted. The Combined Group will continue to review all aspects of the assets and operations to identify ways to maximise value for all shareholders. The Merger will allow the two companies to realise the strong synergies that exist between their neighbouring gold projects. The potential synergies primarily relate to the adjacent and consecutive development of these projects within Dacian's operating plan, significantly reducing infrastructure capital costs and increasing the likelihood of development of all projects. In addition, the potential increase in scale of the Combined Group's operations in the Leonora-Laverton District, and the opportunity to pursue a near-term development strategy at NTM's projects, may support further value unlocking opportunities for the Combined Group in the region. The strategy is to sustain and grow the current operating outlook for the Combined Group by leveraging the current mining operations and processing infrastructure at the Mt Morgans Gold Operation. Further development studies on NTM's projects and a review of the optimal integrated mine plan for the Combined Group will be conducted, with the intention of maximising cash flow and shareholder returns. *Refer to Section 9 for further information*.
What will the Combined Group be called?	The Combined Group will operate under the name of Dacian Gold Limited and NTM will be a wholly owned subsidiary of Dacian. *Refer to Section 9.1 for further information.*
Who will be the Chairman of the Combined Group?	Dacian's Non-Executive Chairman, Ian Cochrane, will be the Non-Executive Chairman of the Combined Group. *Refer to Section 9.3 for further information.*
Who will be on the Combined Group Board?	The Combined Group Board will comprise Ian Cochrane, Leigh Junk, Robert Reynolds and Eduard Eshuys. *Refer to Section 9.3 for further information.*

[29] This figure is the combined amount of NTM's Mineral Resource base (0.679Moz) and Dacian's Mineral Resource base (2.067Moz) and Ore Reserves (0.75Moz). Please refer to the Section titled 'Reasons to vote in favour of the Scheme' and Section 1.4 for further information. The combined 45.4Mt represents the aggregate of NTM's Mineral Resource base of 13.42Mt and Dacian's Mineral Resource base of 31.96Mt.

[30] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

Are there expected to be any changes to staffing as a result of the Merger?	It is the present intention of Dacian: • to continue the business of NTM; • not to make any major changes to the business of NTM; • to continue existing study and development projects of NTM; and • to maintain the employment of the majority of NTM's existing employees. *Refer to Sections 9.3 and 9.5 for further information.*
What will the dividend policy of the Combined Group be?	The Combined Group Board will review the amount of any future dividends to be paid to shareholders having regard to the Combined Group's profits, its financial position and the Board's assessment of the capital required to grow the Combined Group's business. *Refer to Section 9.6 for further information.*
What other information is available?	For further information, contact the: (a) Company Secretary of NTM, Mr Mark Maine on +61 (08) 9481 6666 between 9.00 am and 5.00 pm, Monday to Friday or by email mmaine@ntmgold.com.au; or (b) The following hotline 1300 202 949. If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser.

5. Overview of the Scheme

5.1 Summary of the proposed Scheme

A scheme of arrangement is a statutory procedure that is commonly used to enable one company to acquire or merge with another. The Scheme is the mechanism by which NTM Shareholders may approve the Merger.

If implemented, the Scheme will have the following effect:

(a) all NTM Shares will be transferred from existing NTM Shareholders to Dacian in return for the Scheme Consideration;

(b) NTM will become a wholly-owned subsidiary of Dacian, and NTM will be de-listed from ASX;

(c) Scheme Participants (other than Ineligible Foreign Shareholders) will become shareholders in Dacian;

(d) Ineligible Foreign Shareholders will receive the Net Sale Proceeds of the sale of the New Dacian Shares that would otherwise be issued to them net of brokerage and other costs; and

(e) the strategic direction for the development of NTM's existing projects will be determined by the newly appointed, post-Scheme Dacian Board.

Implementation of the Scheme is subject to the Scheme Conditions being satisfied, including the condition that the Scheme may only be implemented if NTM Shareholders vote in favour of the Scheme at the Scheme Meeting. A summary of the Scheme Conditions which have not already been satisfied and the steps necessary to implement the Scheme appears in Section 12.2.

5.2 Scheme Consideration

If the Scheme becomes Effective, each Scheme Participant (other than Ineligible Foreign Shareholders), will receive 1 New Dacian Share for every 2.7 NTM Shares they hold as at 4.00 pm (Perth time) on the Record Date. The Scheme Consideration of New Dacian Shares will be issued by Dacian on the Implementation Date, which is expected to be 15 March 2021.

Ineligible Foreign Shareholders will not be issued with New Dacian Shares. Instead, the New Dacian Shares that would otherwise have been issued to them will be issued to the Sale Agent on their behalf and they will be sold on ASX. The proceeds of the sale of these New Dacian Shares less brokerage and other costs, taxes and charges will then be paid to the Ineligible Foreign Shareholders.

Further details of the Scheme Consideration for Ineligible Foreign Shareholders are set out at Section 5.7.

5.3 Scheme Meeting

On 27 January 2021, the Court ordered that the Scheme Meeting be convened in accordance with the Notice of Scheme Meeting.

The Scheme Meeting will be held at **the Celtic Club, 48 Ord Street, West Perth, Western Australia at 11:00am** on **3 March 2021**.

You (or your proxy, corporate representative or attorney) may also attend the Scheme Meeting through an online platform. To attend the Scheme Meeting online:

(a) go to http://web.lumiagm.com (Meeting ID - 376-594-502); and

(b) login with your username and password or click "register" if you haven't already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting.

NTM Shareholders and their proxies will be able to vote on the resolution directly through the online platform at any time between the commencement of the Scheme Meeting and the closure of voting as announced by the chair during the Scheme Meeting.

The fact that the Court has ordered that the Scheme Meeting be convened is not an endorsement of, or expression of opinion on, the Scheme by the Court and is no indication that the Court has a view as to the merits of the Scheme or as to how NTM Shareholders should vote at the Scheme Meeting. On these matters, NTM Shareholders must make their own decision.

5.4 Unanimous recommendation of the NTM Directors[31]

The NTM Directors unanimously recommend that, in the absence of a Superior Proposal and subject to the Independent Expert maintaining its conclusion that the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders, NTM Shareholders vote in favour of the Scheme at the Scheme Meeting.

The NTM Directors believe that the reasons for NTM Shareholders to vote in favour of the Scheme outweigh the potential disadvantages and reasons to vote against the Scheme. Each NTM Director who holds NTM Shares or on whose behalf NTM Shares are held at the time of the Scheme Meeting intends, in the absence of a Superior Proposal, to vote in favour of the Scheme.

In making their recommendation and determining how to vote on the Scheme, the NTM Directors have considered:

(a) the advantages and disadvantages of the Scheme, as summarised in Section 1 and Section 2 respectively;

(b) the implications of the Scheme not being approved, as summarised in Section 3;

(c) the opinion of the Independent Expert (refer to Section 5.5), that the Scheme is fair and reasonable to NTM Shareholders and therefore in the best interests of NTM Shareholders; and

(d) the alternative arrangements to the Scheme that might have otherwise been available to NTM.

In addition, as per NTM's announcement dated 16 November 2020, all NTM Directors and the two largest shareholders, Empire Resources Group (which held an interest in NTM of 13.7%[32] at the date of the announcement) and DGO Gold (which held an interest in NTM of 13.6%[33] at the date of the announcement), representing a combined voting interest of

[31] In respect of the recommendations of Mr Muir and Mr Eshuys, NTM Shareholders should have regard to the fact that, if the Scheme is implemented, Mr Muir and Mr Eshuys will each receive various personal benefits as further detailed in the Section titled "Important Information Regarding Directors' Recommendation" on page iii of this Scheme Booklet.

[32] Empire Resources Group and its Associates have since acquired additional NTM Shares, taking their total interest in NTM to 13.89% as at the date of this Scheme Booklet. Refer to Section 6.6 of this Scheme Booklet for further information. The initial 13.7% interest was the combined interest of Empire Resources Limited (holding 45,888,708 NTM Shares at 16 November 2020) and Kesli Chemicals Pty Ltd, Kesli Chemicals Pty Ltd ATF Ruane Super Fund and Tyson Resources Pty Ltd (together holding 47,859,376 NTM Shares at 16 November 2020). Empire Resources provided a statement of intention letter in respect of its interest, and Kesli Chemicals Pty Ltd, Kesli Chemicals Pty Ltd ATF Ruane Super Fund and Tyson Resources Pty Ltd provided a joint statement of intention letter in respect of their combined interest.

[33] DGO Gold and its Associates have since acquired additional NTM Shares, taking their total interest in NTM to 19.71% as at the date of this Scheme Booklet. Refer to Section 6.6 of this Scheme Booklet for further information.

32.9%[34] (as at the date of the announcement) intend to vote their respective NTM Shares (noted in the announcement) in favour of the Scheme, in the absence of a Superior Proposal.

5.5 Independent Expert's conclusion

NTM commissioned the Independent Expert, BDO Corporate Finance (WA) Pty Ltd, to prepare a report on whether the Scheme is in the best interests of NTM Shareholders.

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable to NTM Shareholders.

The Independent Expert has concluded that the Scheme is therefore in the best interests of NTM Shareholders.

The Independent Expert's Report is set out in Annexure A to this Scheme Booklet. The NTM Directors recommend that NTM Shareholders read the Independent Expert's Report in full.

5.6 Tax consequences of the Scheme and trading and holding New Dacian Shares for Australian resident NTM Shareholders

A general guide to the Australian tax consequences for the Scheme for certain Scheme Participants who are Australian tax residents is set out in Section 11. This guide is not intended to provide specific tax advice in respect of the individual circumstances of any Scheme Participant. Accordingly, Scheme Participants should seek their own independent professional tax advice.

5.7 Ineligible Foreign Shareholders

Dacian is not obliged to issue New Dacian Shares as consideration to any foreign holder (being a NTM Shareholder whose address in the NTM Share Register is in a jurisdiction other than Australia or its external territories or New Zealand), unless Dacian is satisfied that the laws of a particular foreign holder's country of residence (as shown in the NTM Share Register) would permit the issue and allotment of New Dacian Shares to that foreign holder, either unconditionally or after compliance with conditions which Dacian in its sole discretion regards as acceptable and not unduly onerous.

The New Dacian Shares that would have been issued to these Ineligible Foreign Shareholders will be issued to the Sale Agent on the Implementation Date and dealt with in the manner described in Section 5.8.

This Scheme Booklet does not constitute an offer of Dacian Shares in any jurisdiction in which it would be unlawful. In particular, this Scheme Booklet may not be distributed to any person, and the Dacian Shares may not be offered or sold, in any country outside Australia and its external territories and New Zealand.

NTM Shareholders whose address shown on the NTM Register is outside of the aforementioned jurisdictions should refer to the Important Notices Section of this Scheme Booklet.

5.8 Sale Agent

As indicated in Section 5.7, Ineligible Foreign Shareholders will not receive New Dacian Shares under the Scheme. Instead, the New Dacian Shares that would otherwise have been issued to them will be issued to the Sale Agent (or to a nominee of the Sale Agent) on the Implementation Date.

[34] Following the acquisitions of additional NTM Shares by Empire Resources Limited, DGO Gold and the NTM Directors (and their respective Associates), the total combined interest is 39.22%. Refer to Sections 6.6 and 6.7 of this Scheme Booklet for further information.

Dacian will:

(a) procure that, as soon as reasonably practicable (and in any event not more than 30 Business Days after the Implementation Date), the Sale Agent sells or procures the sale on ASX of all of the New Dacian Shares issued to the Sale Agent (in relation to Ineligible Foreign Shareholders) in such manner, at such price and on such other terms as the Sale Agent determines in good faith; and

(b) promptly pay to the Ineligible Foreign Shareholders their proportion of the Net Sale Proceeds, being the proceeds of the sale of the relevant New Dacian Shares after deduction of a 0.5% brokerage fee (plus GST) and other applicable taxes and charges.

Under the Scheme, Ineligible Foreign Shareholders appoint NTM as their agent to receive any financial services guide or other notice given by the Sale Agent. Copies of any document NTM receives from the Sale Agent as agent for the Ineligible Foreign Shareholders can be obtained by contacting NTM's Company Secretary.

NTM, Dacian and the Sale Agent give no assurance as to the price that will be achieved for the sale of New Dacian Shares described above. The Net Sale Proceeds that Ineligible Foreign Shareholders will receive may be more or less than the current market value of Dacian Shares after deducting any applicable brokerage and other costs. Further details about the Sale Facility are set out below.

Ineligible Foreign Shareholders are not required to make an election to participate in the Sale Facility.

Further details regarding the Sale Facility are as follows:

(a) Dacian has appointed the Sale Agent (who holds an Australian Financial Services Licence);

(b) the market price of Dacian Shares is subject to change from time to time. Up-to-date information on the market price of Dacian Shares is available from www.asx.com.au (using the code "DCN");

(c) all New Dacian Shares attributable to Ineligible Foreign Shareholders will be issued to the Sale Agent, who will pool those New Dacian Shares and sell them on market (in one transaction or a number of transactions). All of the proceeds of those sales will be pooled and then (after deduction of brokerage and other costs) the Net Sale Proceeds will be divided by the total number of New Dacian Shares issued to the Sale Agent. The resultant amount will be paid to each Ineligible Foreign Shareholder in respect of each New Dacian Share to which they would otherwise have been entitled (subject to rounding); and

(d) the amount of the Net Sale Proceeds received by Ineligible Foreign Shareholders may be less than the actual proceeds received by the Sale Agent (or the nominee of the Sale Agent) for that person's New Dacian Shares.

5.9 Treatment of NTM Options

Under the Scheme Implementation Deed, Dacian and NTM entered into the Option Cancellation Deed with DGO Gold (which holds 100% of NTM Options on issue), pursuant to which DGO Gold has agreed to the cancellation of its NTM Options in exchange for Dacian granting New Dacian Options to DGO Gold at the ratio of 1 New Dacian Option for every 2.7 NTM Options held. This will result in 22,222,222 New Dacian Options, each exercisable at $0.27 and expiring on 31 March 2022 being granted to DGO Gold (or its nominees) (assuming that no NTM Options are exercised before the Record Date).

5.10 Treatment of NTM Performance Rights

NTM has a total of 2,500,000 NTM Performance Rights on issue, all held by Managing Director Mr Andrew Muir.

Under the Scheme Implementation Deed, Dacian has acknowledged and agreed that:

(a) in accordance with their terms, the existing NTM Performance Rights will vest and convert into NTM Shares on a one for one basis on the Scheme becoming Effective; and

(b) the NTM Shares issued on exercise will be exchanged for New Dacian Shares under the Scheme.

5.11 Fractional entitlements

If, pursuant to the Scheme, a Scheme Participant becomes entitled to a fraction of a New Dacian Share, the number of New Dacian Shares issued (or, in the case of Ineligible Foreign Shareholders, the number of New Dacian Shares the Sale Agent will receive for sale on their behalf) will be rounded to the nearest whole number.

5.12 Warning against NTM Share splitting

If Dacian reasonably believes that a Scheme Participant has been a party to the splitting or division of a shareholding in an attempt to obtain an advantage in relation to the rounding referred to in Section 5.11, then Dacian reserves the right to round the entitlement of such holdings so as to provide only the number of New Dacian Shares that would have been received but for the splitting or division.

5.13 Warranties given by NTM Shareholders

If the Scheme is implemented, each NTM Shareholder is deemed to have warranted to Dacian, and appointed and authorised NTM as its attorney and agent to warrant to Dacian, that all their NTM Shares (including any rights and entitlements attaching to those shares) transferred to Dacian under the Scheme will, at the date of transfer, be fully paid and free from all mortgages, charges, liens, encumbrances and interests of third parties of any kind and that they have full power and capacity to sell and transfer their NTM Shares under the Scheme.

5.14 If the Scheme does not proceed

If the Scheme does not proceed, NTM Shareholders will continue to hold NTM Shares. In the absence of any Superior Proposal to the Scheme, NTM will continue as a standalone entity. NTM Shareholders will be exposed to the risks relating to NTM's business set out in Section 6.10. NTM Shareholders may, in addition to the normal risks it faces, be exposed to the additional risks as described in Section 3.

Depending on the reasons why the Scheme does not proceed, NTM may be liable to pay a break fee of $500,000 to Dacian. The Break Fee is not payable if the Scheme does not proceed merely because NTM Shareholders do not vote in favour of the Scheme in sufficient numbers to meet the legal tests. Further information in relation to the Break Fee is set out in Section 13.5.

NTM will also be liable to pay certain transaction costs in relation to the Scheme, regardless of whether or not the Scheme is implemented. If the Scheme does proceed, additional costs will be incurred.

6. Profile of NTM

This Section of the Scheme Booklet contains information in relation to NTM as at the date of the Scheme Booklet. Additional information is included in the Independent Expert's Report set out in Annexure A to this Scheme Booklet.

6.1 Introduction

NTM Gold Limited (ASX:NTM) is a public ASX listed company formed on 11 May 2006 and was subsequently admitted to the official list of the ASX on 26 September 2006. It has a core focus on exploring the Leonora-Laverton District of Western Australia.

NTM first obtained an interest in the Redcliffe Gold Project in August 2015, when it acquired a 51% interest from Redcliffe Resources Limited (**RRL**), before moving to full ownership on completion of a merger with RRL in April 2016.

Further information can be found at www.ntmgold.com.au and in the Independent Expert's Report.

6.2 Overview of NTM's operations

(a) **Redcliffe Gold Project**

NTM's 100% owned Redcliffe Gold Project is located 45-60km northeast of Leonora in the Eastern Goldfields Region of Western Australia. The Redcliffe Gold Project area comprises over 720 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.

Details of the mining tenements comprising the Redcliffe Gold Project are set out in Table 5-1 and Appendix B of the Independent Technical Report.

During the financial year ended 30 June 2020, NTM undertook a substantial amount of drilling with a number of programs across the Redcliffe Gold Project. NTM completed 641 drill holes for 53,575m. Of this, the vast majority was aircore drilling, with 519 holes completed for 34,411m, followed by reverse circulation drilling, with 105 holes for 16,699m, with the remainder diamond drilling.

NTM also completed a maiden Mineral Resource Estimate for Hub (being a prospect interpreted as a structurally complex area located in the centre of the Redcliffe Gold Project and was discovered in previous rounds of aircore drilling) and undertook preliminary recovery test work for Hub, and significantly expanded the Redcliffe Gold Project via the acquisition of a large tenement package.

(b) **Aircore Drilling**

Following the discovery of the Hub mineralisation in October 2018 via aircore drilling, NTM continued to use aircore as the first pass drilling method during the period. Aircore was undertaken in two phases. In late 2019, a modest aircore program was used to test the northern and southern extensions to Hub. In early 2020, a larger program was commenced to test number of regional targets looking for new deposits.

(c) **Hub**

Hub was found from the 2018 regional aircore drilling with good grades discovered close to surface. Since discovery, NTM has completed several rounds of RC and diamond drilling. This drilling highlighted the significance of the deposit and delineated the size and grade of the mineralisation. As at the end of the reporting period, the

mineralisation had been identified over approximately 1,300m of strike and was still open at depths of over 400m from surface.

Sixteen diamond holes or tails were completed at Hub for the financial year ended 30 June 2020. The holes were a combination of testing depth extensions, and infill to help understand grade continuity and geology. Two diamond holes were also cored from surface to help understand the shallow oxide mineralisation and to be used for metallurgical test work purposes. These two shallow holes returned some exceptional grades and helped to highlight the outstanding grades in shallow oxide material.

The mineralisation is subvertical with a north-south strike. The high grades appear to have a southerly plunge. Mineralisation is hosted in a fine-grained chlorite (mafic) schist with interbedded thin shale units. Silicification is pervasive and is associated with the mineralisation. The higher-grade zone is defined by quartz veining with 5-10% sulphide (Pyrite +/-Pyrrhotite).

The continuity of the mineralisation is impacted by the presence of a late stage lamprophyre dyke towards the south, and a Proterozoic dolerite dyke towards the north. However, the mineralisation is still present beyond both dykes.

(d) **Hub Extensions**

The Hub prospect is interpreted as a structurally complex area located in the centre of the Redcliffe Gold Project and was discovered in previous rounds of aircore drilling. Extensional aircore drilling was aimed at testing northern and southern strike extensions. The main Hub mineralisation was tested by significant RC and diamond drilling.

All aircore holes were drilled at -60 degrees to the west to blade refusal. Lines were either 100m (infill) or 200m apart. The program delivered a number of +0.5g/t results in 5m composites, indicting the potential for strike extensions to the Hub mineralisation. These results extended the north-south strike length of gold anomalism at Hub to over 3km long.

6.3 Directors of NTM

The directors of NTM as at the date of this Scheme Booklet are as follows:

Andrew Muir (Managing Director)

BSc (Geology)

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

Mr Muir was appointed as Managing Director of NTM 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.

Mr Muir was appointed to the NTM Board on 12 January 2018.

During the past three years, Mr Muir has served as a director of Alice Queen Limited from 12 June 2019 to 3 February 2020.

Edward (Ted) van Heemst

BCom, MBA, CA, CPA

Mr van Heemst, who joined the board in January 2018, is a senior businessman with over 40 year's experience across a broad range of

(Chairman, Non-Executive Director)

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 Bachelor 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.

Mr van Heemst was appointed to the NTM Board as Non-Executive Director on 12 January 2018 and as Chairman on 25 July 2019.

During the past three years, Mr van Heemst has served as a director of Redstone Resources Limited.

Eduard Eshuys (Non-Executive Director)

BSc, FAUSIMM, FAICD

Mr Eshuys is a highly regarded geologist with several decades of exploration experience and success in Western Australia. In the late 1980's and 1990's, Mr Eshuys led teams that discovered the Plutonic, Bronzewing, Jundee Rosemount and Quarters gold deposits and the Cawse lateritic nickel deposit. He was earlier involved with the discovery of nickel sulphides at Maggie Hays and Mariners in the 1970's. More recently, he was the managing director and CEO of St Barbara Limited from 2004 to 2009. During this time Mr Eshuys was instrumental in substantially increasing the resources and reserves at the Sons of Gwalia mine and its development.

Mr Eshuys joined DGO Gold in 2010 as executive chairman. DGO is focussed on building long term shareholder value by investing in brownfield gold discovery opportunities and through exploration success of its portfolio of strategic land positions.

Mr Eshuys was appointed to the NTM Board on 25 March 2019.

During the past three years, Mr Eshuys has served as a director for the following listed companies:

- DGO Gold: from 15 July 2010 to present; and
- De Grey Mining Limited from 23 July 2019 to present.

Dr Michael Ruane (Non-Executive Director)

BSc, PhD

Dr Ruane is a highly experienced resource industry executive with over 35 years' experience in the mining and chemical industries. Dr Ruane holds a BSc and PhD qualifications in chemistry from the University of Western Australia.

Dr Ruane has been responsible for the listing or development of numerous public companies including Metaliko Resources Ltd (merged with Echo Resources Ltd in 2017), Intermin Resources Ltd, Reward Minerals Ltd, Haddington Resources Ltd (now Altura Mining Limited) and Wedgetail Exploration Ltd (now Millennium Minerals Ltd).

Dr Ruane was appointed to the NTM Board on 23 April 2020.

During the past three years, Dr Ruane has served as a director for the following listed companies:

- Reward Minerals Limited from 2 December 2004 to present; and
- Empire Resources Limited from 3 October 2018 to present.

6.4 Financial information

The following information has been extracted from the audited financial statements of NTM for the financial years ended 30 June 2020, 2019 and 2018.

The financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the AASB and the Corporations Act. The financial information also complies with the recognition and measurement requirements of IFRS and interpretations issued by the International Accounting Standards Board.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation.

In the interval between 30 June 2020 and the date of this Scheme Booklet, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of NTM, to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years, other than as otherwise disclosed in the 30 June 2020 financial statements and subsequent filings on ASX.

Copies of NTM's audited financial statements for the financial years ended 30 June 2020, 2019 and 2018 are available on the on the NTM website (www.ntmgold.com.au). Copies will also be provided by NTM, free of charge, to any NTM Shareholder who requests it before the Scheme Meeting.

(a) Statement of financial position

Set out below is NTM's statement of financial position as at 30 June 2020, 2019 and 2018.

	2020	***2019***	***2018***
	$	***$***	***$***
Assets			
Current assets			
Cash and cash equivalents	**6,675,699**	460,131	443,550
Other receivables	**104,962**	75,338	831,875
Prepayments	**8,444**	12,011	2,104
Total current assets	**6,789,105**	547,480	1,277,529
Non-current assets			
Exploration and evaluation expenditure	**12,771,007**	8,725,152	5,949,426
Plant and equipment	**250,930**	152,976	103,155
Right-of-use assets	**94,155**	-	
Total non-current assets	**13,116,092**	8,878,128	6,052,581
Total assets	**19,905,197**	9,425,608	7,330,110
Liabilities			

Current liabilities			
Trade and other payables	**525,776**	320,396	296,180
Provisions	**45,549**	46,347	19,667
Lease liabilities	**22,935**	-	
Total current liabilities	**594,260**	366,743	315,847
Non-current Liabilities			
Lease liabilities	**71,582**	-	
Total Non-current Liabilities	**71,582**	-	
Total Liabilities	**665,842**	366,743	315,847
Net assets	**19,239,355**	9,058,865	7,014,263
Equity			
Equity attributable to equity holders			
Contributed equity	**34,097,508**	22,675,122	19,513,794
Reserves	**4,714,205**	4,788,277	4,809,868
Accumulated losses	**(19,572,358)**	(18,404,534)	(17,309,399)
Total equity	**19,239,355**	9,058,865	7,014,263

(b) Statement of comprehensive income

Set out below is NTM's statement of comprehensive income for the financial years ended 30 June 2020, 2019 and 2018.

	2020	***2019***	***2018***
	$	***$***	***$***
Interest received	**8,385**	3,734	7,263
Other income	**50,000**	-	750,000
Administration expenses	**(209,489)**	(145,053)	(67,111)
Compliance costs	**(201,171)**	(209,782)	(241,065)
Consultants fees	**(137,985)**	(225,925)	(158.509)
Depreciation expense	**(40,464)**	(25,295)	(13,088)
Directors' remuneration	**(145,419)**	(128,571)	(118,826)
Employee benefits expense	**(229,097)**	(205,407)	(94,854)
Finance costs	**(668)**	-	
Impairment of exploration and evaluation	**(87,394)**	(109,378)	(148,460)
Loss on disposal of non-current assets	**(6,182)**	-	(1,438)
Office accommodation expenses	**(28,702)**	(31,362)	(20,205)
Travel expenses	**(36,710)**	(52,050)	(20,472)
Share based payment expense	**(102,928)**	33,954	(33,954)
Loss before income tax	**(1,167,824)**	(1,095,135)	(160,719)
Income tax benefit	**-**	-	

Loss after income tax for the year	**(1,167,824)**	(1,095,135)	(160,719)
Other comprehensive income for the year, net of tax	**-**	-	
Total comprehensive loss for the year attributable to owners of NTM Gold Limited	**(1,167,824)**	(1,095,135)	(160,719)
Loss per share for loss attributable to the ordinary equity holders of the Group:			
Basic loss per Share (cents per share)	**(0.20)**	(0.30)	(0.05)
Diluted loss per Share (cents per share)	**(0.20)**	(0.30)	(0.05)

(c) Statement cash flows

Set out below is NTM's statement of cash flows for the financial years ended 30 June 2020, 2019 and 2018.

	2020 ***$***	*2019* *$*	*2018* *$*
Cash flows from operating activities			
Payments to suppliers and employees	**(1,128,558)**	(1,090,975)	(806,244)
Interest paid	**(668)**	-	-
Interest received	**8,418**	3,734	7,263
Other income	**50,000**	-	-
Net cash outflows used in operating activities	**(1,070,808)**	(1,087,241)	(798,981)
Cash flows from investing activities			
Proceeds on sale of mineral interests	**-**	750,000	-
Payments for exploration and evaluation	**(3,827,995)**	(2,431,343)	(1,881,559)
Payments for purchase of property, plant and equipment	**(129,107)**	(76,163)	(54,537)
Proceeds from sale of property, plant and equipment	**1,824**	-	-
Net cash outflows used in investing activities	**(3,955,278)**	(1,757,506)	(1,936,096)
Cash flows from financing activities			
Proceeds from issue of shares	**11,559,812**	2,950,035	2,500,000
Payments for share issue costs	**(314,426)**	(88,707)	(189,658)
Principal elements of lease payments	**(3,732)**	-	
Proceeds from issue of options	**-**	-	600
Net cash inflows from financing activities	**11,241,654**	2,861,328	2,310,942
Net increase in cash and cash equivalents	**6,215,568**	16,581	(424,135)
Cash and cash equivalents at beginning of financial year	**460,131**	443,550	867,685

Cash and cash equivalents at end of financial year	**6,675,699**	460,131	443,550

Material changes to the financial position of NTM since 30 June 2020

The NTM Financial Report for the year ended 30 June 2020 was released to ASX on 18 September 2020. To the knowledge of the NTM Directors, the financial position of NTM has not materially changed since 30 June 2020, as reported in NTM's Annual Financial Report for that period, other than:

(a) NTM has invested $1,894,150 in the period from 1 July up to 31 October 2020 in continuing its exploration and development programme and having made the associated expenditures while it remains in an exploration stage where it is not yet generating operating profit;

(b) as disclosed in this Scheme Booklet or as otherwise disclosed to the ASX by NTM; and

(c) in accordance with generally known market conditions.

An electronic copy of NTM's Financial Report for the year ended 30 June 2020 is available on the ASX's website www.asx.com.au under ASX code 'NTM' or on NTM's website at www.ntmgold.com.au.

Forecast Financial Information

NTM has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information. NTM has concluded that, as at the date of the Scheme Booklet, it would be misleading to provide forecast financial information, as a reasonable basis does not exist for providing financial forecasts that would be sufficiently meaningful and reliable as required by applicable law, policy and market practice.

6.5 NTM's issued securities

As at the date of this Scheme Booklet, NTM has the following securities on issue:

(a) 685,609,211 NTM Shares;

(b) 60,000,000 unquoted NTM Options each exercisable at $0.10 and expiring on 31 March 2022; and

(c) 2,500,000 unquoted NTM Performance Rights, with various vesting conditions and expiry dates.

It is intended that the NTM Performance Rights will converted into NTM Shares on the Effective Date, which will result in an increase in the number of NTM Shares on issue.

See Sections 5.9 and 5.10 for details of the treatment of the NTM Options and the NTM Performance Rights (respectively) under the Scheme.

6.6 NTM's substantial shareholders

Based on information lodged with ASX or known to NTM, NTM had the following substantial shareholders as at the date of this Scheme Booklet:

NTM Shareholder	Number of NTM Shares held	Percentage of Issued NTM Shares
DGO Gold[1]	135,158,073	19.71%

NTM Shareholder	Number of NTM Shares held	Percentage of Issued NTM Shares
Empire Resources Limited and Dr M Ruane (through his related entities) [2]	95,248,084	13.89%
Regal Funds Management Pty Ltd	92,287,673	13.46%

Notes:

1. Mr Eduard Eshuys (a non-executive director of NTM) is also the Executive Chairman of DGO Gold. Mr Eshuys does not have a Relevant Interest in any of the NTM Shares or NTM Options held by DGO Gold, and his position with DGO Gold is noted in the interests of full transparency only.
2. Includes 45,888,708 NTM Shares held by Empire Resources Limited, and 49,359,376 NTM Shares held by entities controlled by Dr Ruane, specifically, Tyson Resources Pty Ltd, Kesli Chemical Pty Ltd ATF Ruane Super Fund and Kesli Chemicals Pty Ltd. Refer to 'Important Information Regarding Director's Recommendations' for further information.

6.7 Interests of NTM Directors and Dacian Directors in NTM securities

The NTM Directors have Relevant Interests in the following NTM Securities.

Director	NTM Shares	NTM Percentage Interest	NTM Options[4]	NTM Performance Rights[4]
A Muir	4,460,000	0.65%	Nil	2,500,000
E van Heemst[1]	34,000,000	4.96%	Nil	Nil
E Eshuys[2]	Nil	Nil	Nil	Nil
M Ruane[3]	95,248,084	13.89%	Nil	Nil
Total	**133,708,084**	19.50%	Nil	**2,500,000**

Notes:

1. Mr van Heemst notes his children together hold an interest in 3,100,000 NTM Shares. Mr van Heemst does not have a Relevant Interest in any of the NTM Shares held by his children, and this holding is noted in the interests of full transparency only.
2. Mr Eshuys is also the Executive Chairman of DGO Gold. As at the date of this Scheme Booklet, DGO Gold holds 135,158,073 NTM Shares. DGO Gold also holds 60,000,000 NTM Options. Mr Eshuys does not have a Relevant Interest in any of the NTM Shares or NTM Options held by DGO Gold, and this holding is noted in the interests of full transparency only.
3. Includes 45,888,708 NTM Shares held by Empire Resources Limited, and 49,359,376 NTM Shares held by entities controlled by Dr Ruane, specifically, Tyson Resources Pty Ltd, Kesli Chemical Pty Ltd ATF Ruane Super Fund and Kesli Chemicals Pty Ltd. Refer to 'Important Information Regarding Director's Recommendations' for further information.
4. See Sections 5.9 and 5.10 for details of the treatment of the NTM Options and the NTM Performance Rights (respectively) under the Scheme.

No Dacian Director has a Relevant Interest in any NTM Securities.

6.8 NTM Share trading history

The last recorded sale price of NTM Shares traded on ASX before the announcement of the Merger on 16 November 2020 was 8.8 cents (as at closing on 13 November 2020).

On the Last Practicable Date, the closing price of NTM Shares on ASX was 17 cents.

During the three month period up to and including the Last Practicable Date, the highest and lowest recorded sale prices of NTM Shares on ASX were, respectively, 19.25 cents on 8 January 2021 and 8.6 cents on 13 November 2020.

Set out below is the volume weighted average price (**VWAP**) of NTM Shares for various periods up to and including the Last Practicable Date:

	10 Days	20 days	30 days	90 days
VWAP	$0.1762	$0.1685	$0.1552	$0.1250

6.9 NTM announcements and reports

As a disclosing entity, NTM is subject to the periodic and continuous disclosure and reporting requirements of the Corporations Act and ASX Listing Rules. Specifically, as a listed company, NTM is subject to the ASX Listing Rules which require continuous disclosure of any information NTM has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

NTM announcements are available on its website (www.ntmgold.com.au) as well as the ASX website (www.asx.com.au). Further announcements concerning developments at NTM may be made and placed on these websites after the date of this Scheme Booklet.

In addition, NTM is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to NTM may be obtained from, or inspected at, an ASIC office.

NTM will provide a copy of each of the following documents, free of charge, to anyone who asks for them before the Scheme is approved by the Court. The following documents can also be obtained from the ASX website (www.asx.com.au) or from the NTM website (www.ntmgold.com.au):

(a) the annual financial report of NTM for the year ended 30 June 2020 (being the annual financial report most recently lodged with ASIC by NTM before lodgement of a copy of this Scheme Booklet with ASIC for registration); and

(b) any continuous disclosure announcements made by NTM after the date of the lodgement of the annual report referred to above and before the lodgement of a copy of this Scheme Booklet with ASIC for registration.

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and which is required to be set out in this Scheme Booklet.

The following table summarises material announcements made by NTM to ASX since 18 September 2020 (being the date of lodgement of the annual report referred to in paragraph (a)).

Date Lodged	Description of Document (ASX announcement header)
27 January 2021	Court Orders Convening of Scheme Meeting
25 January 2021	Change of Director's Interest Notice
21 January 2021	Appendix 2A
13 January 2021	Gully RC Drilling Extends Mineralisation
4 January 2021	Change of Director's Interest Notice
18 December 2020	Change in Substantial Holding
16 December 2020	Appendix 2A
24 November 2020	Change in Substantial Holding
24 November 2020	Change in Director's Interest Notice

Date Lodged	Description of Document (ASX announcement header)
24 November 2020	Change in Substantial Holding from DGO
20 November 2020	Change in Director's Interest Notice
20 November 2020	Response to ASX Aware Query
19 November 2020	Results of Meeting
19 November 2020	AGM Presentation by Managing Director
19 November 2020	Chairman's AGM Address
17 November 2020	Livestream of AGM
16 November 2020	Scheme Implementation Deed
16 November 2020	Presentation – Strategic Merger Dacian and NTM
16 November 2020	Dacian and NTM Agree Merger
30 October 2020	Quarterly Cashflow Report
30 October 2020	Quarterly Activities Report
28 October 2020	Hub Deposit Extends with More High Grades at Depth
16 October 2020	Letter to Shareholders re AGM
16 October 2020	Notice of Annual General Meeting
13 October 2020	Change of Director's Interest Notice
13 October 2020	Diggers and Dealers Investor Presentation
9 October 2020	Closing date for director nominations
8 October 2020	Change of Director's Interest Notice
8 October 2020	Response to ASX Price Query
6 October 2020	Change of Director's Interest Notice
22 September 2020	Change in substantial holding
18 September 2020	Hub Extension Program Intersects Further High Grades
18 September 2020	Appendix 4G and 2020 Corporate Governance Statement

6.10 Risk factors

Risk factors relating to NTM and its business are discussed in Section 10.

6.11 Material events since 30 June 2020

Within the knowledge of the NTM Directors and other than as disclosed in this Scheme Booklet, including the audited consolidated financial statements contained in Section 6.4, there has not been any other material change in the financial position of NTM since 30 June 2020.

7. Profile of Dacian

This Section of the Scheme Booklet contains information in relation to Dacian as at the date of the Scheme Booklet. Additional information is included in the Independent Expert's Report set out in Annexure A to this Scheme Booklet.

7.1 Introduction to Dacian

Dacian Gold Limited (ASX:DCN) is a public ASX listed gold mining company focused on production, exploration and development of gold projects in Western Australia. Dacian was incorporated on 23 November 2011 and listed on the ASX on 9 November 2012.

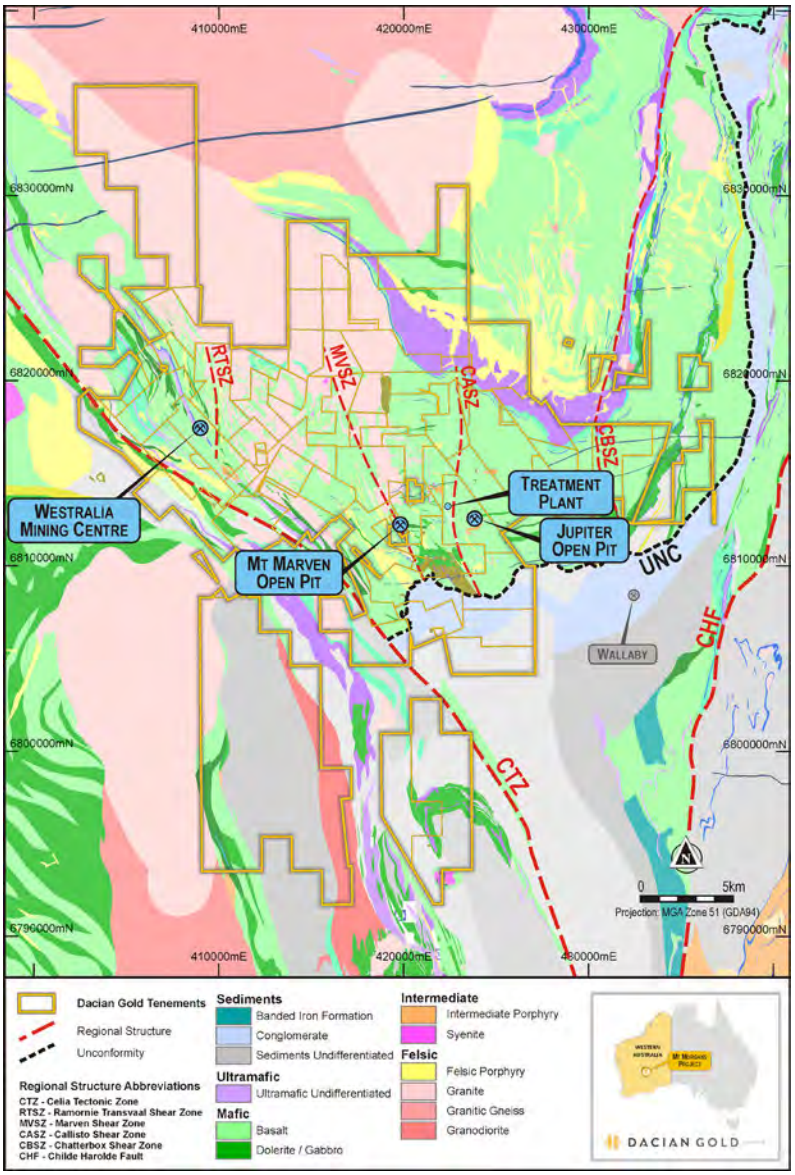
Dacian recently brought the 100% owned Mt Morgans Gold Operation into production with its first gold milestone achieved in March 2018. The mine is situated amongst numerous multi-million ounce gold mines with a highly prospective tenement position.

Currently, Mt Morgans is underpinned by an open pit mining complex, called the Jupiter open pit operation, which consists primarily of the Heffernans and Doublejay deposits as well as several other satellite open pits. A scoping study to assess the potential of the broader Westralia mining area that encompasses numerous underground and open pit opportunities is underway.

7.2 Overview of Dacian's operations

Dacian's Mt Morgans Gold Operation is located 25km west of Laverton and approximately 750km north-east of Perth in Western Australia. Dacian maintains significant infrastructure at the Mt Morgans Gold Operation through its large open pit, extensive underground investment and established 2.5Mtpa processing plant (with achieved throughput of 2.9Mtpa).

The Mt Morgans Gold Operation is a 608km² tenement package comprising predominantly granted mining leases. It is situated in the Laverton gold district, amongst numerous multi-million ounce gold mines with a highly prospective tenement position.



Regional geology with Dacian tenements and operations

7.3 2019 Mineral Resource and Ore Reserve, operational and exploration summary

The 2019 Mineral Resource and Ore Reserve were released to the ASX on 27 February 2020.

(a) Financial year 2020 overview

Full year production for FY2020 totalled 138,814 ounces at an MMGO AISC of $1,619/oz, within guidance of 138,000-144,000 ounces at an MMGO AISC of between $1,550-$1,650/oz. For further details, refer to Dacian's 2020 annual report released to ASX on 29 October 2020.

(b) Open pit mining

A total of 2,060,049t @ 1.1 g/t gold containing 71,937 ounces was mined from the Jupiter open pits during FY2020. Of the Jupiter open pits, the Heffernans sub-pit remained the primary source of high-grade ore feed to the processing plant. The upper Cornwall Shear Zone in the Stage 1 pit was mined early in the year, completing the Stage 1 pit. Stage 2 of the Heffernans pit has been mined concurrently with Stage 1 and by the June quarter, Stage 2 had also progressed to the upper boundary of the Cornwall Shear Zone.

Pre-stripping of the Doublejay Stage 1 pit commenced early in the June 2020 quarter as planned and will transition to become the dominant source of ROM ore feed during late FY2021. Mining of a cut-back at the historical Mt Marven pit, located some 2km from the processing plant, commenced in July 2020 as planned and will be a further source of ROM ore feed throughout FY2021.

For further details, refer to Dacian's 2020 annual report released to ASX on 29 October 2020.

(c) **Processing plant**

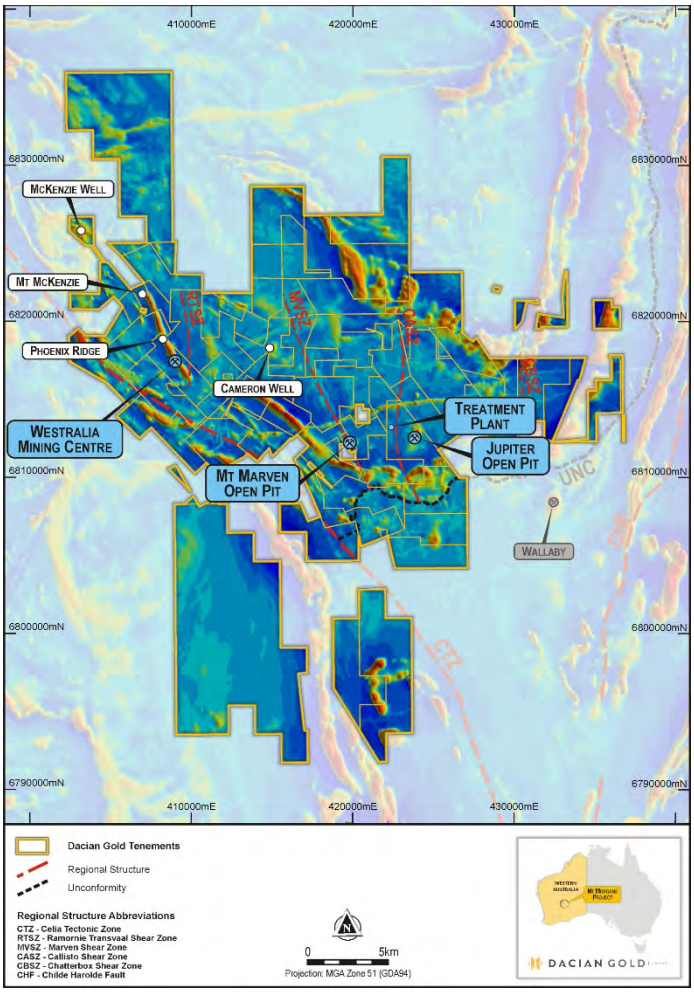
The processing plant performed consistently above nameplate capacity of 2.5mtpa, milling a record total throughput of 2.96 million tonnes of ore for the FY2020. During the June 2020 quarter Dacian achieved a milestone of 300,000 ounces recovered since commissioning of the processing plant in March 2018. For further details, refer to Dacian's 2020 annual report released to ASX on 29 October 2020.

(d) **Exploration**

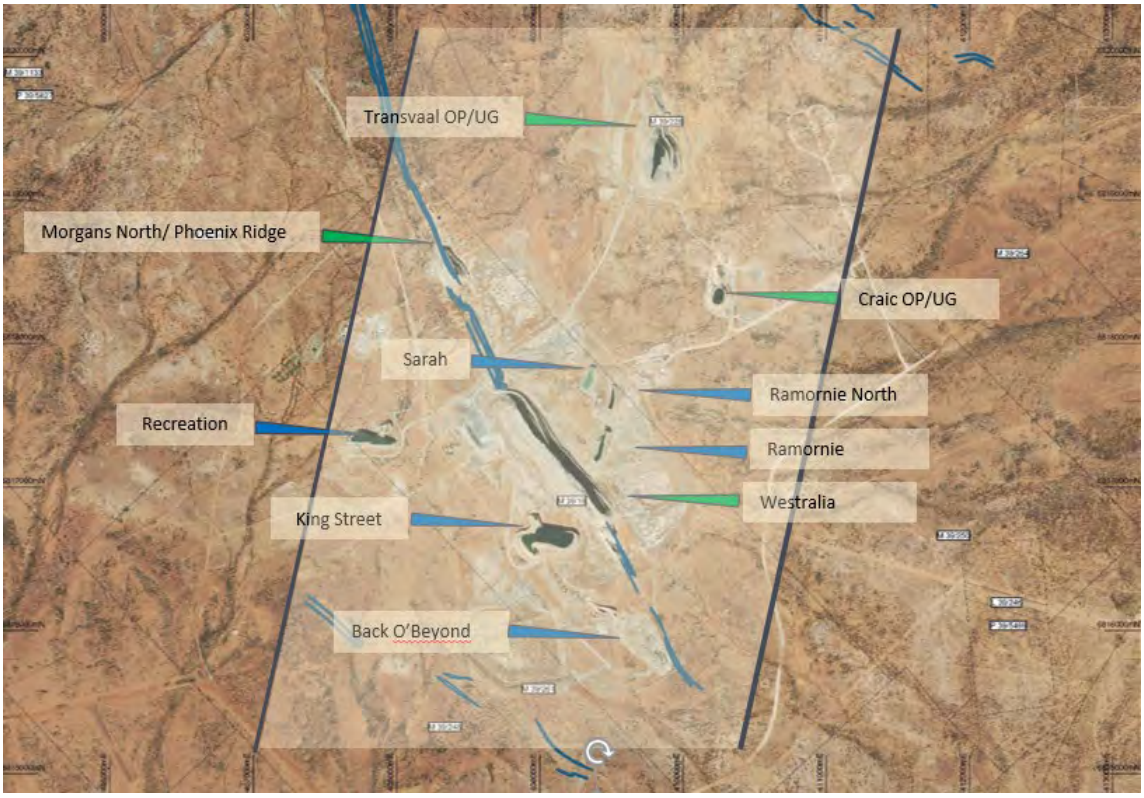
Dacian has embarked on a $15 million multi-level exploration program to grow Dacian’s Mineral Resources and Ore Reserves. The program is targeting large potential base load ore feed to replace Jupiter at Cameron Well and the Mt Marven Shear Zone as well as satellite deposits at Mt Marven, Mt McKenzie and McKenzie Well to bolster annual production.

Drilling activities have been focussed across several projects including the greater Westralia/Transvaal Shear Corridor, the Mt Marven open pit and the Cameron Well deposit. In addition to these exploration projects, resource definition drilling across the near surface portion of the Morgans North deposit (at Westralia) and the Ganymede deposit (at Jupiter) have been targeted for near mine Mineral Resource updates during FY2021.

Results from recent drilling indicate strong potential for Mineral Resource growth over time (see ASX release 24 July 2020). For further details, refer to Dacian's 2020 annual report released to ASX on 29 October 2020.



Plan view of advanced exploration targets at Mt Morgans Gold Operation



Westralia/Transvaal Shear Corridor with open pit and underground opportunities

(e) Mineral Resources

The Mt Morgans Gold Operation total Mineral Resources estimate as of 31 December 2019 is shown below.

Deposit	Cut-off grade (Au g/t)	Measured			Indicated			Inferred			Total		
	2.0	Tonnes	g/t	Oz	Tonnes	g/t	Oz	Tonnes	g/t	Oz	Tonnes	g/t	Oz
Westralia UG	2.0	303,00	5.5	53,000	1,950,000	6.0	375,000	1,648,000	4.3	227,000	3,902,000	5.2	655,000
Ramornie UG	2.0	-	-	-	212,000	3.2	22,000	61,000	3.1	6,000	247,000	3.1	27,000
Transvaal UG	2.0	367,000	5.8	68,000	404,000	5.3	69,000	482,000	4.7	73,000	1,253,000	5.2	210,000
Morgans North	2.0	27,000	3.5	3,000	174,000	3.2	18,000	306,000	3.5	34,000	507,000	3.4	55,000
Phoenix Ridge UG	2.0	-	-	-	-	-	-	481,000	8.1	125,000	481,000	8.1	125,000
Jupiter UG	2.0	-	-	-	583,000	3.0	57,000	615,000	2.4	47,000	1,197,000	2.7	104,000
Jupiter OP*	0.5	917,000	1.2	35,000	13,891,000	1.3	584,000	1,182,000	1.1	42,000	15,990,000	1.3	661,000
Mt Marven OP*	0.5	-	-	-	469,000	1.8	27,000	42,000	1.5	2,000	511,000	1.8	29,000
Cameron Well OP*	0.5	-	-	-	2,511,000	1.1	89,000	373,000	1.3	16,000	2,884,000	1.1	105,000
Maxwells OP*	0.5	-	-	-	250,000	1.4	11,000	40,000	1.6	2,000	290,000	1.3	12,000
Mine Stockpiles	0.5	241,000	0.6	5,000	-	-	-	-	-	-	241,000	0.6	5,000
LG Stockpiles	0.5	938,000	0.7	22,000	-	-	-	-	-	-	938,000	0.7	22,000
Jupiter LG Stockpiles	0.5	3,494,000	0.5	57,000	-	-	-	-	-	-	3,494,000	0.5	57,000
TOTAL		**6,287,000**	**1.2**	**243,000**	**20,444,000**	**1.9**	**1,252,000**	**5,323,000**	**3.4**	**574,000**	**31,962,000**	**2.0**	**2,067,000**

Please note totals may differ due to rounding.

*Reported within an A$2,400/oz pit optimisation.

(f) **Ore Reserves**

The Mt Morgans Gold Operation total Ore Reserve estimate as of 1 January 2020 is shown below.

Deposit	Cut-off Grade	Proved			Probable			Total		
	Au g/t	Tonnes t	Au g/t	Au oz	Tonnes t	Au g/t	Au oz	Tonnes t	Au g/t	Au oz
Jupiter OP	0.5	956,000	1.0	32,000	8,754,000	1.3	358,000	9,711,000	1.3	390,000
Mt Marven OP	0.5	-	-	-	460,000	1.4	20,000	460,000	1.4	20,000
Westralia UG	*0.5/2.2	172,000	3.6	20,000	1,332,000	4.1	175,000	1,504,000	4.0	195,000
Transvaal UG	1.4	193,000	4.7	29,000	325,000	3.4	36,000	518,000	3.9	65,000
Mine Stockpiles	0.5	241,000	0.6	5,000	-	-	-	241,000	0.6	5,000
Historical LG Stockpiles	0.5	938,000	0.7	22,000	-	-	-	938,000	0.7	22,000
Jupiter LG Stockpile	0.5	3,494,000	0.5	57,000	-	-	-	3,494,000	0.5	57,000
TOTAL		**5,994,000**	**0.9**	**165,000**	**10,871,000**	**1.7**	**589,000**	**16,866,000**	**1.4**	**754,000**

* Development and stoping cut-off grades respectively. Subject to rounding.

7.4 Overview of Dacian's mining tenements

Details of the mining tenements comprising Dacian's Mt Morgans Gold Operation are set out in Table 4-1 and Appendix A of the Independent Technical Report.

7.5 Directors of Dacian

The directors of Dacian as at the date of this Scheme Booklet are as follows:

Ian Cochrane (Non-Executive Chairman)

BCom LLB

Mr Cochrane is a corporate lawyer and was widely regarded as one of Australia's leading M&A lawyers until his retirement from the practice of law in December 2013.

Educated in South Africa where he completed degrees in Commerce and Law, he immigrated to Australia in 1986 and joined national law firm Corrs Chambers Westgarth and then Mallesons Stephen Jaques, specialising in Mergers & Acquisitions.

In 2006, Mr Cochrane co-established boutique law firm Cochrane Lishman, which was eventually acquired by the global law firm Clifford Chance in early 2011.

Mr Cochrane is currently the Chairman of diversified ASX-listed mining services group Perenti Global Limited (ASX: PRN).

Mr Cochrane was appointed to the Dacian Board on 26 February 2016 and was appointed as Non-Executive Chairman on 6 January 2020.

Leigh Junk (Managing Director & CEO)

Dip Surv, GDip MinEng, Msc MinEcon, GAICD

Mr Junk is a Mining Engineer with over 25 years of operational and executive management experience in numerous Australian mining

companies across multiple commodities including gold, nickel and manganese.

Mr Junk has been a director of several public companies in the Mining and Financial sectors in Australia and Canada, and most recently was the CEO and managing director of Doray Minerals Ltd until its merger with Silver Lake Resources in 2019.

Mr Junk was a co-founder of Donegal Resources which was successful in purchasing and recommissioning several Nickel operations around Kambalda WA until it was sold to Canadian miner Brilliant Mining Corp.

Mr Junk was appointed to the Dacian Board on 6 January 2020.

Other than as stated above, Mr Junk has not served as a director of any other listed companies in the three years immediately before the end of the 2020 financial year.

Robert Reynolds (Non-Executive Director)

MAusIMM

Mr Reynolds was the non-executive chairman of Avoca Resources Ltd from 2002 until it merged with Anatolia Minerals to form Alacer Gold Corp in 2011. Mr Reynolds was non-executive chairman of Alacer Gold Corp until 23 August 2011.

With over 35 years' commercial experience in the mining sector, Mr Reynolds has worked on mining projects in a number of locations including Australia, Africa and across the Oceania region and has extensive experience in mineral exploration, development and mining operations.

Mr Reynolds was a long term director of Delta Gold Limited and was a director of Extorre Gold Mines Limited when it was acquired by Yamana Gold for CAD$414 million on 22 August 2012. Mr Reynolds was also previously a director of Canadian company Exeter Resource Corporation when it was acquired by Goldcorp Inc. on 2 August 2017 for CAD$184 million. Mr Reynolds currently holds a directorship with Canadian company Rugby Mining Limited.

Mr Reynolds was appointed to the Dacian Board on 26 September 2012

Other than as stated above, Mr Reynolds has not served as a director of any other listed companies in the three years immediately before the end of the 2020 financial year.

7.6 Material contracts

(a) Dacian Facility Agreement

As originally announced on 21 December 2016, Dacian is a party to a syndicated facility agreement (the **Dacian Facility Agreement**) for the provision of debt financing for the development of the Mt Morgans Gold Project.

The various parties to the Dacian Facility Agreement are as follows:

(i) Mt Morgans WA Mining Pty Ltd (**Mt Morgans WA**) (as borrower);

(ii) Dacian Gold Mining Pty Ltd (**DGM**) (as guarantor);

(iii) Dacian Gold Limited (as guarantor);

(iv) the financiers and mandated lead arrangers, namely Australia and New Zealand Banking Group Limited, BNP Paribas, and Westpac Banking Corporation (together, the **Financiers**); and

(v) the hedge banks, namely Australia and New Zealand Banking Group Limited (as well as additional lender), Westpac Banking Corporation (as well as facility agent and additional lender), BNP Paribas (as well as technical agent) and Westpac Administration Pty Limited (as security trustee).

The key terms of the Dacian Facility Agreement are:

(i) the Financiers have provided a secured loan to Mt Morgans WA with DGM and Dacian acting as guarantors;

(ii) the Dacian Facility Agreement provides for quarterly repayments of the outstanding loan amount, with the final fixed repayment pursuant the Dacian Facility Agreement scheduled for 31 March 2022;

(iii) the effective interest rate on the facility at 30 September 2020 is 4.1% calculated on daily balances on the basis of a 365 day year;

(iv) security is provided by a general security agreement over all of the assets and undertaking of Dacian's subsidiaries, Mt Morgans WA and DGM, a specific security agreement over Dacian's bank accounts and a featherweight security agreement over all of the other assets of Dacian (the maximum account recoverable under the featherweight security is $5,000;

(v) the Dacian Facility Agreement permits voluntary prepayments by Mt Morgans WA; and

(vi) as at 30 September 2020, the total outstanding amount pursuant to the Dacian Facility Agreement is $39,100,000.

(b) **Mining Contract**

As originally announced on 1 December 2017, Dacian's wholly owned subsidiary Mt Morgans WA and mining services provider Macmahon Contractors Pty Ltd (**Macmahon**) entered into a long term open pit mining services contract for the Jupiter open pit (**Mining Contract**). Key terms of the Mining Contract are as follows:

(i) Macmahon is to provide comprehensive mining services at the Jupiter open pit;

(ii) the Mining Contract has an initial term of 60 months and three option periods extending over an additional 31 months, representing the current scheduled life of the pit;

(iii) the amount payable by Mt Morgans WA to Macmahon in consideration for the open pit mining services over the initial 60 month term is based on an agreed schedule of rates;

(iv) Mt Morgans WA has the right to suspend the whole or any part of the mining services provided by Macmahon, in which case Mt Morgans WA is obliged to pay Machahon a standby rate depending on the circumstances for the period the mining services are suspended; and

(v) Mt Morgans WA may terminate the Mining Agreement at its convenience at any time by giving Macmahon at least 15 days' prior notice in which case Mt Morgans WA must pay MacMahon a specified amount for early termination

depending on the time of termination and either party may terminate if a certain termination event occurs, which events are standard for agreements of this nature.

(c) **Gold Hedging**

Dacian has gold price hedging arrangements in place in respect of its gold production. Dacian has a balance remaining as at 30 September 2020 of 61,488 ounces at a weighted average price of $2,101/oz.

7.7 Historical financial information

The following information has been extracted from the audited consolidated financial statements of Dacian and its controlled entities for the financial years ended 30 June 2020, 2019 and 2018. The financial information has been prepared in accordance with the recognition and measurement requirements of AASB Standards (including Australian Accounting Interpretations) adopted by the AASB and the Corporations Act. The financial information also complies with the recognition and measurement requirements of International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation.

In the interval between 30 June 2020 and the date of this Scheme Booklet, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of Dacian, to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years.

Copies of Dacian's audited consolidated financial statements for the financial years ended 30 June 2020, 2019 and 2018 are available on Dacian's website (www.daciangold.com.au). Copies will also be provided by Dacian, free of charge, to any NTM Shareholder who requests it before the Scheme Meeting.

(a) **Consolidated statement of financial position**

Set out below is Dacian's consolidated statement of financial position as at 30 June 2020, 2019 and 2018.

	2020 $'000	2019 $'000	2018 $'000
Current Assets			
Cash and cash equivalents	51,976	35,515	62,866
Receivables	3,179	5,173	3,724
Inventories	20,382	20,674	13,096
Derivative financial instruments	45	-	-
Total current assets	**75,582**	**61,362**	**79,686**
Non-current assets			
Property, plant and equipment	107,205	130,858	150,073
Exploration and evaluation assets	4,072	4,072	4,163
Mine properties	84,486	142,763	103,004
Deferred tax assets	13,374	32,573	28,143
Total non-current assets	**209,137**	**310,266**	**285,383**
Total Assets	**284,719**	**371,628**	**365,069**
Current liabilities			
Trade and other payables	21,016	43,954	50,297
Provisions	1,420	1,151	784
Borrowings	34,585	37,395	76,656
Other financial liabilities	261	-	-
Total current liabilities	**57,282**	**82,500**	**127,737**
Non-current liabilities			
Provisions	21,195	18,608	15,001
Borrowings	43,600	85,645	89,465
Total non-current liabilities	**64,795**	**104,253**	**104,466**
Total liabilities	**122,077**	**186,753**	**232,203**
Net Assets	**162,642**	**184,875**	**132,866**
Equity			
Issued capital	338,904	244,513	195,187
Share-based payments reserve	2,250	3,007	3,516
Accumulated losses	(178,512)	(62,645)	(65,837)
Total Equity	**162,642**	**184,875**	**132,866**

(b) **Consolidated statement of comprehensive income**

Set out below is Dacian's consolidated statement of comprehensive income for the financial years ended 30 June 2020, 2019 and 2018.

	2020	**2019**	**2018**
	$'000	**$'000**	**$'000**
Revenue	270,047	132,821	**-**
Cost of goods sold	(264,996)	(108,943)	**-**
Gross Profit	**5,051**	**23,878**	**-**
Corporate employee expenses	(3,985)	(3,632)	(2,634)
Share-based employee expense	(1,712)	(760)	(1,368)
Borrowing and finance costs	(6,644)	(4,946)	1,168
Exploration costs expensed and written off	(9,148)	(12,247)	(27,445)
Losses on derivative instruments	(6,808)	-	-
Other expenses	(4,304)	(3,625)	(2,596)
Impairment loss on assets	(68,537)	-	-
Loss before income tax	**(96,087)**	**(1,332)**	**(32,875)**
Income tax (expense) / benefit	(20,377)	4,350	27,473
Net (loss) / profit for the year attributed to the members of the parent entity	**(116,464)**	**3,018**	**(5,402)**
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income (loss) / profit for the year attributed to the member of the parent entity	**(116,464)**	**3,018**	**(5,402)**
Profit / (loss) per share			
Basic (loss) / earnings per share attributed to ordinary equity holders of the parent (cents per share)	(40.6)	1.4	(2.6)
Diluted (loss) / earnings per share attributed to ordinary equity holders of the parent (cents per share)	(40.6)	1.3	(2.6)

(c) **Consolidated statement cash flows**

Set out below is Dacian's consolidated statement of cash flows for the financial years ended 30 June 2020, 2019 and 2018.

	2020	**2019**	**2018**
	$'000	**$'000**	**$'000**
Cash flows from operating activities			
Gold sales	269,489	132,550	-

	2020 $'000	2019 $'000	2018 $'000
Interest received	330	1,046	1,479
Research & development tax concession income	-	-	502
Other income	557	272	-
Interest paid	(5,263)	(3,229)	(243)
Payments for exploration and evaluation	(8,820)	(13,009)	(17,196)
Payments to suppliers and employees	(233,334)	(70,444)	(2,080)
Net cash from operating activities	**22,959**	**47,186**	**(17,538)**
Cash flows from investing activities			
Payments for mine properties expenditure (2019: net of pre-production revenue)	(43,085)	(59,496)	(156,816)
Payments for plant and equipment	(2,993)	(3,432)	(195)
Payments for capitalised interest during development	-	(2,894)	(3,222)
Payments to acquire exploration assets	-	(11,500)	-
Proceeds from sale of assets	45	-	-
Net cash from investing activities	**(46,033)**	**(77,322)**	**(160,233)**
Cash flows from financing activities			
Proceeds from issue of share capital	98,351	48,330	-
Proceeds from issue of options	-	1,670	1,512
Share issue transaction costs	(6,954)	(1,948)	-
Proceeds of borrowings	-	-	150,000
Repayment of borrowings	(41,400)	(44,500)	-
Transaction costs associated with borrowings	(1,269)	(767)	(1,038)
Repayment of lease liabilities	(2,481)	-	-
Premiums paid on put options	(6,712)	-	-
Net cash from financing activities	**39,535**	**2,785**	**150,474**
Net decrease in cash and cash equivalents	16,461	(27,351)	(27,297)
Cash and cash equivalents at the beginning of the year	35,515	62,866	90,163
Cash and cash equivalents at the end of the year	**51,976**	**35,515**	**62,866**

7.8 Dacian's corporate structure

Dacian has the following Subsidiaries, which upon the Scheme being implemented will remain Subsidiaries of Dacian.

	Place of Incorporation	Date of Incorporation	% of Equity Interest
Dacian Gold Mining Pty Ltd	Western Australia	26 April 2016	100%
Mt Morgans WA Mining Pty Ltd	Western Australia	26 April 2016	100%

7.9 Dacian's issued securities

As at the date of this Scheme Booklet, Dacian has the following securities on issue:

(a) 556,508,554 Dacian Shares;

(b) 850,000 Dacian Options (refer to the table below for further details); and

(c) 13,658,816 Dacian Performance Rights with various vesting conditions and expiry dates (refer to table below for further details).

The Dacian Options are comprised of the following:

Number of Options	Exercise Price	Expiry Date
50,000	$0.61	31 January 2021
300,000	$1.44	28 February 2021
500,000	$3.11	30 June 2021

If any existing Dacian Options are exercised after the date of this Scheme Booklet and prior to the Implementation Date, the number of Dacian Shares on issue will increase.

The Dacian Performance Rights are comprised of the following:

Number of Performance Rights	Expiry Date
2,777,778	30 June 2023[1]
2,777,778	30 June 2024[1]
2,777,778	30 June 2025[1]
2,457,612	30 June 2022[2]
2,867,870	30 June 2023[3]

Notes:

1. Performance hurdles comprise an assessment of:
   a. the growth of Dacian's JORC compliant reserves (**Reserve Growth Hurdle**);
      (i) Negative growth – Nil vest
      (ii) Mine depletion replaced - 50% vest
      (iii) Mine depletion replacement to 25% growth – pro rata from 50% - 100% vest
      (iv) 25% growth or more - 100% vest
   b. the total shareholder return achieved as compared to a group of peer companies (**Total Shareholder Return Hurdle**).
      (i) Below 50th percentile – Nil vest
      (ii) At 50th percentile - 50% vest

(iii) Between 50th and 75th percentile – pro rata from 50% to 100% vest

(iv) Above 75th percentile - 100% vest

2. Issued to Dacian employees as zero priced options pursuant to Dacian's employee option plan, refer to Section 7.11.
3. Issued to Dacian employees as zero priced options pursuant to Dacian's employee option plan, refer to Section 7.11.

Further information about Dacian Shares is provided in Section 14.5.

If the Scheme becomes Effective:

(a) approximately a further 254,855,263 Dacian Shares will be issued as Scheme Consideration in respect of the NTM Shares to be acquired under the Scheme (ignoring the effects of rounding and assuming that no NTM Options are exercised before the Record Date); and

(b) 22,222,222 Dacian Options will be issued pursuant to the Option Cancellation Deed to cancel the existing NTM Options on issue (assuming that no NTM Options are exercised before the Record Date).

7.10 Dacian's substantial shareholders

Based on information lodged with ASX or known to Dacian, Dacian had the following substantial shareholders as at the date of this Scheme Booklet:

Dacian Shareholder	Number of Dacian Shares Held	Percentage of Issued Dacian Shares
Franklin Resources Inc and its Affiliates	42,119,173	7.57%
Sun Valley Gold Master Fund, Ltd and other Sun Valley Gold entities	28,022,080	5.04%
Van Eck Associates Corporation (and its associates)	27,934,030	5.02%

7.11 Dacian employee incentive option plan

As set out above, Dacian has adopted an employee incentive option plan (the **Plan**) which provides for the granting of Dacian Options and Dacian Performance Rights as incentive-based remuneration to eligible participants. The Plan was approved by Dacian Shareholders at Dacian's annual general meeting held on 26 November 2018.

As at the date of this Scheme Booklet, Dacian has the following securities on issue under the Plan:

Dacian Options

Number	Exercise Price	Expiry Date
50,000	$0.61	31 January 2021
500,000	$3.11	30 June 2021

Dacian Performance Rights

Class *	Number	Expiry Date
Unquoted Performance Rights	2,777,778	30 June 2023
Unquoted Performance Rights	2,777,778	30 June 2024

Class *	Number	Expiry Date
Unquoted Performance Rights	2,777,778	30 June 2025
Unquoted Performance Rights	2,457,612	30 June 2022
Unquoted Performance Rights	2,867,870	30 June 2023

*Vesting conditions are detailed in Section 7.9 above.

The Plan was replaced by a new employee securities incentive plan approved by Dacian Shareholders at Dacian's annual general meeting held on 30 November 2020. As at the Last Practicable Date, no securities have been issued under the new plan.

7.12 Interests of Dacian Directors and NTM Directors in Dacian's securities

The Dacian and NTM Directors have a Relevant Interest in the following Dacian securities.

Director/Company	Dacian Shares	Dacian Options	Dacian Performance Rights
Ian Cochrane (Dacian)	670,490	300,000[1]	Nil
Leigh Junk (Dacian)	1,959,076	Nil	8,333,334[2, 3]
Robert Reynolds (Dacian)	3,063,888	Nil	Nil
Michael Ruane (NTM)	100,000	Nil	Nil
Total	**5,793,454**	**300,000**	**8,333,334**

Notes:

1. Exercisable at $1.44 per Dacian Option and expiring on 28 February 2021:
2. Performance Hurdles comprise an assessment of:
   a. the growth of Dacian's JORC compliant reserves (**Reserve Growth Hurdle**);
      (i) Negative growth – Nil vest
      (ii) Mine depletion replaced - 50% vest
      (iii) Mine depletion replacement to 25% growth – pro rata from 50% - 100% vest
      (iv) 25% growth or more - 100% vest
   b. the total shareholder return achieved as compared to a group of peer companies (**Total Shareholder Return Hurdle**).
      (i) Below 50th percentile – Nil vest
      (ii) At 50th percentile - 50% vest
      (iii) Between 50th and 75th percentile – pro rata from 50% to 100% vest
      (iv) Above 75th percentile - 100% vest
3. Comprising:
   a. 2,777,778 expiring 30 June 2022;
   b. 2,777,778 expiring 30 June 2023; and
   c. 2,777,778 expiring 30 June 2025.

NTM notes that Dr M Ruane holds 100,000 ordinary shares in Dacian.

7.13 Dacian Share trading history

The closing price for Dacian Shares on ASX on 13 November 2020 (being the last trading day prior to the Announcement Date was $0.35.

On the Last Practicable Date, the closing price of Dacian Shares on ASX was 49.5 cents.

During the three-month period up to and including the Last Practicable Date, the highest and lowest recorded sale prices of Dacian Shares on ASX were, respectively, 56.5 cents on 8 January 2021 and 32.5 cents on 17 November 2020.

Set out below is the volume weighted average price (**VWAP**) of Dacian Shares for various periods up to and including the Last Practicable Date:

	10 Days	20 days	30 days	90 days
VWAP	$0.4995	$0.4857	$0.4526	$0.3955

The Dacian Share prices given above should not be taken as necessarily being an indication of the likely Dacian Share price following implementation of the Merger.

7.14 Rights attaching to Dacian Shares

The rights and liabilities attaching to Dacian Shares (and New Dacian Shares that form part of the Scheme Consideration) are described in Section 14.5.

7.15 Dacian's announcements and reports

As a disclosing entity, Dacian is subject to the periodic and continuous disclosure and reporting requirements of the Corporations Act and ASX Listing Rules. Specifically, as a listed company, Dacian is subject to the ASX Listing Rules which require continuous disclosure of any information Dacian has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

Dacian announcements are available on its website (www.daciangold.com.au) as well as ASX's website (www.asx.com.au). Further announcements concerning developments at Dacian may be made and placed on these websites after the date of this Scheme Booklet.

In addition, Dacian is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC in relation to Dacian may be obtained from, or inspected at, an ASIC office.

Dacian will provide a copy of each of the following documents, free of charge, to any person on request prior to the Scheme Meeting. Alternatively, these documents can be obtained from ASX's website (www.asx.com.au) or from the Dacian website (www.daciangold.com.au):

(a) the annual financial report of Dacian for the year ended 30 June 2020 (being the annual financial report most recently lodged with ASIC by Dacian before the Last Practicable Date); and

(b) any continuous disclosure announcements made by Dacian after the date of the lodgement of the annual financial report referred to above and before the lodgement of a copy of this Scheme Booklet with ASIC for registration.

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and which is required to be set out in this Scheme Booklet.

The following table summarises material announcements made by Dacian to ASX since 29 October 2020 (being the date of lodgement of the half yearly financial report referred to in paragraph (a)).

Date Lodged	Description of Document (ASX announcement header)
27 January 2021	Court Orders Convening of Scheme Meeting
22 January 2021	Quarterly Activities Report
5 January 2021	Preliminary December Quarter Update
21 December 2020	Change in substantial holding

16 December 2020	Positive Phase 2 Drilling at McKenzie Well
8 December 2020	Change of Director's Interest Notice
7 December 2020	Change of Director's Interest Notice
7 December 2020	Change of Director's Interest Notice
1 December 2020	Final Director's Interest Notice
30 November 2020	New Constitution
30 November 2020	Results of Annual General Meeting
30 November 2020	Annual General Meeting Company Presentation
30 November 2020	Chairman's Address - 2020 Annual General Meeting
23 November 2020	Becoming a substantial holder
16 November 2020	Proposed issue of Securities – DCN
16 November 2020	Presentation Strategic Merger – Dacian and NTM
16 November 2020	Scheme Implementation Deed
16 November 2020	Dacian and NTM Agree Merger
4 November 2020	Investor Presentation – November 2020
2 November 2020	Appendix 3G – Issue of Performance Rights
29 October 2020	Notice of Annual General Meeting
29 October 2020	Appendix 4G

7.16 Risk factors

Risk factors relating to Dacian and its business are discussed in Section 10.

7.17 Material events since 30 June 2020

Except as disclosed elsewhere in this Scheme Booklet, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any Dacian Directors, at the date of this Scheme Booklet which has not previously been disclosed to NTM Shareholders.

8. Profile of the Combined Group

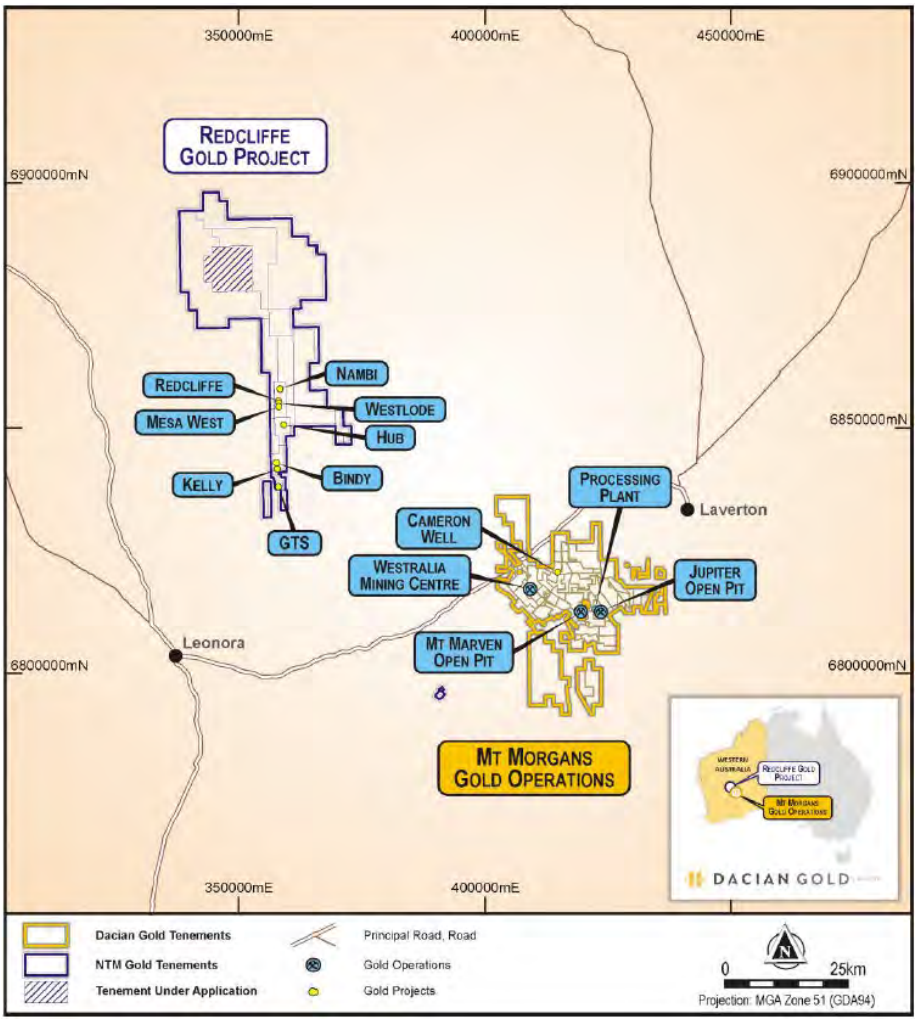
This Section of the Scheme Booklet contains information in relation to Dacian if the Scheme is implemented.

The Merger will create a significant established ASX-listed Australian gold company with exposure to a large and diversified gold exploration and development project portfolio in Western Australia, with a significant JORC 2012 compliant Mineral Resource and considerable exploration upside.

Following implementation of the Scheme, the Combined Group will have the following key operations/projects:

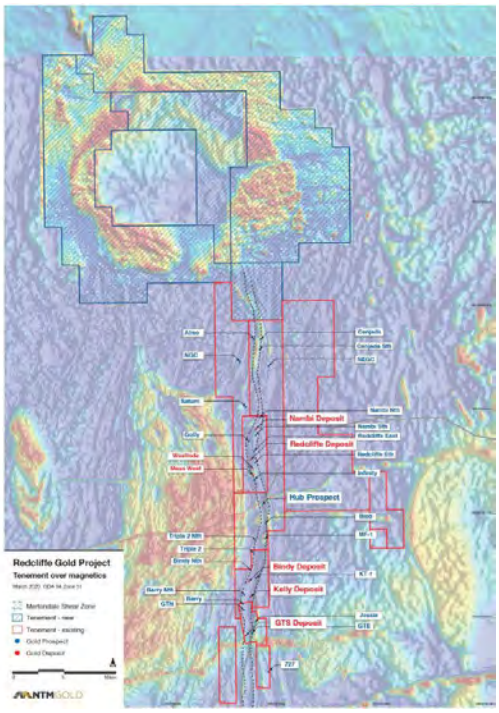
- **Mt Morgans Gold Operation**: Dacian's Mt Morgans Gold Operation is located 25km west of Laverton and approximately 750km north-east of Perth in Western Australia. Dacian maintains significant infrastructure at the Mt Morgans Gold Operation, centred around its 2.5Mtpa processing plant, producing open pit mines, and numerous underground and open pit development projects.

  The Mt Morgans Gold Operation is a 608km² tenement package comprising predominantly granted mining leases. It is situated in the Laverton gold district, amongst numerous multi-million ounce gold mines with a highly prospective tenement position.



- **Redcliffe Gold Project**: NTM's 100% owned Redcliffe Gold Project is located 45-60km northeast of Leonora in the Eastern Goldfields Region of Western Australia. The Redcliffe Gold Project area comprises over 720 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.



During the previous financial year, NTM undertook a substantial amount of drilling with a number of programs across the Recliffe Gold Project. NTM completed 641 drill holes for 53,575m. Of this, the vast majority was aircore drilling, with 519 holes completed for 34,411m, followed by reverse circulation drilling, with 105 holes for 16,699m, with the remainder diamond drilling.

NTM also completed a maiden Mineral Resource Estimate for Hub, undertook preliminary recovery test work for Hub, and significantly expanded the Redcliffe Gold Project via the acquisition of a large tenement package.

The combination of NTM's Redcliffe Gold Project and Dacian's Mt Morgans Gold Operation gives the Combined Group the opportunity to leverage its increased scale to drive operational efficiencies and pursue further value-accretive growth opportunities.

The NTM Directors believe that the Combined Group will benefit from an improved risk profile resulting from the increased breadth of the asset portfolio with greater operational and geographic diversification.

Overview of Combined Group's Tenements

Details of the mining tenements comprising the:

(a) Redcliffe Gold Project are set out in Table 5-1 and Appendix B of the Independent Technical Report; and

(b) Mt Morgans Gold Operation are set out in Table 4-1 and Appendix A of the Independent Technical Report.

8.1 Capital structure

Dacian's capital structure is described in Section 7.9. If the Scheme becomes Effective:

(a) approximately 254,855,263 Dacian Shares will be issued as Scheme Consideration in respect of the NTM Shares to be acquired under the Scheme (ignoring the effects

of rounding and assuming that no further NTM Shares are issued before the Record Date); and

(b) 22,222,222 New Dacian Options will be granted in exchange for the cancellation of all existing NTM Options at a ratio of 1 Dacian Option for every 2.7 NTM Options held pursuant to the Option Cancellation Deeds (assuming that no NTM Options are exercised before the Record Date).

Dacian will have approximately 811,363,817 Dacian Shares on issue following implementation of the Scheme (assuming no further Dacian Shares are issued).

The New Dacian Shares to be issued as Scheme Consideration will, accordingly, represent approximately 31.4% of the total number of Dacian Shares on issue following implementation of the Scheme.

8.2 Substantial shareholdings

Based on information lodged with ASX or known to Dacian (in respect of Dacian substantial shareholders) or set out in Section 6.6 (in respect of NTM substantial shareholders), and assuming that:

(a) the substantial shareholders of Dacian and NTM as at the date of this Scheme Booklet continue to hold their existing holdings in Dacian and NTM (respectively);

(b) none of those substantial shareholders hold shares in both Dacian and NTM; and

(c) no further Dacian Shares or NTM Shares are issued except pursuant to the Scheme,

the holdings of those substantial shareholders in Dacian following implementation of the Scheme will be as follows:

Combined Group Substantial Shareholders

Shareholder	Number of Dacian Shares Held	Percentage of Issued Dacian Shares
DGO Gold	50,058,546	6.17%
Franklin Resources Inc and its Affiliates	42,119,173	5.18%

8.3 Acquisitions and divestments

Dacian regularly examines new acquisition opportunities which may relate to existing or new areas of operation for Dacian. This may lead to changes in the source of Dacian's operating results over time. From time to time, Dacian may receive unsolicited approaches from interested buyers for assets or businesses operated by Dacian. These approaches are evaluated on their merits. Other than in respect of the Merger or as otherwise disclosed in this Scheme Booklet, there are no discussions presently being undertaken in relation to acquisitions or divestments that are sufficiently advanced or sufficiently material to Dacian's earnings that Dacian considers warrant disclosure in this Scheme Booklet.

8.4 New Dacian Shares

Dacian will use its best endeavours to procure that the New Dacian Shares to be issued as Scheme Consideration are quoted on the ASX with effect from the Business Day following the Implementation Date. Dacian will issue holding statements to holders of the New Dacian Shares as soon as possible following the Implementation Date.

8.5 Rights attaching to New Dacian Shares

The rights and liabilities attaching to the New Dacian Shares that form part of the Scheme Consideration are the same as the existing Dacian Shares issued to Dacian Shareholders. Further information is set out in Section 14.5.

8.6 Financial overview of the Combined Group

The Combined Group pro forma historical financial information provided in this Scheme Booklet comprises a pro forma consolidated unaudited Statement of Financial Position as at 30 June 2020 which is based on:

(a) Dacian's audited consolidated Statement of Financial Position as at 30 June 2020; and

(b) NTM's audited consolidated Statement of Financial Position as at 30 June 2020.

The pro forma historical financial information is provided for illustrative purposes and is prepared on the assumption that the Scheme had been implemented on 30 June 2020 and NTM becomes a wholly owned subsidiary of Dacian.

The Combined Group pro forma historical financial information has been prepared by the management of Dacian with input from the management of NTM. The information is based on Dacian's and NTM's audited financial statements as at 30 June 2020. The pro forma historical financial information has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards and in accordance with Dacian's accounting policies, as set out in Dacian's annual report for the financial year ended 30 June 2020.

The Combined Group pro forma historical financial information is presented in an abbreviated form and does not contain all the disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act. In particular, it does not include the notes to and forming part of the financial statements of Dacian and NTM.

The information provided in this Section is presented on a pro forma basis only and, as a result, it is likely that this information will differ from the actual financial information of the Combined Group.

Acquisition Accounting

Australian Accounting Standards require the Merger to be accounted for as an in-substance acquisition, with Dacian deemed to be the acquirer. The pro forma Merger has been accounted for as an asset acquisition.

The value of the consideration for the acquisition of the NTM Shares under the Scheme will be measured based upon the value of the Dacian Shares at close of trading on the Implementation Date. For the purposes of the Combined Group pro forma historical financial information, a value of $0.35 per New Dacian Share has been assumed, being the ASX closing price of Dacian Shares on 13 November 2020 (the last trading day before the Announcement Date). Consequently, the value of the purchase consideration for accounting

purposes may differ from the amount assumed in the Combined Group pro forma historical financial information due to future changes in the market price of Dacian Shares.

Combined Group pro forma statement of financial position – 30 June 2020

The following pro forma adjustments to the historical financial information have been made in order to present the Combined Group pro forma historical financial information:

As at 30 June 2020	Historical Consolidated Statement of Financial Position of Dacian $'000	Historical Consolidated Statement of Financial Position of NTM $'000	Pro Forma Adjustments and Material Subsequent Events $'000	Notes	Pro Forma Historical Consolidated Statement of Financial Position $'000
Current Assets					
Cash and cash equivalents	51,976	6,676	(25,000)	(d)	33,652
Receivables	3,179	113			3,292
Inventories	20,382	-			20,382
Derivative financial instruments	45	-			45
Total current assets	**75,582**	**6,789**	**(25,000)**		**57,371**
Non-current assets					
Property, plant and equipment & right of use assets	107,205	345			107,550
Exploration and evaluation assets	4,072	12,771	78,645	(a), (b)	95,488
Mine properties	84,486	-			84,486
Deferred tax assets	13,374	-			13,374
Total non-current assets	**209,137**	**13,116**	**78,645**		**300,898**
Total Assets	**284,719**	**19,905**	**58,645**		**358,269**
Current liabilities					
Trade and other payables	21,016	526	5,800	(b)	27,342
Provisions	1,420	45			1,465
Borrowings	34,585	-			34,585
Other financial liabilities	261	23			284
Total current liabilities	**57,282**	**594**	**5,800**		**63,676**

As at 30 June 2020	Historical Consolidated Statement of Financial Position of Dacian $'000	Historical Consolidated Statement of Financial Position of NTM $'000	Pro Forma Adjustments and Material Subsequent Events $'000	Notes	Pro Forma Historical Consolidated Statement of Financial Position $'000
Non-current liabilities					
Provisions	21,195	-			21,195
Borrowings	43,600	-			18,600
Other financial liabilities	-	72	(25,000)	(d)	72
Total non-current liabilities	**64,795**	**72**	**(25,000)**		**39,867**
Total liabilities	**122,077**	**666**	**(19,200)**		**103,343**
Net Assets	**162,642**	**19,239**	**72,845**		**254,726**
Equity					
Issued capital	338,904	34,098	55,101	(a), (c)	428,103
Share-based payments reserve	2,250	4,714	(1,829)	(a), (c)	5,135
Accumulated losses	(178,512)	(19,573)	19,573	(c)	(178,512)
Total Equity	**162,642**	**19,239**	**72,845**		**254,726**

Notes to pro-forma Consolidated Statement of Financial Position

(a) Accounting entries arising from the Transaction, in accordance with the Scheme Implementation Deed

This pro forma Consolidated Statement of Financial Position reflects the acquisition of NTM by Dacian in accordance with the Scheme Implementation Deed. For the purposes of preparing the pro forma historical financial information, the transaction has been accounted for as an asset acquisition. For the purpose of the pro forma historical financial information, the transaction has been measured with reference to the estimated fair value of the scheme consideration.

The total fair value of the estimated consideration has been calculated at $92,084,000 and is recognised as additional contributed equity and reserves. Assumptions regarding the capital structure and purchase consideration are set out in (i) below. Assumptions regarding the fair value of the net assets acquired are set out in (ii) below.

(i) On 15 November 2020, Dacian and NTM entered into a Scheme Implementation Deed pursuant to which Dacian will acquire all of the NTM Shares by way of a scheme of arrangement under the Corporations Act. Under the Scheme, 2.7 NTM Shares will be exchanged for 1 Dacian share.

The existing 60,000,000 NTM unlisted Options expiring 31 March 2022, exercisable at $0.10 each into NTM shares will convert into 22,222,222 Dacian unlisted Options exercisable at $0.27 into Dacian Shares with the same expiry date.

For the purposes of the pro forma historical financial information, the fair value on the acquisition date of the Dacian consideration, is estimated to be approximately $89,199,000 as set out below. This is based on the closing Dacian share price on 13 November 2020 (the last trading price of Dacian shares before the Scheme Implementation Deed was signed and announced).

The calculation assumes that all existing NTM Rights will vest into NTM Shares and all NTM Options will convert into Dacian Options as agreed under the Scheme Implementation Deed.

The fair value attributed to the Dacian unlisted Options to be issued to replace the existing 60,000,000 NTM unlisted Options on issue at 30 June 2020 is estimated at $2,885,000 and is recognised as part of the deemed consideration transferred. A summary of key assumptions adopted in the Black Scholes model to estimate the fair value of these Dacian unlisted Options to be issued under the Scheme for the purposes for the pro forma historical financial information is detailed below:

Number of Dacian unlisted Options to be issued	22,222,222
Dividend yield (%)	Nil
Expected volatility (%)	60%
Risk free interest rate (%)	0.11%
Expected life from Implementation Date (years)	1 year
Share price at 13 November 2020 ($)	0.35
Exercise price ($)	$0.27
Fair value per option ($)	$0.13

Pro forma fair value of the deemed consideration:

	Number
Number of NTM shares on issue at 30 June 2020	683,859,211
Number of rights vesting into NTM Shares since 30 June 2020	1,750,000
Number of NTM Rights expected to vest into NTM Shares before the Implementation Date	2,500,000
Total number of NTM Shares expected to be on issue immediately prior to the Implementation Date	**688,109,211**
NTM shares per Dacian share to be issued	2.7
Number of Dacian Shares that would be issued under the Scheme	254,855,263
Closing Dacian share price on 13 November 2020	$0.35
Pro forma fair value of Dacian Share consideration	$89,199,342

Pro forma fair value of replacement share-based payment options considered to be part of the consideration	$2,885,000
Pro forma fair value consideration	$92,084,342

(ii) The actual measurement date of the deemed consideration will occur on the acquisition date which is generally taken to be the date the Scheme is implemented. Consequently, the fair value of the consideration transferred will differ from the amount assumed in the pro forma historical financial information due to any further changes in the market price of Dacian Shares or in the number of NTM securities on issue and outstanding.

In accounting for the asset acquisition, the total cost of the acquisition will be allocated over the identifiable assets and liabilities acquired, on the basis of their relative fair values at the acquisition date. The estimated total cost of the acquisition has been allocated to the net assets as follows:

	$'000
Pro forma total fair value of consideration	
- Dacian shares to be issued	89,199
- Dacian options to be issued	2,885
- Transaction costs	5,800
Total pro forma consideration and costs	**97,884**
Estimated fair value of the net assets acquired:	
Exploration and evaluation assets	91,416
Net other assets and liabilities (including cash)	6,468
Total net assets	**97,884**

The acquisition accounting for the net assets acquired has been determined on a provisional basis. The preliminary estimate of the fair values of the assets and liabilities of NTM is summarised below:

- For the purposes of preparing the pro forma historical financial information it is assumed that other than exploration and evaluation assets, that all other assets and liabilities in the historical consolidated statement of financial position of NTM as at 30 June 2020 have a fair value equivalent to their carrying value.

- The value of exploration and evaluation expenditure is estimated at $91,416,000 being the difference between the consideration paid and the other net assets of NTM at 30 June 2020. This has resulted in a pro forma fair value uplift of $78,645,000 on exploration and evaluation expenditure over the NTM 30 June 2020 carrying value of $12,771,000.

- It is assumed that NTM will join the Dacian tax consolidated group. For the purposes of the pro forma historical financial information it is assumed that the accounting fair value uplift in net assets will be matched by at least an equivalent increase in tax base of the assets and liabilities. Accordingly, no additional deferred tax is recognised as a pro-forma adjustment.

The actual fair value of the net assets of NTM acquired by Dacian will ultimately be determined after implementation of the Scheme. Therefore, it is likely that the allocation of the acquisition costs will vary from those shown above and the differences may be material.

(b) Transaction costs

This adjustment recognises an accrual for the estimated transaction costs of $5,800,000 (which includes a preliminary pro forma estimate of stamp duty) relating to the Transaction. As the basis of the pro forma historical financial information is an asset acquisition, these costs have been added to the estimated Scheme Consideration to determine the total cost of the acquisition.

(c) Elimination of NTM pre-acquisition equity on consolidation

This consolidation adjustment eliminates the NTM's pre-acquisition equity, reserves and accumulated losses at 30 June 2020.

(d) Subsequent to 30 June 2020 - Dacian debt repayment

This adjustment recognises the material transaction by Dacian in September 2020, being a $25,000,000 debt repayment.

(e) Transactions not included in the pro forma adjustments

As at 30 June 2020 NTM had an unrecognised deferred tax asset relating to income tax losses amounting to $41,506,500. After completion of the scheme, NTM and its 100% owned subsidiaries will join the Dacian tax consolidation group. A detailed analysis of the consequences of joining the Dacian tax consolidated group will be undertaken following the implementation of the scheme. No deferred tax asset has been recognised for the NTM tax losses in the pro forma historical information.

Since the date of the pro forma consolidated statement of financial position Dacian has continued to generate operating cash flows, repay debt, NTM has incurred costs in relation to this transaction and both Dacian and NTM have continued to invest in exploration and corporate overheads. These activities will impact the future pro forma consolidated financial position.

8.7 Financial outlook of the Combined Group

Dacian and NTM have given careful consideration to whether forecast financial statements (including any internally created valuation models) can and should be included in the Scheme Booklet in respect of the Combined Group. In particular, Dacian and NTM have considered whether there is a reasonable basis for the preparation and disclosure in the Scheme Booklet of reliable and useful forecast financial statements in this regard. Dacian and NTM have concluded that forecast financial statements for the Combined Group cannot be provided in the Scheme Booklet as they do not have a reasonable basis for such forecasts as required by applicable law and practice, and therefore the forecasts would not be meaningful or material to NTM Shareholders.

NTM Shareholders should refer to the Independent Expert's Report set out in Annexure A for the expert's conclusions regarding valuations of Dacian and NTM.

Following completion of the Merger, the Combined Group Board will determine the optimal financing for, and amounts to be made available for, the activities of the Combined Group. The Combined Group Board will consider the best way forward for ensuring that adequate capital is available to maintain appropriate levels of exploration and production.

8.8 Risks associated with the Combined Group

There are a number of risks associated with the Combined Group. These are summarised in Section 10.

8.9 Combined Group's register of securityholders

In accordance with Australian law, Dacian's register of shareholders and optionholders will be maintained in Australia by its Australian registry, being:

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
PERTH WA 6000

9. Intentions of Dacian and the Combined Group

9.1 Overview

This Section sets out the intentions in relation to Dacian and the Combined Group, assuming the Scheme is implemented. The statements set out in this Section are formed on the basis of publicly available information as at the date of this Scheme Booklet as well as information made available in the course of due diligence carried out by NTM on the business of Dacian.

The statements set out in this Section are statements of current intention only, which may change as new information becomes available, as circumstances change or as the Combined Group further develops its strategic focus and outlook.

9.2 Conduct of business

If the Scheme is implemented and subject to the matters set out below, it is intended that the business of NTM will be integrated into Dacian's existing business and will be continued substantially in the same manner as it is presently being conducted.

The Combined Group will continue to review all aspects of the assets and operations to identify ways to maximise value for all shareholders. The key projects of the Combined Group are described in Section 8.

The Merger will allow the two companies to realise the strong synergies that exist between their neighbouring gold projects.

The potential synergies primarily relate to the opportunity to diversify production at Mt Morgans Gold Operation via the potential to source material from a number of Redcliffe deposits (subject to mining studies and approvals) for processing at the Mt Morgans plant, thereby creating operating flexibility and potentially reducing risk of a single source operation as well as the reduction in infrastructure capital investment to develop the deposits, which in turn will create operating flexibility and reduce risk. The Combined Group will undertake further exploration and study, so as to build up the feasibility of NTM's deposits as the basis of the second mining centre.

The Combined Group will have the opportunity to enhance and extend Dacian's existing mine plan, given the presence of high-grade shallow oxide mineralisation. In addition, there is potential:

(a) for mine life extensions at Mt Morgans Gold Operation via the possible addition of material from the Redcliffe deposits, subject to completion of studies and approvals and to realise the full potential of the Combined Group's Mineral Resource base of 45.4Mt @ 1.88g/t for 2.75Moz[35];

(b) to optimise the Redcliffe Gold Project's grade profile, highlighted by the 50%+ increase in Mineral Resource average grade from 1.57g/t to 2.40g/t by lifting the cut-off grade by 0.5g/t to 1.0g/t (except for the Hub deposit); and

(c) to significantly reduce both infrastructure capital costs thereby increasing the likelihood of development of all projects.

Dacian's immediate focus following implementation of the Scheme will be on the near-term development of the high-grade, shallow oxide mineralisation within the Redcliffe Gold Project such as the Hub and GTS deposits. In particular, Dacian's intentions include:

[35] This figure is the combined amount of NTM's Mineral Resource base (0.679Moz) and Dacian's Mineral Resource base (2.067Moz) and Ore Reserves (0.75Moz). Please refer to the Section titled 'Reasons to vote in favour of the Scheme' and Section 1.4 for further information. The combined 45.4Mt represents the aggregate of NTM's Mineral Resource base of 13.42Mt and Dacian's Mineral Resource base of 31.96Mt.

(d) **Hub deposit:**

(i) undertaking resource definition drilling with a view to upgrade the resource classification; and

(ii) advancing mining optimisation studies;

(e) **GTS deposit:**

(i) depth extensional drilling with a view to increasing the resource and upgrading the resource classification; and

(ii) advancing mining optimisation studies;

(f) **Nambi deposit:**

(i) undertaking resource definition drilling with a view to upgrade the resource classification;

(ii) advancing mining optimisation studies.

Amongst the other deposits within the Redcliffe Gold Project, Dacian's intention is to undertake a thorough review and prioritise the deposits for integration into the development pipeline of the Combined Group and undertake further resource definition drilling.

This near-term development strategy is intended to occur over an 18 to 24 month timeline following implementation of the Scheme. Dacian cautions that the anticipated timeline for development remains subject to the usual risks applicable to exploration and development activities. Refer to Section 10 for a summary of the key risks applicable to an investment in the Combined Group, including exploration and development risks.

The potential increase in scale of the Combined Group's operations in the Leonora-Laverton District, and the opportunity to pursue a near-term development strategy, may support further value unlocking opportunities in the region for the Combined Group. These opportunities may include the ability for the Combined Group to approach future regional consolidation opportunities from an improved market positioning that leverages the Combined Group's infrastructure and increased scale advantage in the region.

The current strategic plan is to sustain and grow the current operating outlook for the Combined Group by leveraging the current mining operations and processing infrastructure at the Mt Morgans Gold Operation. Further development studies on NTM's projects and a review of the optimal integrated mine plan for the Combined Group will be conducted, with the intention of maximising cash flow and shareholder returns.

Given the anticipated moderate capital investment required to advance NTM's projects, Dacian's present intention is to fund the near-term development strategy from its existing funds and future cash-flows from its Mt Morgans Gold Operation. Investors are cautioned however that as with any statement of intention, intervening events and new circumstances have the potential to affect this position and the Dacian Board reserves the right to adjust its plans to respond to such events and circumstances.

9.3 Directors, management and employees of the Combined Group

Following the implementation of the Scheme, Dacian will continue to be led by Managing Director, Leigh Junk and Chairman, Ian Cochrane, and NTM Director Eduard Eshuys will join the Board as a non-executive Director.

Shareholders of the Combined Group will also benefit from a strengthened management team. NTM's exploration personnel will transition to the Combined Group, maintaining a continued and comprehensive knowledge base on the Redcliffe Gold Project.

9.4 Corporate matters in relation to NTM

Following implementation of the Scheme, it is intended that:

(a) NTM be removed from the official list of ASX; and

(b) as NTM will be a wholly owned subsidiary of Dacian, the NTM Board will be reconstituted so that it comprises persons nominated by the Dacian Board.

9.5 Business, assets and employees

Other than as set out in this Section 9 and elsewhere in this Scheme Booklet, it is the present intention of Dacian:

(a) to continue the business of NTM;

(b) not to make any major changes to the business of NTM;

(c) to continue existing study and development projects of NTM; and

(d) to maintain the employment of the majority of NTM's existing employees.

9.6 Dividend policy

The Combined Group Board will review the amount of any future dividends to be paid to shareholders having regard to the Combined Group's profits, its financial position and the Board's assessment of the capital required to grow the Combined Group's business.

10. Potential risk factors

10.1 Overview

Under the Scheme, Scheme Participants (other than Ineligible Foreign Shareholders) will acquire New Dacian Shares and consequently there will be a change to their overall investment risk profile. This Section outlines a number of the risks that may affect the performance of the Combined Group and the value of its shares. These risks include:

(a) risks relating to the Combined Group;

(b) risks to NTM Shareholders if the Scheme does not proceed;

(c) general risks that are common to the existing NTM and Dacian businesses; and

(d) risks affecting the general economy and stock market.

The outline of risks in this Section 10 is a summary only and should not be considered exhaustive. No assurances or guarantees are given in relation to the future performance of, profitability of, or payment of dividends by NTM, Dacian or the Combined Group.

10.2 Specific risks of the Combined Group

The following risks have been identified as being key risks specific to an investment in the Combined Group. These risks have the potential to have a significant adverse impact on the Combined Group and may affect the Combined Group's financial position, prospects and price of its listed securities.

COVID-19 and associated market risk

The global economic outlook is facing uncertainty due to the current COVID-19 pandemic, which has been having, and will likely continue to have, a significant impact on global capital markets, the gold price and foreign exchange rates (including the USD / AUD exchange rate).

To date, the COVID-19 pandemic has not had any material impact on either of Dacian's or NTM's operations, however, any infections on site at the Mt Morgans Gold Operation could result in the Combined Group's operations being suspended or otherwise disrupted for an unknown period of time, which may have an adverse impact on the Combined Group's operations, as well as adverse implications on the Combined Group's future cash flows, profitability and financial condition. Dacian considers that unless required to shut-down operations as a result of a government intervention, any isolated incidents of COVID-19 on site may be managed and operated around to minimise any potential disruption to operations.

Supply chain disruptions resulting from the COVID-19 pandemic and measures implemented by governmental authorities around the world to limit the transmission of the virus (such as travel bans and quarantining) may, in addition to the general level of economic uncertainty caused by the COVID-19 pandemic, also adversely impact the Combined Group's operations, financial position and prospects. Dacian notes that most of its supply chain requirements are provided within Australia, and to date, its receipt of required supplies has generally been in line with expectations and requirements. Dacian actively operate to minimise the risk of delays by ensuring continuity of operations by securing spares of critical equipment.

Dacian has implemented a COVID-19 management plan across its business at all locations in order to minimise the risk of infection for individuals. The plan details the measures required from staff, contractors and people attending Dacian's worksites and includes procedures, work practices and restrictions covering the health of individuals, fitness for work, travel, flights (business / private), site accommodation, food preparation and cleaning. The

plan includes non-essential site-based personnel working remotely and for roster adjustments to be made to those essential to continued operations so as to reduce the frequency of travel.

Further and as a contingency, a number of site-based personnel within the exploration and mine geology teams are being trained in entry-level processing plant operator roles to enable the plant to continue to operate should members of the processing team fall ill or need to self-isolate. The stock holding of various consumables and spares on site is currently at acceptable levels and suppliers of business-critical items have been contacted to confirm continuity of supply. As part of its business interruption planning, Dacian has procedures and locations prepared should an individual believe they have been infected by COVID-19 whilst attending a Dacian worksite. It is also noted that Dacian currently has approximately 4.4Mt @ 0.6 g/t for 79,000oz of historical stockpiles, which is expected to equate to approximately 19 months of processing feed.

There is a risk that gold refining capacity at Perth Mint is disrupted. This could impact the Combined Group's ability to refine the ore produced, and therefore derive timely and complete revenue.

Dacian's COVID-19 management plan is reviewed and updated based on the latest guidance from health professionals and the government as the situation develops.

Production and cost estimates

Dacian's ability to achieve its production expectations and/or meet operating and capital expenditure estimates on a timely basis cannot be assured.

In particular, there are risks associated with the estimates detailed in the 2019 Mineral Resource and Reserve Update and the Production Outlook, which could impact the Combined Group's operational and/or financial performance. Dacian has relied on the 2019 Mineral Resource and Reserve Update, and historical costs, in respect of the production and AISC estimates for the Mt Morgans Gold Operation (as detailed in the Production Outlook). Further, there can be no guarantee that the Production Outlook will not need to be revised should operations at the Mt Morgans Gold Operation be suspended or otherwise disrupted as a result of the COVID-19 pandemic.

The operations and assets of the Combined Group, as with any other mining operations, are subject to a number of uncertainties, including in relation to ore tonnes, grade, metallurgical recovery, actual realised values and grades of stockpiles (which are also estimated), ground conditions, operational environment, funding for development, regulatory changes, weather (including flooding in the event of heavy rainfall), accidents, difficulties in operating plan and equipment and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment.

Costs of production for the Combined Group may be affected by a variety of factors, including changing waste-to-ore ratios, geotechnical issues, unforeseen difficulties associated with power supply, water supply and infrastructure, ore grade, metallurgy, labour costs, changes to applicable laws and regulations, general inflationary pressures and currency exchange rates. Unforeseen production cost increases could result in the Combined Group not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on the Combined Group's operational or financial performance. Failure of the Combined Group to achieve production or cost estimates could have an adverse impact on the Combined Group's future cash flows, profitability, results of operations and financial condition.

Mining Risk and Ore Reserve and Mineral Resource Estimates

When compared with many industrial and commercial operations, mining and mineral processing projects are relatively high risk. This is particularly so where new technologies are

employed. Each orebody is unique. The nature of mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining and processing can never be wholly predicted.

Estimations of the tonnes, grade and overall mineral content of a deposit are not precise calculations but are based on interpretation of samples from drilling, which even at close drill hole spacing, represent a very small sample of the entire orebody. Ore Reserve and Mineral Resource estimates are therefore expressions of judgement based on knowledge, experience and industry practice. Though the estimates may be accurate global approximations of gold content, localised grade variability may exist, which could result in short term deviations from production expectations.

By their very nature, Ore Reserve and Mineral Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Reported estimates, which were valid when originally estimated, may alter significantly when new information or techniques become available. As the Combined Group obtains new information through additional drilling and analysis, Ore Reserve and Mineral Resource estimates are likely to change. This may result in alterations to the Combined Group's exploration, development and production plans which may, in turn, positively or negatively affect the Combined Group's operations and financial position.

Commodity Prices and exchange rates

The value of the Combined Group's assets and the economic viability of its operations may be affected by fluctuations in commodity prices and exchange rates, specifically the USD denominated gold price and the AUD / USD exchange rate.

These prices can fluctuate rapidly and widely, and are affected by numerous factors beyond the control of the Combined Group. These factors include world demand for precious and other metals, forward selling by producers, and production cost levels in major metal-producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, gold price forward curves, global economic trends, confidence and conditions, and domestic and international fiscal, monetary and regulatory policy settings.

These factors can affect the value of the Combined Group's assets and the supply and demand characteristics of gold, and may have an adverse effect on the viability of the Combined Group's exploration, development and production activities, its ability to fund those activities and the value of its assets.

Production from the Combined Group's mineral properties is dependent upon the Australian gold price being sufficient to make these properties economic.

Risks associated with gold price volatility can be reduced by hedging. Dacian currently has a hedging program in place – see Section 7.6(c) for further information. Dacian's current hedging arrangements are below the current spot AUD gold price as at the date of this Scheme Booklet. This means that Dacian is not currently receiving the full upside of the AUD gold price. However, should the AUD gold price fall below the hedge price, the hedging arrangements would provide a level of AUD gold price protection against the falling AUD gold price.

Dacian's existing gold price hedges begin to roll off materially in FY21, with all gold price hedges extinguished in early FY22. Any adverse movements in the AUD / USD exchange

rate while Dacian is not fully hedged could impact the Combined Group's financial performance as it would impact the AUD gold price received by the Combined Group.

Compliance with debt finance terms and default risk

At 30 September 2020, Dacian had drawn debt under the Dacian Facility Agreement totalling approximately $39.1 million. The debt under the Dacian Facility Agreement is secured over the Dacian Group's assets.

In early 2020, Dacian agreed with its financiers to amend certain terms of the Dacian Facility Agreement which, amongst other things, has resulted in changes to the agreed debt repayment schedule (see Section 7.6(a) for further details).

Any failure to pay amounts owing under the Dacian Facility Agreement when due (or otherwise fail to comply with the terms of the Dacian Facility Agreement) could lead to a default and result in all amounts outstanding under the Dacian Facility Agreement becoming immediately repayable. In such circumstances, a failure to repay amounts owing could result in the Combined Group's financiers enforcing their security.

Operational Risk

The Combined Group's mining, exploration and development activities will be subject to numerous operational risks, many of which are beyond the Combined Group's control. The Combined Group's operations and maintaining mining productivity rates may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions, mechanical difficulties, shortages in or increases in the costs of consumables, spare parts, plant and equipment, external services failure (such including energy and water supply), industrial disputes and action, difficulties in commissioning and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, and compliance with governmental requirements.

Hazards incidental to the mining, exploration and development of mineral properties such as unusual or unexpected geological formations may be encountered by the Combined Group. Industrial and environmental accidents could lead to substantial claims against the Combined Group for injury or loss of life, and damage or destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

The Combined Group will endeavour to take appropriate action to mitigate these operational risks (including by ensuring legislative compliance, properly documenting arrangements with counterparties, and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on the Combined Group's performance and the value of its assets.

Future capital requirements

The Combined Group may require further financing to continue to operate in the future if, for example, it fails to meet its mining schedule or there is otherwise a material departure from the Dacian's stated production or cost guidance. Any additional equity financing that the Combined Group may undertake in the future may dilute existing shareholdings. Debt financing, if available, may involve restrictions on financing and operation activities.

There can be no assurance that the Combined Group will be able to obtain additional financing when required in the future, or that the terms and the time in which any such financing can be obtained will be acceptable to the Combined Group. This may have an adverse effect on the Combined Group's financial position and prospects.

10.3 Risks to NTM Shareholders if the Scheme does not proceed

NTM Shareholders should be aware that if the Scheme does not proceed, NTM Shareholders will retain their NTM Securities and will not receive any form of Scheme Consideration. NTM Shareholders may, in addition to the normal risks it faces, be exposed to the additional risks as described in Section 3.

If the Merger does not proceed, and no Superior Proposal for NTM is received, the NTM Directors will consider a number of alternative strategies for the operation and ownership of NTM's assets, as well as other growth initiatives. These alternatives would take time to implement.

If the Scheme is not implemented, then in order for NTM to develop or enhance its project portfolio, it would need to raise additional funds, which may include an equity issue. There can be no assurance that such funding will be available on satisfactory terms, or at all.

If the Merger does not proceed, NTM will continue to operate its current businesses as a stand-alone entity. Each NTM Shareholder will retain their NTM Shares and will not receive any New Dacian Shares. NTM will still incur a relative proportion of the transaction and other costs of the Merger. In those circumstances, it is likely that NTM's management would seek to continue to progress activities on the NTM's projects and continue to maximise value for NTM Shareholders. NTM Shares may trade below their current market price (or the value attributed by the Independent Expert) if the Merger is not implemented. This may occur if, for example, investors consider that NTM's growth prospects are lower in the absence of the Merger.

10.4 General risks common to an investment in NTM, Dacian and the Combined Group

The operating and financial performance of NTM, Dacian and the Combined Group is (or will be) influenced by the general business and economic variables that impact upon all entities listed on a stock exchange including changes in business and economic factors, such as interest rates, exchange rates, inflation, changes in national demographics, changes in governmental policy and changes to accounting or reporting standards.

The price at which NTM Shares and Dacian Shares will trade on ASX can be affected by a range of external factors over which neither NTM, nor Dacian, have any control. Key risks are discussed below.

Exploration and development

There can be no assurance that any exploration or development activity in regard to the Combined Group's properties, or any properties that may be acquired in the future, will result in the discovery or exploitation of an economic resource.

The success of the Combined Group depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of mineral commodities, securing and maintaining title to the Combined Group's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Even if an apparently viable resource is identified, there is no certainty that it can be economically exploited.

Mineral exploration, development and mining/extraction may be hampered by circumstances beyond the control of the Combined Group.

Exploration risks

Exploration is a high risk activity that requires large amounts of expenditure over extended periods of time. The Combined Group's exploration activities would be subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic

conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during exploration and development are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

Operational and technical risks

The operations of the Combined Group may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades and/or resources in exploration and mining, operational and technical difficulties encountered in mining and extraction, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical or recovery problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Mine development

Possible future development of a mining operation at any of the Combined Group's projects would be dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Combined Group commenced production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Combined Group would achieve commercial viability through the development or mining of its projects and treatment of ore.

Commodity price fluctuations

In the event of exploration and development success, any future revenue derived through any future sales of valuable minerals exposes the potential income of the Combined Group to commodity price risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Combined Group. These factors include world demand for commodities, forward selling by producers and the level of production costs in major commodity-producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, commodities.

Environmental risks

The operations and activities of the Combined Group are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Combined Group's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses. Further, if there are environmental rehabilitation conditions attaching to the mining tenements of the Combined Group, failure to meet such conditions could lead to forfeiture of these tenements.

Tenure risks

The Combined Group cannot guarantee additional applications for tenements made by the Combined Group will ultimately be granted, in whole or in part. Further the Combined Group cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all.

Native title and Aboriginal Heritage risks

It is possible that there may be areas over which legitimate common law native title rights of Aboriginal Australians exist in relation to the tenements that the Combined Group has, or may acquire, an interest in. Where native title exists, the ability of the Combined Group to obtain the consent of any relevant land owner, or to progress from the exploration phase to the development and mining phases of the operation, may be adversely affected.

It is possible that there will exist on the Combined Group's Australian mining tenements, areas containing sacred sites or sites of significance to Aboriginal people subject to the provisions of the relevant legislation, or areas subject to the *Native Title Act 1993* (Cth) in Australia. The existence of Aboriginal heritage and cultural sites within the tenements may lead to restrictions on the areas that the Combined Group will be able to explore and mine.

Joint venture partners and contractors

The Combined Group would rely significantly on strategic relationships with other entities and also on a good relationship with regulatory and government departments and other interest holders. The Combined Group would also rely on third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed and the Combined Group could be adversely affected by changes to such relationships or difficulties in forming new ones.

Key personnel

NTM and Dacian are reliant on a number of key senior management staff. Loss of such personnel may have an adverse impact on performance. However, this risk is mitigated by the fact that the gold sector is international in nature and has a significant depth of suitably qualified alternative personnel. Notwithstanding this, there may be periods of time where a particular position remains vacant while a suitable replacement is identified and appointed.

Litigation risks

The Combined Group is exposed to possible litigation risks including contractual disputes and employee claims. Further, the Combined Group may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven may impact adversely on the Combined Group's operations, financial performance and financial position.

Equity market conditions

Securities listed on the stock market, and in particular securities of gold producing companies, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of

companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

Changes in government policy and legislation

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Combined Group, and consequent returns to investors. The activities of the Combined Group will be subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

Future capital requirements

It is likely that the Combined Group would require future funding to explore and progress their projects or additional projects that the Combined Group may identify. There can be no assurance that such funding will be available on satisfactory terms or at all. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities.

If the Combined Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations as the case may be, which may adversely affect the business and financial condition of the Combined Group and its performance.

Regulatory risks

The Combined Group's research and development activities would be subject to extensive laws and regulations relating to numerous matters including taxation, employee relations, health and worker safety, waste disposal, protection of the environment and other matters. The Combined Group would require permits from regulatory authorities to authorise the Combined Group's operations.

Obtaining necessary permits can be a time consuming process and there is a risk that Combined Group would not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Combined Group from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Combined Group's activities or forfeiture of one or more of its tenements.

Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Combined Group.

10.5 Scheme and Merger implementation specific risks

The following risks have been identified as being key risks specific to an investment in the Combined Group. These risks have the potential to have a significant adverse impact on the Combined Group and may affect the Combined Group's financial position, prospects and price of its listed securities.

Integration risk

The long term success of the Combined Group will depend, amongst other things, on the success of management in integrating the respective businesses and the strength of management of the Combined Group. There is no guarantee that the businesses of the Combined Group will be able to be integrated successfully within a reasonable period of time. There are risks that any integration of the businesses of NTM and Dacian may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible differences in the management culture of the two groups, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel.

Any failure by the Combined Group to ensure implementation costs remain below those anticipated may have a material adverse effect on the financial performance and position, and prospects, of the Combined Group.

Change in risk profile and risks of investment in the Combined Group

If the Merger is implemented, there will be a change in the risk profile to which NTM Shareholders are exposed. NTM Shareholders are currently exposed to various risks as a result of their investment in NTM. If the Scheme is approved, NTM will become a wholly owned subsidiary of Dacian and NTM Shareholders will receive New Dacian Shares.

As a consequence, NTM Shareholders will be exposed to risk factors relating to Dacian, and to certain additional risks relating to the Combined Group and the integration of the two companies. In many cases, those risks are different from or additional to those currently faced by NTM Shareholders. The change in risk profile may be seen to be a disadvantage by some NTM Shareholders.

Satisfaction or waiver of conditions precedent

Completion of the Scheme is subject to a number of conditions precedent. There can be no certainty, nor can NTM provide any assurance, that these conditions will be satisfied or waived (where applicable), or if satisfied or waived (where applicable), when that will occur. In addition, there are a number of conditions precedent to the Scheme which are outside the control of NTM, including, but not limited to, approval of the Scheme by the Requisite Majority of NTM Shareholders and required regulatory and third party approvals and consents (refer to Section 12.2).

If for any reason the conditions to the Scheme are not satisfied or waived (where applicable) and the Scheme is not completed, the market price of NTM Shares may be adversely affected.

Termination rights

NTM and Dacian each have the right to terminate the Scheme Implementation Deed in the circumstances described in Section 13.6 of this Scheme Booklet. As such, there is no certainty that the Scheme Implementation Deed will not be terminated before the Scheme is implemented.

If the Scheme Implementation Deed is terminated, NTM can provide no assurances that another party would be willing to offer the same or greater price for NTM Shares than that which is offered under the Scheme Implementation Deed and the Scheme.

Issue of New Dacian Shares

If the Scheme is implemented, a significant number of New Dacian Shares will be available for trading in the public market. The increase in the number of Dacian Shares may lead to

sales of such shares or the perception that such sales may occur, either of which may adversely affect the market price of Dacian Shares.

The exact value of the Scheme Consideration is not certain

Under the terms of the Merger, NTM Shareholders will receive one New Dacian Share for every 2.7 NTM Shares they hold at the Record Date. The exact value of this Scheme Consideration that would be realised by individual NTM Shareholders will be dependent on the price at which the New Dacian Shares trade on ASX after the Implementation Date.

In addition, the Sale Agent (and/or a nominee of the Sale Agent) will be issued New Dacian Shares attributable to certain Ineligible Foreign Shareholders and will sell them on market as soon as reasonably practicable after the Implementation Date. It is possible that such sales may exert downward pressure on the Combined Group's share price during the applicable period. In any event, there is no guarantee regarding the prices that will be realised by the Sale Agent or the future market price of the New Dacian Shares. Future market prices may be either above or below current or historical market prices.

Risks of trading during deferred settlement trading period

Scheme Shareholders will not necessarily know the exact number of New Dacian Shares (due to rounding) that they will receive (if any) as Scheme Consideration until a number of days after those shares can be traded on the ASX on a deferred settlement basis. NTM Shareholders who trade New Dacian Shares on a deferred settlement basis, without knowing the number of New Dacian Shares they will receive as Scheme Consideration may risk adverse financial consequences if they purport to sell more New Dacian Shares than they receive.

Transaction and other costs

Transaction and other costs incurred (or which are expected to be incurred) in relation to the successful implementation of the Merger are currently estimated at approximately $5.8 million (exclusive of GST) (see Section 14.25 for further details), comprising adviser, legal, accounting, expert fees, planned redundancy costs and various other costs.

Contract risk

The Scheme may be deemed under contracts to which NTM or Dacian or their Subsidiaries are a party, to result in a change of share ownership event in respect of NTM or Dacian that allows the counterparty to review or terminate the contract as a result of the change or the issue of shares by Dacian, upon implementation of the Scheme. If the counterparty to any such contract were to validly seek to renegotiate or terminate the contract on that basis, this may have a material adverse effect on the financial performance of the Combined Group, depending on the relevant contracts.

Accounting risk

In accounting for the Merger, the Combined Group will need to perform a fair value assessment of all NTM's assets, liabilities and contingent liabilities. The Combined Group will also be subject to the usual business risk that there may be changes in accounting policies which have an adverse impact on the Combined Group.

A Superior Proposal for NTM may yet emerge

It is possible that a Superior Proposal for NTM, which is more attractive for NTM Shareholders than the Merger, may materialise in the future. The implementation of the Merger would mean that NTM Shareholders would not obtain the benefit of any such proposal.

The NTM Board is not currently aware of any such proposal and notes that since NTM and Dacian announced the Merger, there has been a significant period of time and ample opportunity for an alternative proposal for NTM which provides a different outcome for NTM Shareholders to emerge.

Since the Announcement Date, no alternative proposal has emerged and the NTM Directors have decided that the Merger is the best option available at the date of this Scheme Booklet. In addition, shareholders in the Combined Group will still have an opportunity to realise a full premium in the event of any future change of control transaction for the Combined Group.

Tax consequences for Scheme Shareholders

If the Merger proceeds, there may be tax consequences for Scheme Participants which may include tax payable on any gain on the disposal of Scheme Shares. However, Scheme Participants should seek their own professional advice regarding the individual tax consequences applicable to them. Refer to Section 11 for a summary of potential taxation implications.

Rights, obligations and break fee under Scheme Implementation Deed

Under the Scheme Implementation Deed entered into between NTM and Dacian, a liquidated amount (or break fee) of $500,000 may become payable by one party to the other in certain circumstances (refer to Section 13.5 for further details). The Scheme Implementation Deed also sets out various other rights and obligations of NTM and Dacian in relation to the Merger.

Other risks

Additional risks and uncertainties not currently known to NTM or Dacian may also have a material adverse effect on NTM or Dacian's business and that of the Combined Group and the information set out above does not purport to be, nor should it be construed as representing, an exhaustive list of the risks of NTM, Dacian or the Combined Group.

11. Australian tax implications

The following section addresses the income tax consequences of the proposed Scheme to NTM Shareholders and has been prepared by Moore Australia (WA) Pty Ltd.

INCOME TAX

1. Introduction

The following is a general summary of the Australian income tax consequences of the proposed Scheme for an NTM Shareholder.

This tax summary is based on Australian tax law and relevant regulations, rulings or judicial or administrative interpretations of such tax laws as at the date of this Scheme Booklet. It is general in nature and is not intended to be an authoritative or complete statement of the tax laws applicable to the personal circumstances of any NTM Shareholder. It does not constitute tax advice and should not be relied upon in any way. NTM Shareholders are advised to seek their own independent professional tax advice in relation to their own particular circumstances.

The comments set out below are relevant only to those NTM Shareholders who hold their NTM Shares on capital account as Capital Gains Tax ("CGT") assets and does not address the Australian income tax consequences for NTM Shareholders who:

- acquired their NTM Shares before 20 September 1985;
- hold their NTM Shares as revenue assets, for example with a profit-making intention (e.g. speculative shares) or as trading stock in a share trading business;
- hold their NTM Shares pursuant to an employee share, option or rights plan of NTM;
- have a functional currency for Australian tax purposes other than an Australian functional currency or are subject to the taxation of financial arrangements rules in Division 230 of the Income Tax Assessment Act 1997 ("ITAA97") in relation to gains and losses on their NTM Shares;
- may be subject to special tax rules, such as partnerships, tax exempt organisations, insurance companies or dealers in securities; or
- are temporary residents of Australia or who have changed their tax residency while holding their NTM Shares or are non-residents of Australia who hold their NTM Shares in carrying on a business at or through a permanent establishment in Australia.

NTM Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences of the Scheme under the laws of their country of residence, as well as under Australian law. These comments below relate to Australian income tax law only.

2. Australian Tax Resident Scheme Shareholders

If the Scheme is implemented, Dacian will acquire all the NTM Shares from NTM Shareholders. NTM Shareholders will receive the Scheme Consideration at the Transaction Ratio of one New Dacian Share for every 2.7 NTM Shares on the Scheme Effective Date.

2.1. Calculation of Capital Gain or Loss

As discussed in more detail below, the disposal of NTM Shares to Dacian under the Scheme will give rise to a CGT event A1 for NTM Shareholders. NTM Shareholders will either:

i. Make a capital gain if the Scheme Consideration (i.e. Market Value of New Dacian Shares) provided to NTM Shareholders on the exchange of their NTM Shares is greater than the cost base of their NTM Shares; or

ii. Make a capital loss if the Scheme Consideration (i.e. Market Value of New Dacian Shares) provided to NTM Shareholders on the exchange of their NTM Shares is less than the reduced cost base of their NTM Shares.

2.2. Cost Base of NTM Shares

The calculation of cost base and reduced cost base will be different for each NTM Shareholder depending upon their individual circumstances. The calculation of cost base will generally include the amount paid, and the market value of any property given, to acquire the NTM Shares, plus certain incidental costs of acquisition and disposal (e.g. brokerage fees and stamp duty) that are not otherwise deductible to the NTM Shareholder. The reduced cost base of the NTM Shares of a NTM Shareholder will be similarly determined.

2.3. Capital Proceeds

The capital proceeds for the disposal of the NTM Shares of a NTM Shareholder will be the Scheme Consideration. The amount of the capital proceeds should be the market value of the New Dacian Shares received by a NTM Shareholder under the Scheme on the Implementation Date.

2.4. CGT Discount

Individuals, complying superannuation entities or trustees that have held their NTM Shares for at least 12 months before the Implementation Date may be entitled to benefit from the CGT discount to reduce the amount of any capital gain (after application of capital losses) from the disposal of their NTM Shares by:

- 50% in the case of individuals and trusts (for trustees, the ultimate availability of the discount for the beneficiaries of a trust will depend on the particular circumstances of the beneficiaries); or

- $33^{1}/_{3}$% for complying superannuation entities.

The CGT discount will not be available to a NTM Shareholder that is a company.

3. Availability of Scrip-for-Scrip Roll-Over Relief

An NTM Shareholder who disposes of their NTM Shares in exchange for New Dacian Shares, and who would otherwise make a capital gain in respect of the disposal of their NTM Shares, may be able to obtain CGT scrip for scrip roll-over relief under subdivision 124-M of the ITAA 1997.

CGT scrip for scrip roll-over relief under subdivision 124-M of the ITAA 1997 should generally be available where the following relevant requirements are satisfied:

- a NTM Shareholder exchanges a share (original interest) in a company (target) for a share (replacement interest) in another company;

- the exchange is in consequence of a single arrangement;

- the arrangement must result in:
    - a company (acquiring entity) that is not a member of a wholly-owned group becoming the owner of 80% or more of the voting shares in the original entity; or
    - a company (also an acquiring entity) that is a member of such a group increasing the percentage of voting shares that it owns in the original entity, and that company or members of the group becoming the owner of 80% or more of those shares;
- the arrangement must allow for the participation of all owners of voting interests in the original entity and on substantially the same terms;
- the replacement interest must be shares in the acquiring entity if it is not a member of a wholly-owned group or shares in the ultimate holding company of a wholly owned group;
- the original interest holder must choose to obtain roll-over relief;
- Where the exchanging entities do not deal with each other at arm's length and neither is widely held, or where the original interest holder, original entity and replacement entity were all members of the same "linked group" just before the arrangement, the replacement interest must confer the same rights and obligations as the original interest; and
- Where a foreign resident is an original interest holder, roll-over relief is only available if, just after the replacement interest is acquired, the replacement interest is taxable Australian property as defined in Division 855 of the ITAA97.

Other requirements for roll-over relief may apply if neither the exchanging nor acquiring entity have 300 shareholders just before the arrangement started. Please note, a concentration test can apply to treat the exchanging or acquiring entity as if it did not have at least 300 shareholders if, broadly, up to 20 individuals (together with their Associates) own between them, directly or indirectly, at least 75% of the relevant company's voting, dividend or capital rights.

3.1. Choosing Scrip-for-Scrip Roll-Over Relief

NTM Shareholders who make a capital gain on disposal of their NTM Shares under the Scheme may choose to apply scrip for scrip roll-over relief. If scrip for scrip roll-over relief is available and chosen by a NTM Shareholder, the capital gain that would otherwise arise will be disregarded. Further, Dacian will not make a choice under section 124-795(4) of the ITAA 1997 to deny scrip for scrip roll-over relief.

A NTM Shareholder will evidence their choice of having chosen scrip for scrip roll-over relief by the way they prepare their income tax return (i.e. by excluding the disregarded capital gain from assessable income) for the income year in which the Implementation Date occurs. There is no need to lodge a separate notice with the ATO.

3.2. Implications of Choosing Scrip-for-Scrip Roll-Over Relief

Where a NTM Shareholder has chosen scrip for scrip roll-over relief:

- a capital gain that the NTM Shareholder makes from the disposal of their NTM Shares under the Scheme should be disregarded and deferred until a subsequent taxable event occurs in respect of their New Dacian Shares;

- the first element of the cost base of the New Dacian Shares received as Scheme Consideration by the NTM Shareholder should be equal to the cost base of their original NTM Shares; and

- the New Dacian Shares will be taken to be acquired at the time their NTM Shares were originally acquired, for the purpose of any subsequent disposal of the New Dacian Shares and the application of the CGT discount.

The benefit of choosing scrip for scrip roll-over relief will depend upon the individual circumstances of each NTM Shareholder who should obtain independent tax advice confirming the availability of CGT scrip for scrip roll-over relief.

4. Not Choosing Scrip-for-Scrip Roll-Over or Relief Not Available

CGT scrip for scrip roll-over relief is not available if:

- a NTM Shareholder would otherwise realise a capital loss on the disposal of their NTM Shares;

- any capital gain a NTM Shareholder makes would be disregarded (except because of a roll-over);

- another rollover could have been chosen (such as a roll-over for disposal of assets to a wholly owned company or a business restructure roll-over); or

- Dacian makes a choice for no roll-over to apply under subsection 124-795(4) of the ITAA 1997 and the NTM Shareholder is notified of that choice in writing by NTM or Dacian before the exchange.

Where scrip for scrip roll-over relief is not available or not chosen in relation to a NTM Shareholder's disposal of NTM Shares under the Scheme:

- the capital gain or capital loss from the disposal of the NTM Shareholder's NTM Shares will be taken into account in calculating the NTM Shareholder's net capital gain for the income year in which the Implementation Date occurs; and

- the first element of the cost base of each New Dacian Shares (i.e. the Scheme Consideration) received should be an amount equal to the market value of the NTM Shares given in respect of acquiring the New Dacian Shares, determined on the Implementation Date.

The acquisition date of the New Dacian Shares will be the Implementation Date. This date will be relevant for any future application of the CGT discount with respect to CGT events occurring in respect of the New Dacian Shares.

5. Non-Resident Scheme Shareholders

For a NTM Shareholder that is a foreign tax resident, or the trustee of a foreign tax resident trust for CGT purposes and has not used their NTM Shares at any time in carrying on a business at or through a permanent establishment in Australia, the disposal of their NTM Shares will generally only be subject to CGT if their NTM Shares are characterised as indirect Australian real property interests.

NTM Shares may be treated as indirect Australian real property interests if both of the following requirements are satisfied:

- the NTM Shareholder, together with its associates (as defined in section 318 of the ITAA 1936), held a combined interest of 10% or more in NTM at the time of disposal or for a 12-month period within two years preceding the disposal; and

- more than 50% of the value of NTM's assets is attributed to direct or indirect interests in Australian real property, which is defined to include Australian mining and exploration leases and licences.

Where both the above requirements are satisfied, non-resident NTM Shareholders may be subject to CGT on the disposal of their NTM Shares and be required to report the CGT outcome in an Australian income tax return. CGT scrip for scrip roll-over relief may be available for non-residents if their New Dacian Shares are "taxable Australian property" as defined within Division 855 of the ITAA 1997.

NTM Shareholders who are non-residents for Australian tax purposes should seek their own independent tax advice as to the tax implications of the Scheme, including in their country of residence.

OTHER TAXES

1. Duty

NTM Shareholders should not be liable to Duty in relation to the disposal of their NTM Shares to Dacian under the Scheme.

2. Goods and Services Tax

NTM Shareholders should not be liable to Goods and Services Tax ("GST") in respect of a disposal of their NTM Shares to Dacian under the Scheme.

NTM Shareholders may be charged GST on costs that relate to the Scheme such as adviser fees relating to their participation in the Scheme. NTM Shareholders may be entitled to input tax credits for such costs but should seek independent professional tax advice in relation to their individual circumstances.

12. Implementing the Scheme

This Section provides an overview of the Scheme Conditions, the Scheme Meeting, and other steps required to implement the Scheme.

12.1 Actions already undertaken by NTM and Dacian

NTM and Dacian entered into the Scheme Implementation Deed on 15 November 2020 in which they agreed (among other things) their respective obligations in implementing the Scheme. The key terms of the Scheme Implementation Deed not otherwise addressed in this Section, are summarised in Section 13. A full copy of the Scheme Implementation Deed was released on ASX on 16 November 2020 and is available on NTM's website (www.ntmgold.com.au). Since signing the Scheme Implementation Deed, NTM and Dacian have undertaken the following activities to progress the implementation of the Scheme.

(a) **Appointment of Independent Expert**

NTM commissioned the Independent Expert, BDO Corporate Finance (WA) Pty Ltd, to prepare a report on whether the Scheme is in the best interest of NTM Shareholders.

The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is fair and reasonable and therefore in the best interests of NTM Shareholders.

The Independent Expert's Report is set out in Annexure A of this Scheme Booklet.

(b) **Execution of Deed Poll by Dacian**

On 25 January 2021, Dacian executed the Deed Poll in favour of each NTM Shareholder, pursuant to which Dacian covenants to perform its obligations under the Scheme Implementation Deed and the Scheme. The key obligation of Dacian under the Scheme is to issue the Scheme Consideration to each Scheme Participant, subject to satisfaction of the Scheme Conditions.

The Deed Poll may be relied upon by a NTM Shareholder, despite the fact that they are not a party to it, and each NTM Shareholder appoints NTM as its agent to enforce their rights under the Deed Poll against Dacian.

The Deed Poll is governed by the laws of Western Australia.

A copy of the Deed Poll is set out in full at Annexure C of this Scheme Booklet.

(c) **Execution of Option Cancellation Deed**

Under the Scheme Implementation Deed, Dacian and NTM entered into the Option Cancellation Deed with DGO Gold (which holds 100% of NTM Options on issue), pursuant to which DGO Gold has agreed to the cancellation of its NTM Options in exchange for Dacian granting New Dacian Options to DGO Gold at a ratio of 1 New Dacian Option for every 2.7 NTM Options held. This will result in 22,222,222 New Dacian Options being granted to DGO Gold (or its nominees) (assuming that no NTM Options are exercised before the Record Date).

The grant of New Dacian Options to DGO Gold is subject to the Scheme having become Effective.

NTM has obtained a waiver from ASX of the requirements of Listing Rule 6.23.2 to permit the NTM Options to be cancelled for consideration without requiring NTM Shareholder approval to be obtained. Refer to Section 14.17 for further details.

(d) **Lodgement of draft Scheme Booklet with ASIC**

On 22 December 2020, NTM lodged a draft of this Scheme Booklet with ASIC pursuant to section 411(2)(b) of the Corporations Act. On 28 January 2021, ASIC registered the Scheme Booklet for the purposes of section 412(6) of the Corporations Act.

NTM has requested ASIC provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the time of the Second Court Hearing.

NTM has also lodged a copy of this Scheme Booklet with ASX.

Neither ASIC, ASX nor any of their officers takes any responsibility for the contents of this Scheme Booklet.

(e) **First Court Hearing**

On 27 January 2021, the Supreme Court of Western Australia ordered NTM to convene a meeting of NTM Shareholders to consider and vote on the Scheme.

The Scheme Meeting to consider the Scheme will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on 3 March 2021. The Scheme Meeting will commence at 11:00am.

For the Scheme to proceed, the Scheme Resolution must be passed at the Scheme Meeting.

Details of how to vote at the Scheme Meeting are set out at the beginning of this Scheme Booklet in the Section entitled “Meeting details and how to vote”.

A copy of the Notice of Scheme Meeting is set out in Annexure D of this Scheme Booklet.

The fact that under section 411(1) of the Corporations Act the Court ordered on 27 January 2021 that a meeting of NTM Shareholders be convened by NTM to consider and vote on the Scheme and has approved the Scheme Booklet does not mean that the Court:

(i) has formed any view as to the merits of the proposed Scheme or as to how NTM Shareholders should vote (on this matter, NTM Shareholders must reach their own decision); and

(ii) has prepared, or is responsible for, the content of this Scheme Booklet.

12.2 Scheme Conditions

Implementation of the Scheme is subject to satisfaction of the applicable Scheme Conditions. The Scheme Conditions are set out in clause 3.1 of the Scheme Implementation Deed.

Certain of the Scheme Conditions set out in the Scheme and the Scheme Implementation Deed have already been satisfied. The Scheme Conditions that remain outstanding as at the date of this Scheme Booklet are set out in the table below.

	Scheme Condition
1.	**Regulatory Approvals** Before 8:00am on the Second Court Date: (a) ASIC and ASX issue or provide such consents, approvals, modifications or waivers as are necessary or which Dacian and NTM agree are desirable to implement the Scheme, either unconditionally or on conditions that do not impose unduly onerous obligations upon either party (acting reasonably), and such consent, approval or other act has not been withdrawn, cancelled or revoked as at 8.00am on the Second Court Date; and (b) all Regulatory Approvals other than those referred to in paragraph 1(a) above which are necessary or which the parties agree are desirable, to implement the Scheme have been issued or received (as applicable) either unconditionally or on conditions that do not impose unduly onerous obligations upon either party (acting reasonably) and such Regulatory Approvals remain in full force and effect in all respects and have not been withdrawn, cancelled or revoked as at 8.00am on the Second Court Date.
2.	**NTM Options** The Option Cancellation Deed remains in full force and effect as at 8.00am on the Second Court Date.
3.	**NTM Performance Rights** As at 8.00am on the Second Court Date, NTM has provided written confirmation to Dacian that all of the NTM Performance Rights on issue will vest and be converted into Shares with effect from the Effective Date, and any NTM Shares resulting from the exercise will be issued and registered by NTM before the Record Date.
4.	**Dacian Facility Agreement** The consent dated 18 December 2020 given under the Dacian Facility Agreement in relation to the Scheme Implementation Deed and the Scheme remains in full force and effect as at 8.00am on the Second Court Date.
5.	**No restraints** No judgment, order, decree, statute, law, ordinance, rule of regulation, or other temporary restraining order, preliminary or permanent injunction, restraint or prohibition, entered, enacted, promulgated, enforced or issued by any court or other Government Agency of competent jurisdiction remains in effect as at 8.00am on the Second Court Date that prohibits, materially restricts, makes illegal or restrains the completion of the Scheme.
6.	**NTM Shareholder approval** NTM Shareholders (other than Excluded Shareholders) agree to the Scheme at the Scheme Meeting by the requisite majorities under the Corporations Act.
7.	**Independent Expert** The Independent Expert issues a report which concludes that the Scheme is in the best interests of NTM Shareholders and, upon consideration of all available relevant information from time to time, the Independent Expert does not change that conclusion or withdraw its report prior to 8.00am on the Second Court Date.
8.	**Court approval of the Scheme** The Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme and any conditions imposed by the Court under section 411(6) of the Corporations Act are acceptable to the parties acting reasonably.

	Scheme Condition
9.	**No NTM Prescribed Event** No NTM Prescribed Event occurs between the date of the Scheme Implementation Deed and 8.00am on the Second Court Date.
10.	**No Dacian Prescribed Event** No Dacian Prescribed Event occurs between the date of Scheme Implementation Deed and 8.00am on the Second Court Date.
11.	**No NTM Material Adverse Change** No NTM Material Adverse Change in relation to NTM occurs or becomes apparent between the date of Scheme Implementation Deed and 8:00am on the Second Court Date.
12.	**No Dacian Material Adverse Change** No Dacian Material Adverse Change in relation to Dacian occurs or becomes apparent between the date of Scheme Implementation Deed and 8:00am on the Second Court Date.
13.	**NTM representations and warranties** NTM's representations and warranties set out in Schedule 3 to the Scheme Implementation Deed are true and correct in all material respects as at the date of Scheme Implementation Deed and as at 8:00am on the Second Court Date.
14.	**Dacian representations and warranties** Dacian's representations and warranties set out in Schedule 4 to the Scheme Implementation Deed are true and correct in all material respects as at the date of Scheme Implementation Deed and as at 8:00am on the Second Court Date.

For the Scheme to be implemented, each Scheme Condition must be satisfied by the due date (if any) fixed for its satisfaction as set out in the above table (or otherwise waived to the extent it is capable of waiver).

As at the date of this Scheme Booklet, NTM is not aware of any circumstances that would cause the Scheme Conditions to not be satisfied. NTM Shareholders will receive an update on the status of the Scheme Conditions at the Scheme Meeting.

NTM will also announce to ASX any relevant matter that affects the Scheme or the likelihood of a Scheme Condition being satisfied or not being satisfied, in accordance with NTM's continuous disclosure obligations. These details will be published on ASX's website (www.asx.com.au) and will also appear on NTM's website (www.ntmgold.com.au).

12.3 Court approval

In accordance with section 411(4)(b) of the Corporations Act, in order to become Effective, the Scheme (with or without modification) must be approved by an order of the Court. If the Scheme is approved at the Scheme Meeting, NTM intends to apply to the Court on the Second Court Date (expected to be 5 March 2021) for the necessary orders to give effect to the Scheme.

The Court may refuse to grant the orders referred to above even if the Scheme is approved by the Requisite Majority of NTM Shareholders.

Each NTM Shareholder has the right to appear at Court at the hearing of the application by NTM for orders approving the Scheme. Any NTM Shareholder who wishes to object to the Scheme at that Court hearing or make a complaint to ASIC about the Scheme should note that the Court hearing for approval of the Scheme is expected to be held on 5 March 2021.

The Court has an overriding discretion regarding whether or not to approve the Scheme, even if the Scheme is approved by the Requisite Majority of NTM Shareholders at the Scheme Meeting.

12.4 Scheme Meeting

The Scheme Meeting to consider the Scheme is scheduled to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on Wednesday, 3 March 2021. The Scheme Meeting will commence at 11:00am (Perth time).

The Court has ordered that NTM convene the Scheme Meeting for the purposes of the NTM Shareholders voting on the Scheme. The order of the Court to convene the Scheme Meeting is not, and should not be treated as, an endorsement by the Court of (or any other expression of opinion by the Court on) the Scheme.

For the Scheme to be implemented, it is necessary that the Requisite Majority of NTM Shareholders vote in favour of passing the resolution to approve the Scheme at the Scheme Meeting.

To pass the Scheme Resolution, votes in favour of the Scheme must be cast by:

(a) more than 50% in number of NTM Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a corporation, by corporate representative); and

(b) at least 75% of the total number of votes cast on the Scheme Resolution by NTM Shareholders.

12.5 Steps after approval of the Scheme by NTM Shareholders at the Scheme Meeting but before the Second Court Date

If the Requisite Majority of NTM Shareholders approve the Scheme at the Scheme Meeting, NTM will, as soon as possible after the Scheme Meeting is held, announce the results of the NTM Shareholders' vote to ASX and will publish the results on NTM's website (www.ntmgold.com.au).

12.6 Steps after Court approval at the Second Court Hearing

NTM and Dacian have agreed that, if the Court makes orders approving the Scheme, NTM and Dacian will take or procure the taking of the steps required for the Scheme to proceed, including:

(a) **Record Date**

NTM Shareholders will be entitled to receive the Scheme Consideration under the Scheme if they are registered as holders of NTM Shares at 4.00pm (Perth time) on the Record Date. The Record Date is expected to be 10 March 2021.

As from the Record Date (and other than for Dacian following the Implementation Date), the NTM Share Register will close for transfers and all share certificates and holding statements for NTM Shares will cease to have effect as documents of title. Each entry on the NTM Share Register at 4.00pm (Perth time) on the Record Date will cease to have any effect other than as evidence of entitlement to the Scheme Consideration.

(b) **Effective Date**

If the Court approves the Scheme, NTM will (pursuant to section 411(10) of the Corporations Act) lodge with ASIC the office copy of the Court order approving the

Scheme. NTM intends to lodge the office copy of the Court order with ASIC on the Effective Date, which is expected to be 8 March 2021.

If the Scheme Conditions are satisfied or waived, the Scheme will legally come into effect on the Effective Date.

If a Scheme has not become Effective or the relevant Scheme Conditions have not been satisfied or waived by 31 March 2021, or such later date as NTM and Dacian agree in writing, the Scheme will lapse and be of no further force or effect.

(c) **Suspension of trading of NTM Shares**

NTM will apply to ASX for suspension of trading of NTM Shares on ASX after the close of trading on ASX on the Effective Date. It is expected that the suspension will commence on the first Business Day after the day on which NTM notifies ASX of the Scheme becoming Effective.

(d) **Transfer of NTM Shares**

If the Scheme becomes Effective, on the Implementation Date:

(i) all NTM Shares held by Scheme Participants will be transferred to Dacian without any further action required by Scheme Participants;

(ii) NTM will enter the name of Dacian into the NTM Share Register in respect of the NTM Shares; and

(iii) NTM will then become a wholly-owned subsidiary of Dacian and the NTM Board will be reconstituted so that it comprises persons nominated by the Dacian Board.

(e) **Issue of New Dacian Shares**

If the Scheme becomes Effective, on the Implementation Date the New Dacian Shares to which Scheme Participants are entitled under the Scheme will be issued to Scheme Participants (other than Ineligible Foreign Shareholders). It is expected that:

(i) Holding Statements and CHESS Confirmation Advices for Scheme Participants' entitlements to New Dacian Shares will be despatched to Scheme Participants whose New Dacian Shares are held on Dacian's register by not later than 10 Business Days after the Implementation Date; and

(ii) New Dacian Shares will commence trading on ASX initially on a deferred settlement basis from 9 March 2021 and thereafter on a normal settlement basis from market open on 17 March 2021.

For further information regarding the New Dacian Shares to be issued, refer to Sections 12.8 and 14.5. No securities will be issued on the basis of this Scheme Booklet after the date which is 13 months after the date of this Scheme Booklet, being the expiry date of this Scheme Booklet.

(f) **Grant of New Dacian Options**

If the Scheme becomes Effective, no later than 3 Business Days after the Implementation Date the New Dacian Options to be granted to DGO Gold pursuant to the Option Cancellation Deed. On and from 10am on the Implementation Date, the existing NTM Options will be cancelled. It is expected that a holding statement for the New Dacian Options will be despatched on the no later than 3 Business Days after

Implementation Date. Dacian will not apply to ASX for official quotation of the New Dacian Options.

(g) **De-listing of NTM**

After the Implementation Date, NTM will apply for termination of the official quotation of NTM Shares and have itself removed from the official list of ASX.

(h) **Payments to Ineligible Foreign Shareholders**

New Dacian Shares to which the Ineligible Foreign Shareholders would otherwise be entitled will be sold by the Sale Agent as soon as practicable (and in any event not more than 15 Business Days after the Implementation Date) and the proceeds of the sale shall be promptly remitted back to the relevant Ineligible Foreign Shareholders.

For more information refer to Section 5.7.

12.7 Warranties by Scheme Participants under the Scheme

The effect of the Scheme is that all Scheme Participants, including those who vote against the Scheme and those who do not vote, will be deemed to have warranted to NTM, both in its own right and for the benefit of Dacian, that their NTM Shares are fully paid and not subject to any of the encumbrances specified in the Scheme. The terms of the warranty are set out in clause 6.5 of the Scheme. The Scheme of Arrangement is set out in Annexure B.

12.8 New Dacian Shares

A summary of the rights attaching to New Dacian Shares is set out in Section 14.5.

It is expected that:

(a) all Scheme Participants who receive New Dacian Shares will have their names entered on the Dacian Register on the Implementation Date;

(b) holding statements for Scheme Participants' entitlements to New Dacian Shares will be despatched to Scheme Participants by not later than 10 Business Days after the Implementation Date; those holding statements will be sent by prepaid post to the Scheme Participants' addresses in the NTM Share Register as at 4.00pm (Perth time) on the Record Date; and

(c) New Dacian Shares are expected to commence trading on ASX initially on a deferred settlement basis from 9 March 2021 and thereafter on a normal settlement basis from market open on 17 March 2021.

Each holder of New Dacian Shares is responsible for confirming their holding before selling their New Dacian Shares on a deferred settlement basis. Any sale of New Dacian Shares before receipt of a holding statement is at the risk of the holder of those securities. To the extent permitted by law, NTM, Dacian and Computershare disclaim all liability, whether in negligence or otherwise, to persons who sell their New Dacian Shares before receiving their holding statement, whether on the basis of a confirmation of allocation provided by NTM, Dacian, Computershare, a broker or otherwise.

13. Key terms of the Scheme Implementation Deed

NTM and Dacian entered into the Scheme Implementation Deed on 15 November 2020.

The Scheme Implementation Deed sets out the obligations of NTM and Dacian in relation to the Scheme.

The NTM Directors consider that the Scheme Implementation Deed was entered into on arm's length commercial terms having regard to the fact that NTM undertook an assessment of any alternative strategic options available to it.

In making the above statement, the NTM Directors note that NTM Shareholders are being given the opportunity to consider and vote on whether the Merger is implemented at the Scheme Meeting.

This Section sets out a summary of the key terms and conditions of the Scheme Implementation Deed that are not otherwise addressed in this Scheme Booklet.

13.1 Scheme Conditions under the Scheme Implementation Deed

The Scheme is subject to the fulfilment or, in certain cases, waiver of the Scheme Conditions. Refer to Section 12.2 for further details.

13.2 No-shop restriction

The Scheme Implementation Deed includes exclusivity arrangements which apply from the date of the Scheme Implementation Deed until the earlier of 31 March 2021 or termination of the Scheme Implementation Deed (**Exclusivity Period)**.

During the Exclusivity Period, NTM must ensure that it nor any of its related bodies corporate or representatives directly or indirectly:

(a) solicit, invite, encourage or initiate any Competing Transaction or potential Competing Transaction with any third party; or

(b) assist, encourage, procure or induce any person to do any of the things referred to in section 13.2(a) above on its behalf.

13.3 No-talk restriction

During the Exclusivity Period, NTM must not, and must procure that each representative and member of its related bodies corporate does not:

(a) enter into or continue negotiations or discussions with any third party in relation to a Competing Transaction or any potential Competing Transaction, or that may reasonably be expected to encourage or lead to a Competing Transaction or potential Competing Transaction;

(b) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding a Competing Transaction or potential Competing Transaction;

(c) communicate to any person an intention to do anything referred to in this section; or

(d) assist, encourage, procure or induce any person to do any of the things referred to in this section on its behalf,

even if the Competing Transaction or potential Competing Transaction was not directly or

indirectly solicited, invited, encouraged or initiated by NTM or any of its representatives or has been publicly announced.

13.4 Matching rights

During the Exclusivity Period, NTM must not enter into any legally binding agreement to undertake a Competing Transaction and must use its reasonable endeavours to procure that none of its directors publicly recommend a Competing Transaction unless:

(a) their board acting in good faith determines that the Competing Transaction would or is likely to be a Superior Proposal;

(b) they have provided Dacian with the material terms and conditions of the Competing Transaction (including price and the identity of the person that has proposed the Competing Transaction); and

(c) Dacian, within 3 Business Days of the notification under paragraph (b) above, has not submitted a written proposal (**Revised Proposal**) to propose to amend the terms of the Merger including by increasing the amount of consideration offered under the Merger.

The NTM Board must consider a Revised Proposal and if it is determined, acting in good faith, that the Revised Proposal is on terms no less favourable than the Competing Transaction (taking in account, without limitation, the price, form and certainty of consideration to be provided under the Revised Proposal), NTM and Dacian must, in the absence of receipt of a more favourable proposal for another Competing Transaction, use reasonable endeavours to agree any amendments to the Scheme Implementation Deed the contents of this Scheme Booklet (if applicable), which are reasonably necessary to reflect the Revised Proposal.

Any amendment or modification of a Competing Transaction proposed by a third party that results in the NTM Board determining that the amended or modified Competing Transaction is, or may reasonably be expected to lead to, a Superior Proposal will be deemed to be a new Competing Transaction with the effect that the provisions regarding a Competing Transaction in Scheme Implementation Deed will apply.

13.5 Break fee

NTM has agreed to pay Dacian a Break Fee of $500,000 as compensation for costs and expenses incurred by Dacian if:

(a) prior to the earlier of the Effective Date or the End Date, any member of the NTM Board withdraws or adversely modifies his or her support of the Scheme or his or her recommendation that NTM Shareholders (other than Excluded Shareholders) vote in favour of the Scheme, or makes a public statement indicating that they no longer support the Merger or that they support a Competing Transaction, other than as a result of;

    (i) any matter giving NTM the right to terminate the Scheme Implementation Deed, resulting from Dacian's material breach;

    (ii) failure of a Scheme Condition which is for the benefit of NTM or both NTM and Dacian, other than as a result of a breach by NTM; or

    (iii) the Independent Expert provides a report to NTM (either initially or in any updated report) which concludes that the Scheme is not in the best interests of NTM Shareholders (other than Excluded Shareholders) other than because of a Competing Transaction;

(b) during the Exclusivity Period, NTM or any of its representatives, directly or indirectly, was aware of, becomes aware of or receives from a third party an approach in relation to an actual, proposed or potential Competing Transaction and that Competing Transaction is completed at any time prior to the first anniversary of the date of the public announcement of such Competing Transaction; or

(c) Dacian is entitled to terminate the Scheme Implementation Deed, resulting from NTM's material breach, and has provided appropriate notice.

13.6 Termination

The Scheme Implementation Deed (and hence the Scheme) may be terminated:

(a) by either NTM or Dacian, if, before the date or time specified in the Scheme Implementation Deed for or, if no date or time is specified, 8:00am on the Second Court Date (subject to extension) (**Relevant Date**) End Date a condition under the Scheme Implementation Deed cannot be satisfied and is not waived by the time required;

(b) by either NTM or Dacian if, after the Relevant Date applicable to a condition solely or jointly for its benefit, that condition has not been satisfied or waived at that time;

(c) if the Effective Date has not occurred by the End Date subject to NTM or Dacian negotiating an extension to the Relevant Date or End Date;

(d) by Dacian before the Second Court Date if any NTM director publicly changes or withdraws their statement that they consider the Scheme to be in the best interests of NTM Shareholders or their recommendation that NTM Shareholders approve the Scheme, or any NTM director publicly recommends, promotes or otherwise endorses a Competing Transaction; or

(e) before the Second Court Date:

(i) by Dacian – if NTM is in breach of the Scheme Implementation Deed and that breach is material and is not remedied by NTM within 10 Business Days (or such shorter period ending on the Second Court Date) of NTM receiving notice from Dacian of the details of the breach and its intention to terminate; and

(ii) by NTM – if Dacian is in breach of the Scheme Implementation Deed and that breach is material and is not remedied by Dacian within 10 Business Days (or such shorter period ending on the Second Court Date) of Dacian receiving notice from NTM of the details of the breach and its intention to terminate,

by giving notice in writing to the other party provided that neither party will be entitled to terminate this Deed for a breach of a representation to the extent that the facts, matters and circumstances giving rise to the breach:

(iii) are disclosed in the Scheme Implementation Deed; or

(iv) have been fully and fairly disclosed to the other party in writing prior to the date of the Scheme Implementation Deed.

13.7 Amendments to the Scheme

The Scheme Implementation Deed may only be varied by document signed by or on behalf of each of the parties.

13.8 Representations and warranties

Each of NTM and Dacian have given representations, warranties and covenants to the other that are considered to be standard warranties for an agreement of this kind. The representations, warranties and covenants given by each of NTM and Dacian are set out in full at schedules 3 and 4 of the Scheme Implementation Deed.

14. Additional information

14.1 Introduction

This Section 14 sets out additional information required to be disclosed to NTM Shareholders pursuant to the Corporations Act and the Corporations Regulations, together with other information that may be of interest to NTM Shareholders.

14.2 Interests of NTM Directors

As at the date of lodgement of this Scheme Booklet with ASIC:

(a) NTM Directors held interests in marketable securities of NTM as set out in Section 6.7; and

(b) one NTM Director holds an interest in marketable securities of Dacian (as set out in Section 7.12)

The following NTM Directors have acquired or disposed of a Relevant Interest in NTM Shares in the four month period ending on the date immediately before the date of this Scheme Booklet as set out in the table below:

Director	Date	Number Acquired	Value
M Ruane	2-6 October	2,065,000	$186,524
	7 October	979,077	$90,174
	12 – 13 October	1,056,798	$125,916
	17 November	1,500,000	$180,198

NTM Directors who are Scheme Participants will be entitled to receive New Dacian Shares in accordance with the terms of the Scheme.

14.3 Interests of Dacian Directors

As at the date of lodgement of this Scheme Booklet with ASIC:

(a) Dacian Directors held interests in marketable securities of Dacian as set out in Section 7.12; and

(b) no Dacian Director has any interest in marketable securities of NTM (as set out in Section 6.7).

On 4 December 2020, Leigh Junk acquired 1,000,000 Dacian Shares by way of an on-market purchase. Refer to the Appendix 3Y announced on 7 December 2020 for additional information.

On 7 December 2020, Ian Cochrane acquired 140,000 Dacian Shares by way of an on-market purchase. Refer to the Appendix 3Y announced on 8 December 2020 for additional information.

Other than as described above, no Dacian Director has acquired or disposed of a Relevant Interest in any Dacian Shares in the four month period ending on the date immediately before the date of this Scheme Booklet.

14.4 Interests of Dacian and NTM

As at the date of lodgement of this Scheme Booklet with ASIC, neither NTM nor any of its Associates has a Relevant Interest in any Dacian Shares or any other marketable securities of Dacian.

The voting power (as defined in the Corporations Act) of Dacian in NTM as at the date of lodgement of this Scheme Booklet with ASIC is Nil.

During the four months before the date of this document neither Dacian nor any Associate of Dacian has:

(a) provided, or agreed to provide, consideration for any NTM Shares; or

(b) given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to vote in favour of the Scheme or dispose of NTM Shares which benefit is not offered to all NTM Shareholders under the Scheme.

14.5 Rights attaching to New Dacian Shares

If the Scheme becomes Effective, each Scheme Participant (other than Ineligible Foreign Shareholders), will receive 1 New Dacian Share for every 2.7 NTM Shares they hold as at 4.00 pm (Perth time) on the Record Date.

The New Dacian Shares issued as Scheme Consideration will be fully paid and, from the date of their issue, will rank equally with existing Dacian Shares.

The following is a summary of the principal rights attaching to Dacian Shares. This summary does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of shareholders of Dacian, which can involve complex questions of law arising from the interaction of the constitution of Dacian, statutory and common law and the ASX Listing Rules. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Dacian Shares are set out in the constitution, a copy of which is available for inspection at the Dacian's registered office during normal business hours.

(a) **Quotation on ASX**

Quotation is not guaranteed or automatic on such application, but quotation is expected in the ordinary course as Dacian is already admitted to the official list of ASX and shares of the same class as those to be issued as the consideration under the Scheme have been granted official quotation by ASX.

It is expected that the New Dacian Shares will commence trading on ASX, initially on a deferred settlement basis, on 9 March 2021. It is the responsibility of each NTM Shareholder to determine their entitlement to New Dacian Shares under the Scheme before trading those shares to avoid the risk of selling shares that they do not own. Normal trading of the New Dacian Shares issued pursuant to the Scheme is expected to commence on market open on 17 March 2021.

(b) **General meetings**

Subject to the rights of the holders of Dacian Shares issued on special terms and conditions, Dacian Shareholders are entitled to receive:

(i) notice of every annual general meeting, or general meeting or meeting of any class of Dacian Shareholders to which that Dacian Shareholder belongs; and

(ii) all notices, accounts and other documents required to be sent under the constitution or the Corporations Act.

(c) **Voting rights**

At a general meeting of Dacian, every Dacian Shareholder who is entitled to vote and who is present in person or by proxy or representative has one vote on a show of hands and one vote on a poll for each Dacian Share held by that Dacian Shareholder. Voting at meetings will be on a show of hands, unless a poll is demanded either before the vote or the declaration of the result of the vote on a show of hands, or immediately after the voting results on a show of hands is declared. A poll may be demanded by at least five Dacian Shareholders, who are present in person or by proxy or representative and entitled to vote, by any one or more Dacian Shareholders who are present holding Dacian Shares constituting at least 5% of the total votes that may be cast on the resolution to be passed, or by the Chairman. The Chairman has a casting vote in addition to any votes to which the Chairman may be entitled as a Dacian Shareholder, proxy or representative

(d) **Dividend rights**

The Dacian Directors may determine that a dividend is payable and to declare dividends in accordance with the Corporations Act. The amount and timing for payment and the method of payment of any dividend will be determined by the Directors in accordance with the Constitution. Subject to the Corporations Act, the Constitution and any rights or restrictions attached to a class of Dacian Shares, dividends are to be apportioned and paid among Dacian Shareholders in proportion to the amounts paid up on the Dacian Shares held by each Dacian Shareholder.

(e) **Winding-up**

In a winding up, the liquidator may, with the sanction of a special resolution of Dacian, divide among Dacian Shareholders in kind the whole or any part of the property of Dacian and may for that purpose set aside such value as the liquidator considers fair on any property to be so divided and may determine how the division is to be carried out as between the Dacian Shareholders or different classes of holders.

(f) **Transfer of shares**

Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules, Dacian Shareholders may transfer all or any Dacian Shares by a written transfer form in the usual form or in any form approved by the Directors. In certain circumstances, the Directors may refuse to register a transfer of Dacian Shares, including where the transfer is not registrable or where the refusal is permitted or required by the Listing Rules.

(g) **Issue of further shares and other securities**

Subject to any restrictions imposed by the Corporations Act or the Listing Rules, the Dacian Directors may issue Dacian Shares with any preferential, deferred or special rights, privileges or conditions or with any restrictions (whether in regard to dividend, voting, return of share capital or otherwise) as the Dacian Directors determine.

(h) **Variation of rights**

Subject to the Corporations Act, the Listing Rules and their terms of issue, the rights attaching to any class of Dacian Shares may be varied with the written consent of holders of at least 75% of the Dacian Shares issued in that class or with the approval of a special resolution passed at a meeting of the holders of the Dacian Shares of that class.

(i) **Alteration of Dacian constitution**

The Constitution may only be amended by a special resolution passed by at least 75% of the votes cast by Dacian Shareholders entitled to vote on the resolution. At least 28 days' written notice specifying the intention to propose the resolution must be given by Dacian Shareholders.

(j) **Dacian Directors – Term of office, appointment and removal**

Subject to the Corporations Act, Listing Rules and the Constitution, a Dacian Director, other than the Managing Director, must retire from office or seek re-election by no later than the third annual general meeting following his or her appointment or election, or 3 years, whichever is longer. The Dacian Directors may also appoint a Dacian Director to fill a casual vacancy on the Dacian Board or in addition to the existing Dacian Directors, who will then hold office until the next annual general meeting, at which time he will be eligible for re-election.

Dacian may, by resolution of the members in a general meeting, remove a Dacian Director from office and appoint another person as a Dacian Director in that Dacian Director's place.

14.6 Rights Attaching to New Dacian Options

The New Dacian Options will be issued on the following terms and conditions:

(a) (**Entitlement**): Each New Dacian Option entitles the holder to subscribe for one Dacian Share upon exercise of the New Dacian Option.

(b) (**Issue Price**): No cash consideration is payable for the issue of the New Dacian Options.

(c) (**Exercise Price**): The New Dacian Options have an exercise price of $0.27 per New Dacian Option (**Exercise Price**).

(d) (**Expiry Date**): The New Dacian Options expire at 5.00 pm (WST) on 31 March 2022 (**Expiry Date**). A New Dacian Options not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) (**Exercise Period**): The New Dacian Options are exercisable at any time prior to the Expiry Date.

(f) (**Quotation of the New Dacian Options**): Dacian will not apply for quotation of the New Dacian Options on ASX.

(g) (**Transferability of the New Dacian Options**): The New Dacian Options are not transferable.

(h) (**Notice of Exercise**): The New Dacian Options may be exercised by notice in writing to Dacian in the manner specified on the New Dacian Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Dacian Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to Dacian. Any Notice of Exercise of an New Dacian Options received by Dacian will be deemed to be a notice of the exercise of that New Dacian Options as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Dacian Options being exercised in cleared funds (**Exercise Date**).

(i) (**Timing of issue of Dacian Shares on exercise**): Within 5 Business Days after the

Exercise Date Dacian will:

(i) allot and issue the number of Dacian Shares required under these terms and conditions in respect of the number of New Dacian Options specified in the Notice of Exercise and for which cleared funds have been received by Dacian;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Dacian Shares issued pursuant to the exercise of the New Dacian Options.

(j) (**Restrictions on transfer of Dacian Shares**): If Dacian is required but unable to give ASX a notice under paragraph (i)(ii), or such a notice for any reason is not effective to ensure that an offer for sale of the Dacian Shares does not require disclosure to investors, Dacian Shares issued on exercise of New Dacian Options may not be traded and will be subject to a holding lock until 12 months after their issue unless Dacian, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

(k) (**Dacian Shares issued on exercise**): Dacian Shares issued on exercise of the New Dacian Options will rank equally with the then Dacian Shares of Dacian.

(l) (**Quotation of Dacian Shares on exercise**): If admitted to the official list of ASX at the time, application will be made by Dacian to ASX for quotation of the Dacian Shares issued upon the exercise of the New Dacian Options in accordance with the Listing Rules.

(m) (**Reconstruction of capital**): If at any time the issued capital of Dacian is reconstructed, all rights of an New Dacian Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(n) (**Participation in new issues**): There are no participation rights or entitlements inherent in the New Dacian Options and holders will not be entitled to participate in new issues of capital offered to Dacian Shareholders during the currency of the New Dacian Options without exercising the New Dacian Options.

(o) (**Adjustment for bonus issues of Dacian Shares**): If Dacian makes a bonus issue of Dacian Shares or other securities to existing Dacian Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment, the number of Dacian Shares which must be issued on the exercise of a New Dacian Option will be increased by the number of Dacian Shares which the New Dacian Option holder would have received if the New Dacian Option holder had exercised the New Dacian Option before the record date for the bonus issue.

14.7 Benefits to NTM officers in connection with retirement from office

Mr Muir's employment agreement with NTM provides that if the agreement is terminated within 6 months of a change of control, Mr Muir shall receive a payment equal to 6 months' salary from NTM. Under the terms of Mr Muir's executive services agreement with NTM, Mr Muir will receive a payment equal to 6 months' salary (approximately $125,000) from NTM when he finishes up as Managing Director of NTM on implementation of the Scheme.

Other than the above, there are no other current proposals for any payments or other benefit to be made or given to a director, secretary or executive officer of NTM or any Related Body Corporate of NTM as compensation for the loss of, or as consideration for or in connection

with his or her retirement from office in NTM or any Related Body Corporate of NTM as a result of the Scheme.

14.8 Remuneration of NTM Directors

The NTM Directors are entitled to be paid fees for their services as directors of NTM and have been paid the following fees in the past two financial years (inclusive of superannuation entitlements):

NTM Director	FY 2019	FY2020
Andrew Muir	$171,453	$327,627[1]
Edward (Ted) van Heemst	$36,000	$57,416
Eduard Eshuys[2]	$9,571	$43,813
Michael Ruane[3]	Nil	$10,189

Notes:

1. Includes $102,928 in share based payments.
2. Appointed 25 March 2019
3. Appointed 23 April 2020

14.9 Payments to non-executive Dacian Directors

The Dacian Constitution provides that non-executive directors of Dacian may be paid, as remuneration for their services as directors of Dacian, a sum determined from time to time by Dacian Shareholders in a general meeting, with that sum to be divided amongst the non-executive directors in such manner and proportion as they agree.

As at the date of this Scheme Booklet, the aggregate maximum remuneration for non-executive Dacian Directors is $500,000 per annum.

14.10 Disclosure of payments and benefits to NTM Directors, secretaries and executive officers

On implementation of the Scheme, Dacian intends to appoint Mr Eshuys as a non-executive director. From the appointment date, Mr Eshuys will be paid a non-executive directors fee of $80,000 plus statutory superannuation per annum.

Other than Mr Eshuys, no NTM Director, secretary or executive officer of NTM (or any of its Related Bodies Corporate) has agreed to receive, or is entitled to receive, any payment or benefit from Dacian which is conditional on, or is related to, the Scheme other than in their capacity as a NTM Shareholder or as set out in Section 14.7.

14.11 Disclosure of interests

Except as disclosed below or elsewhere in this Scheme Booklet, no:

(a) NTM Director or proposed director of NTM;

(b) Dacian Director or proposed director of Dacian;

(c) person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet; or

(d) promoter or underwriter of Dacian or the Combined Group,

(together "**Interested Persons**") holds, or held at any time during the two years before the date of this Scheme Booklet any interests in:

(e) the formation or promotion of Dacian or the Combined Group;

(f) property acquired or proposed to be acquired by Dacian in connection with the formation or promotion of Dacian or the Combined Group or the offer of New Dacian Shares under the Scheme; or

(g) the offer of New Dacian Shares under the Scheme.

14.12 Disclosure of fees and other benefits

Except as disclosed elsewhere in this Scheme Booklet, neither Dacian nor NTM has paid or agreed to pay any fees, or provided or agreed to provide any benefit to:

(a) a director or proposed director of Dacian to induce them to become or qualify as a director of Dacian; or

(b) any Interested Person for services provided by that person in connection with:

  (i) the formation or promotion of Dacian or the Combined Group; or

  (ii) the offer of New Dacian Shares under the Scheme.

14.13 Creditors of NTM

The Scheme, if implemented, will not affect the interests of creditors of NTM.

NTM has paid and is paying all its creditors within normal terms of trade. It is solvent and is trading in an ordinary commercial manner.

14.14 Cancellation of NTM Options

NTM has a total of 60,000,000 NTM Options on issue.

Pursuant to the Option Cancellation Deed, DGO Gold has agreed to cancel its NTM Options in exchange for Dacian granting New Dacian Options to it at a ratio of 1 Dacian Option for every 2.7 NTM Options held. This will result in 22,222,222 New Dacian Options being granted to DGO Gold (or its nominees) (assuming that no NTM Options are exercised before the Record Date).

Each New Dacian Option will have an exercise price of $0.27 and an expiry date of 31 March 2022 and will otherwise be on terms materially the same at the terms of the existing NTM Options being cancelled pursuant to the Option Cancellation Deed.

14.15 Treatment of NTM Performance Rights

NTM has a total of 2,500,000 NTM Performance Rights on issue, all held by Managing Director Mr Andrew Muir.

Under the Scheme Implementation Deed, Dacian has acknowledged and agreed that:

(a) in accordance with their terms, the existing NTM Performance Rights will vest and convert into NTM Shares on a one for one basis on the Scheme becoming Effective; and

(b) the NTM Shares issued on exercise will be exchanged for New Dacian Shares under the Scheme.

14.16 Right to inspect and obtain copies of the NTM Share Register

A NTM Shareholder has the right to inspect the NTM Share Register, which contains the name and address of each NTM Shareholder and certain other prescribed details relating to NTM Shares, without charge. A NTM Shareholder also has the right to request a copy of the register, upon payment of a fee (if any) up to a prescribed amount.

14.17 Regulatory conditions and relief

ASX Listing Rule 6.23.2 provides that the cancellation of options for consideration requires the approval of shareholders. NTM has been granted a waiver of ASX Listing Rule 6.23.2 to permit the NTM Options to be cancelled without requiring the approval of NTM Shareholders, subject to the Scheme being approved by the Requisite Majority of NTM Shareholders and the Court. The waiver application was made on the basis that NTM Shareholders are provided with information of the proposed treatment of NTM Options in this Scheme Booklet and therefore able to consider this information when determining whether to vote in favour of the Scheme. Refer to Sections 12.1(c) and 14.14 for further information on the proposed treatment of NTM Options.

14.18 No administrator

It is not proposed that any person be appointed to manage or administer the Scheme.

14.19 No relevant restrictions in the constitution of NTM

There are no restrictions on the right to transfer NTM Shares in NTM's constitution.

14.20 No unacceptable circumstances

The NTM Directors do not believe that the Scheme involves any circumstances in relation to the affairs of any member of NTM that could reasonably be characterised as constituting "unacceptable circumstances" for the purposes of section 657A of the Corporations Act.

14.21 NTM Shareholders in jurisdictions outside Australia and New Zealand

This Scheme Booklet and the Scheme are subject to Australian disclosure requirements that may be different to those applicable in other jurisdictions. This Scheme Booklet and the Scheme do not in any way constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Any NTM Shareholder whose address as shown in the NTM Share Register at 4.00pm (Perth time) on the Record Date is outside of Australia or its external territories or New Zealand will be an Ineligible Foreign Shareholder for the purposes of the Scheme, other than a NTM Shareholder in respect of whom Dacian is satisfied that the laws of that holder's country of residence (as shown in the NTM Share Register) would permit the issue and allotment of New Dacian Shares, either unconditionally or after compliance with conditions which Dacian in its sole discretion regards as acceptable and not unduly onerous.

Dacian will not issue New Dacian Shares to an Ineligible Foreign Shareholder. If you are an Ineligible Foreign Shareholder, you should refer to Section 5.7 for further information.

14.22 Privacy and personal information

NTM and Dacian, their respective share registries and investor relations advisers may collect personal information about you in the process of implementing the Scheme. The personal information may include the names, contact details and details of the security holdings of NTM Shareholders, and the names of individuals appointed by NTM Shareholders as proxies, corporate representatives or attorneys at the Scheme Meeting.

The personal information is collected for the primary purpose of implementing the Scheme. The personal information may be disclosed to NTM's and Dacian's share and option registries and investor relations advisers, to securities brokers and to print and mail service providers.

NTM Shareholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. Such individuals should contact Computershare on 1300 787 272 (within Australia) or +61 (03) 9415 4000 (outside Australia) in the first instance if they wish to request access to that personal information.

NTM Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should inform that individual of the matters outlined above.

14.23 Supplementary information

NTM will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of lodgement of this Scheme Booklet for registration by ASIC and the date of the Scheme Meeting:

(a) a material statement in this Scheme Booklet that is false or misleading;

(b) a material omission from this Scheme Booklet;

(c) a significant change affecting a matter included in this Scheme Booklet; or

(d) a significant new matter arising that would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC.

The form of the supplementary document and whether a copy will be sent to each NTM Shareholder will depend on the nature and timing of the new or changed circumstances. Any such supplementary document will be made available on NTM's website (www.ntmgold.com.au). Any such supplementary document will also be released to ASX and accordingly will be available from ASX's website (www.asx.com.au).

14.24 Compliance Statements

(a) NTM Compliance Statement

The information in this Scheme Booklet contains references to NTM's:

(i) Mineral Resource estimates, have been extracted from the ASX announcements titled "Maiden Hub Resource of 141Koz" dated 1 September 2020 and 'Redcliffe Resource Increases by 94% to 538koz' dated 12 June 2018; and

(ii) exploration results, have been extracted from the following the ASX announcements titled 'Hub Deposit Extends with More High Grades at Depth' dated 28 October 2020 and 'Hub Extension Program Intersects Further High Grades' dated 21 September 2020.

The above reports are available on NTM's ASX announcements platform.

The Competent Person (as that term is defined in the Australasian Code for Reporting on Exploration Results, Mineral Resources and Ore Reserves (2012 Edition)) responsible for the above reports was Georgina Clark.

NTM confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. In the case of estimates of Mineral Resources or Ore Reserves, NTM confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. In addition, NTM confirms that the form and context in which the competent persons' findings are presented have not been materially modified.

(b) Dacian Compliance Statement

The information in this Scheme Booklet contains references to Dacian's:

(i) Mineral Resource and Ore Reserve estimates, have been extracted from the ASX announcement titled "2019 Mineral Resource and Ore Reserve Update" dated 27 February 2020 (**February Announcement**);

(ii) production targets and forecast financial information have been derived from production targets which were first disclosed in the February Announcement; and

(iii) exploration results have been extracted from the following ASX announcements titled 'Mt Morgans Gold Operation Exploration Update' dated 24 July 2020 and 'High Grade Drilling Results Along Strike At Mt Marven' dated 23 October 2020.

The above reports are available on Dacian's ASX announcements platform.

The Competent Persons (as that term is defined in the Australasian Code for Reporting on Exploration Results, Mineral Resources and Ore Reserves (2012 Edition)) responsible for the:

(i) Exploration Results as reported in the February Announcement and the announcement of 24 July 2020 (as described above) was Mr Christopher Oorschot;

(ii) Exploration Results as reported in the announcement of 23 October 2020 (as described above) was Mr Stephen Bacigalupo-Rose;

(iii) Mineral Resources for Jupiter and Mt Marven as reported in the February Announcement was Mr Calvin Ferguson;

(iv) Open Pit Ore Reserves as reported in the February Announcement was Mr Mathew Lovelock;

(v) Westralia Underground Ore Reserves as reported in the February Announcement was Dr Kelly Fleetwood (BSc, MSc, PhD MinEng); and

(vi) Transvaal Underground Ore Reserves as reported in the February Announcement was Mr Matthew Keenan and Mr Shane McLeay.

Dacian confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. In the case of estimates of Mineral Resources or Ore Reserves, Dacian confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. In addition, Dacian confirms that the form and context in which the competent persons' findings are presented have not been materially modified.

14.25 Advisers and experts

(a) Roles of advisers and experts

The persons named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the Scheme or the preparation or distribution of this Scheme Booklet are:

Name	Role	Estimate of Fees (ex. GST)
BDO Corporate Finance (WA) Pty Ltd	Independent Expert	$102,000
SRK Consulting (Australasia) Pty Ltd	Technical Expert	$85,000
Steinepreis Paganin	Legal adviser to NTM	$150,000
Treadstone Resource Partners	Dacian's financial adviser	$1,249,000
HWL Ebsworth	Legal adviser to Dacian	$100,000
Computershare Investor Services	NTM's share registry	$43,165
Computershare Investor Services	Dacian's share registry	$42,000
Moore Australia	Tax adviser to NTM	$7,000

(b) Consents of advisers and experts

BDO Corporate Finance (WA) Pty Ltd has given its consent to the inclusion of its Independent Expert's Report in this Scheme Booklet in the form and context in which it appears in Annexure A of this Scheme Booklet and has not withdrawn that consent before the date of this Scheme Booklet.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Scheme Booklet other than the Independent Expert's Report. The interests of BDO Corporate Finance (WA) Pty Ltd in its capacity as Independent Expert are disclosed in the Independent Expert's Report.

SRK Consulting (Australasia) Pty Ltd has given its consent to the inclusion in the Independent Expert's Report in this Scheme Booklet of technical information relating to NTM and Dacian in the form and context in which the information appears, and has not withdrawn that consent before the date of this Scheme Booklet.

Dacian has given its consent to the inclusion of the Dacian Information in the form and context in which it appears and has not withdrawn that consent before the date of this Scheme Booklet.

Moore Australia has consented to the inclusion of Section 11 of this Scheme Booklet and references to the information set out in that Section in the form and context in which they appear and has not withdrawn that consent before the date of this Scheme Booklet.

Each person named in Section 14.25(a) has given, and before the time of registration of this Scheme Booklet with ASIC, has not withdrawn, their consent to being named in this Scheme Booklet in the capacity indicated next to their name.

(c) **Disclaimers of responsibility**

Each person named in Section 14.25(a) as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet:

(i) has not authorised or caused the issue of this Scheme Booklet or the making of the offer of New Dacian Shares under the Scheme;

(ii) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than a statement included in this Scheme Booklet with the written consent of that person as stated in Section 14.25(b); and

(iii) makes no representations regarding, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for, any statements in or omissions from any part of this Scheme Booklet, other than a reference to its name and any statement or report that has been included in this Scheme Booklet with the consent of that person.

(d) **Fees**

Each person named in Section 14.25(a) as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet will be entitled to receive professional fees charged in accordance with their normal basis of charging. The estimated fees payable to these parties are set out in Section 14.25(a).

14.26 Effects of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet including but not limited to those in respect of the Scheme Consideration, are subject to the effect of rounding. Accordingly, the actual calculations of these figures may differ from the figures set out in this Scheme Booklet.

14.27 Data in charts, graphs and tables

Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Last Practicable Date. Any discrepancies in any chart, graph or table between totals and sums of amounts presented or listed therein or to previously published financial figures are due to rounding.

14.28 No other material information

Other than as set out in this Scheme Booklet, including the Annexures to this Scheme Booklet, there is no information material to the making of a decision in relation to the Scheme or a decision by a NTM Shareholder whether or not to vote in favour of the Scheme, being information that is within the knowledge of any NTM Directors or of a Related Body Corporate of NTM and which has not previously been disclosed to NTM Shareholders.

15. Glossary of defined terms

The following defined terms used throughout this Scheme Booklet have the meaning set out below unless the context otherwise requires.

A$ or $	The lawful currency of Australia.
AASB	The Australian Accounting Standards Board, being the Australian Regulatory Authority responsible for developing and issuing accounting standards applicable to Australian entities and the "care and maintenance" of the body of standards as set out in the *Australian Securities and Investments Commission Act 2001* (Cth).
AASB Standards	The Australian Accounting Standards issued by the AASB.
Annexure	An annexure of this Scheme Booklet.
Announcement Date	16 November 2020, being the date of announcement of the Merger.
ASIC	The Australian Securities and Investments Commission.
Associate	Has the meaning given to it in section 12 of the Corporations Act.
ASX	ASX Limited ABN 98 008 624 691.
ASX Listing Rules	The listing rules of ASX.
ASX Settlement Rules	The settlement rules of ASX Settlement Pty Ltd ACN 008 504 532.
ATO	Australian Taxation Office.
Business Day	A day as defined in the Listing Rules other than any day which banks are not open for general banking business in Perth, Western Australia.
CGT	Capital Gains Tax, as defined in the *Income Tax Assessment Act 1997*.
Combined Group	The corporate group comprising Dacian and its subsidiaries, including the NTM Group, if the Scheme is implemented.
Combined Group Board	The board of directors of Dacian, after the implementation of the Scheme.
Competing Transaction	A transaction or arrangement pursuant to which a third party (or third parties) will, if the transaction or arrangement is entered into or completed: (a) acquire (whether directly or indirectly) or become the holder of, or otherwise acquire, have a right to acquire or have an economic interest in all or a substantial part of the business of the NTM Group; (b) acquire control (as determined in accordance with section 50AA of the Corporations Act) of NTM or any member of the NTM Group; (c) otherwise acquire or merge with NTM or any member of the NTM Group; or (d) enter into any agreement, arrangement or understanding requiring NTM to abandon, or otherwise fail to proceed with, the Merger, whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction or buy back, sale or purchase of shares or assets, joint venture, dual listed company structure (or other synthetic merger), or other transaction

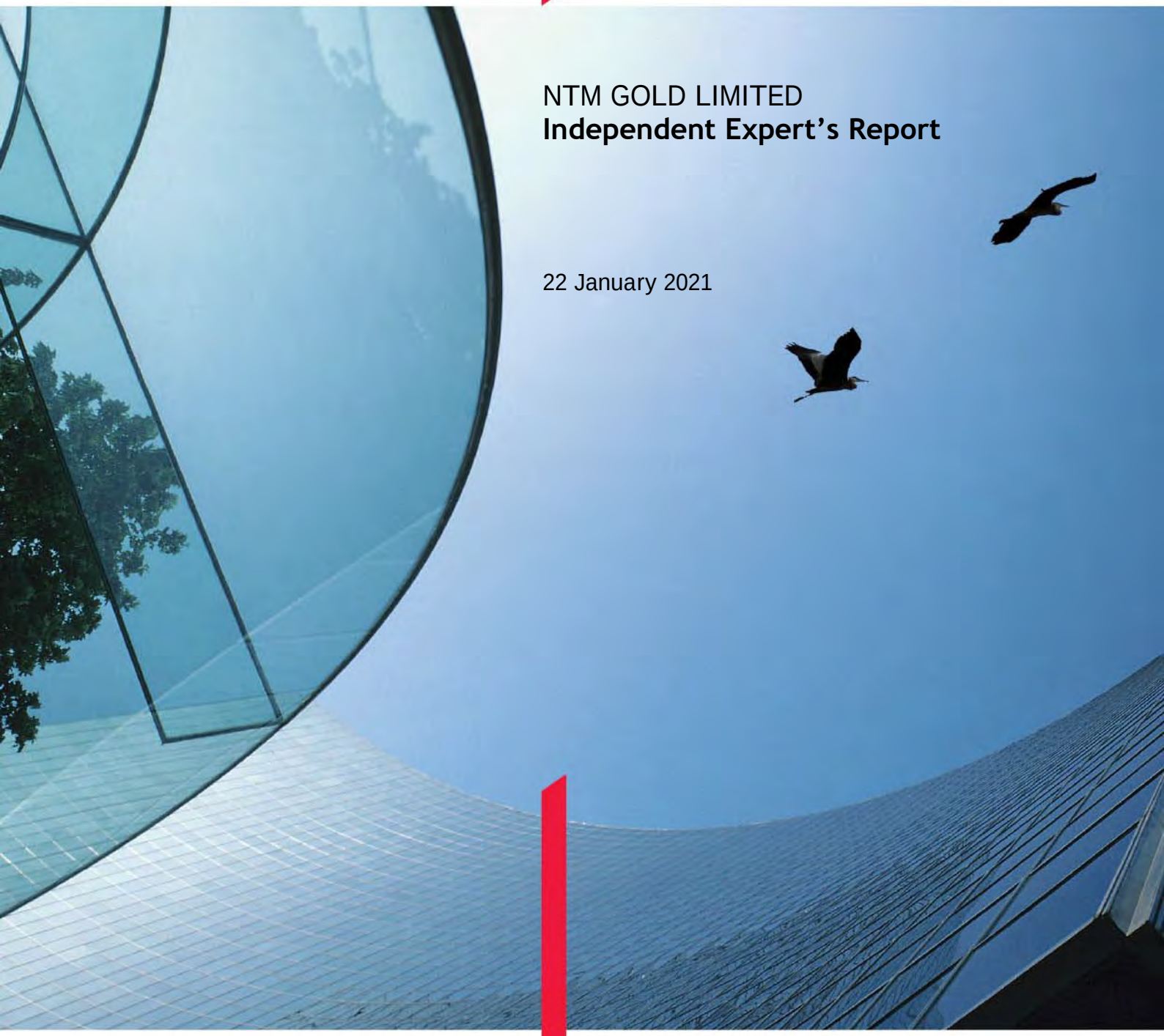
	or arrangement.
Computershare	Computershare Investor Services Pty Limited (ABN 48 078 279 277), the security registry for Dacian and NTM.
Corporations Act	The *Corporations Act 2001* (Cth).
Corporations Regulations	The *Corporations Regulations 2001* (Cth).
Court	The Supreme Court of Western Australia, or such other court of competent jurisdiction as agreed in writing by Dacian and NTM.
Dacian	Dacian Gold Limited (ACN 154 262 978).
Dacian Board	The board of Dacian Directors as at the date of this Scheme Booklet.
Dacian Directors	The directors of Dacian.
Dacian Facility Agreement	The Syndicated Facility Agreement between Mt Morgans WA Mining Pty Ltd (as borrower), Dacian and Dacian Gold Mining Pty Ltd (each as guarantors), and a syndicate of lenders and hedge banks, among others, dated 20 December 2016 (as subsequently varied).
Dacian Group	Dacian and its subsidiaries.
Dacian Information	The information concerning Dacian and the Combined Group provided by Dacian to NTM in writing for inclusion in this Scheme Booklet.
Dacian Material Adverse Change	Has the meaning given to that term in clause 1.1 of the Scheme Implementation Deed.
Dacian Option	An unlisted option to subscribe for a Dacian Share.
Dacian Performance Rights	A performance right issued which will vest upon the satisfaction of certain performance milestones.
Dacian Prescribed Event	Has the meaning given in clause 1.1 of the Scheme Implementation Deed.
Dacian Share	A fully paid ordinary share in the capital of Dacian.
Dacian Register	The register of Dacian Shareholders maintained by Computershare.
Dacian Shareholder	Each person who is registered in the Dacian Share Register from time to time as the holder of a Dacian Share.
Deed Poll	The deed poll dated 25 January 2021 executed by Dacian whereby, among other things, Dacian covenants to carry out its obligations under the Scheme, as set out in Annexure C.
DGO Gold	DGO Gold Limited (ACN 124 562 849).
Effective	When used in relation to the Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under sections 411(4)(b) and 411(6) in relation to the Scheme.
Effective Date	The date on which the Scheme becomes Effective.
End Date	31 March 2021 or such other date as Dacian and NTM may agree.

Excluded Shareholder	any NTM Shareholder who is a member of the Dacian Group or any NTM Shareholder who holds any NTM Shares on behalf of or for the benefit of, any member of the Dacian Group.
Implementation Date	The date that is the third Business Day after the Record Date.
Independent Expert	BDO Corporate Finance (WA) Pty Ltd.
Independent Expert's Report	The report of the Independent Expert in relation to the Scheme as set out in Annexure A of this Scheme Booklet.
Independent Technical Report	The report of the Technical Expert set out in Appendix 3 of the Independent Expert's Report.
Ineligible Foreign Shareholder	A NTM Shareholder whose address as shown in the NTM Share Register at 4.00pm (Perth time) on the Record Date is a place outside Australia or its external territories or New Zealand, other than one in respect of whom Dacian is satisfied that the laws of the NTM Shareholder's country of residence (as shown in the NTM Share Register) would permit the issue and allotment of New Dacian Shares, either unconditionally or after compliance with conditions which Dacian in its sole discretion regards as acceptable and not unduly onerous.
Interested Person	A person named in Section 14.11.
Last Practicable Date	27 January 2020, being the last practicable date before the finalisation of this Scheme Booklet.
Merger	The proposed merger of NTM with Dacian on the terms and conditions in this Scheme Booklet.
Net Sale Proceeds	The sale proceeds of New Dacian Shares sold under the Sale Facility by the Sale Agent in respect of Ineligible Foreign Shareholders, less any applicable brokerage, selling costs, taxes and charges.
New Dacian Option	Those Dacian Options each exercisable at $0.27 on or before 31 March 2022 to be issued to DGO Gold in consideration for the cancellation of its NTM Options pursuant to the Option Cancellation Deed.
New Dacian Share	A Dacian Share to be issued as consideration under the Scheme.
NTM or **Company**	NTM Gold Limited (ACN 119 494 772).
NTM Board	The board of NTM Directors as at the date of this Scheme Booklet.
NTM Directors	The directors of NTM.
NTM Group	NTM and its subsidiaries.
NTM Material Adverse Change	Has the meaning given to that term in clause 1.1 of the Scheme Implementation Deed.
NTM Option	An option to subscribe for a NTM Share.
NTM Option Register	The register of NTM Optionholders maintained by Computershare in accordance with the Corporations Act.
NTM Optionholder	Each person who is registered in the NTM Option Register from time to time as the holder of a NTM Option.

NTM Performance Right	A right to subscribe for a NTM Share on satisfaction of specified performance milestones.
NTM Performance Rights Holder	The person who is registered as being the holder of a NTM Performance Right.
NTM Prescribed Event	Has the meaning given in clause 1.1 of the Scheme Implementation Deed.
NTM Security	A NTM Share or a NTM Option.
NTM Share	A fully paid ordinary share in the capital of NTM.
NTM Share Register	The register of NTM Shareholders maintained by Computershare in accordance with the Corporations Act.
NTM Shareholder	Each person who is registered in the NTM Share Register from time to time as the holder of a NTM Share.
Option Cancellation Deed	The deed between NTM, Dacian and DGO Gold dated on or about 15 November 2020 relating to the cancellation of NTM Options in exchange for the grant of 22,222,222 New Dacian Options.
Ore Reserve	Has the meaning given in the ASX Listing Rules.
Plan	The Dacian employee incentive scheme approved by Dacian's shareholders on 26 November 2018 (and subsequently replaced with a new incentive scheme as approved by Dacian's shareholders on 30 November 2020).
Record Date	The second Business Day after the Effective Date.
Regulatory Authority	Includes: (a) ASX; (b) ASIC; (c) the Takeovers Panel; (d) a government or governmental, semi-governmental or judicial entity or authority; (e) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and (f) any regulatory organisation established under statute.
Related Body Corporate	The meaning given to it in the Corporations Act.
Relevant Interest	The meaning given to it in sections 608 and 609 of the Corporations Act.
Requisite Majority	In respect of the Scheme, approval by: (a) more than 50% in number of NTM Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a corporation, by corporate representative); and (b) at least 75% of the total number of votes cast on the Scheme Resolution by NTM Shareholders.
Sale Agent	Euroz Hartleys Securities Limited.

Sale Facility	The mechanism by which Ineligible Foreign Shareholders receive the Net Sale Proceeds of any sale of New Dacian Shares they would otherwise receive, as described in Section 5.8.
Scheme Booklet	This booklet that comprises the explanatory statement in respect of the Scheme to be approved by the Court and despatched to NTM Shareholders and includes the Annexures to this booklet.
Scheme Conditions	The conditions for implementation of the Scheme as set out in clause 3.1 to the Scheme Implementation Deed as detailed at Section 12.2.
Scheme	The scheme of arrangement between NTM and the Scheme Participants as described in clause 4 of the Scheme Implementation Deed and set out in Annexure B.
Scheme Consideration	New Dacian Shares to be issued to Scheme Participants under the terms of the Scheme in consideration for the transfer to Dacian of NTM Shares or the Net Sale Proceeds equivalent to be paid under the Sale Facility.
Scheme Implementation Deed	The Scheme Implementation Deed dated 15 November 2020 between NTM and Dacian relating to the implementation of the Scheme.
Scheme Meeting	The meeting of NTM Shareholders to be held at **the Celtic Club, 48 Ord Street, West Perth, Western Australia at 11:00am** on **3 March 2021** to consider and vote on the Scheme. The notice convening the Scheme Meeting is set out in Annexure D.
Scheme Participant	Each person who is registered in the NTM Share Register as the holder of a NTM Share as at 4.00pm (Perth time) on the Record Date.
Scheme Resolution	The resolution set out in the Notice of Scheme Meeting set out in Annexure D.
Scheme Shareholder	Each person who is a NTM Shareholder as at the Record Date.
Second Court Date	The first day of the Second Court Hearing.
Second Court Hearing	The hearing of the application made to the Court for an order pursuant to sections 411(4)(b) and 411(6) of the Corporations Act approving the Scheme.
Section	A section of this Scheme Booklet.
Subsidiaries	Has the meaning it has in the Corporations Act.
Superior Proposal	A bona fide Competing Transaction (and not resulting from a breach by NTM of its obligations under the Scheme Implementation Deed), which the NTM Board, acting in good faith, and after taking written advice from its legal and (if applicable) financial advisors, determines: (a) is reasonably capable of being valued and completed on a timely basis, taking into account all aspects of the Competing Transaction and the person making it, including without limitation having regard to legal, regulatory and financial matters and any conditions precedents; and (b) more favourable to NTM Shareholders (other than the Excluded Shareholders) than the Scheme taking into account all terms and conditions of the Competing Transaction.
Technical Expert	SRK Consulting (Australasia) Pty Ltd.

Annexure A – Independent Expert's Report



NTM GOLD LIMITED

Independent Expert's Report

22 January 2021

Financial Services Guide

22 January 2021

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('we' or 'us' or 'ours' as appropriate) has been engaged by NTM Gold Limited ('NTM') to provide an independent expert's report on the proposed scheme of arrangement (**'the Scheme'**) with Dacian Gold Limited ('Dacian'). You are being provided with a copy of our report because you are a shareholder of NTM and this Financial Services Guide ('FSG') is included in the event you are also classified under the Corporations Act 2001 ('the Act') as a retail client.

Our report and this FSG accompanies the Scheme Booklet required to be provided to you by NTM to assist you in deciding on whether or not to approve the Scheme.

Financial Services Guide

This FSG is designed to help retail clients make a decision as to their use of our general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- Who we are and how we can be contacted;
- The services we are authorised to provide under our Australian Financial Services Licence No. 316158;
- Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- Any relevant associations or relationships we have; and
- Our internal and external complaints handling procedures and how you may access them.

Information about us

We are a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide professional services primarily in the areas of audit, tax, consulting, mergers and acquisition, and financial advisory services.

We and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business and the directors of BDO Corporate Finance (WA) Pty Ltd may receive a share in the profits of related entities that provide these services.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients, and deal in securities for wholesale clients. The authorisation relevant to this report is general financial product advice.

When we provide this financial service we are engaged to provide an expert report in connection with the financial product of another person. Our reports explain who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice

We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. If you have any questions, or don't fully understand our report you should seek professional financial advice.

Fees, commissions and other benefits that we may receive

We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately $102,000.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report and our directors do not hold any shares in NTM.

BDO Audit (WA) Pty Ltd is the appointed Auditor of NTM and Dacian. We do not consider that this impacts on our independence in accordance with the requirements of Regulatory Guide 112 'Independence of Experts'. We have completed a conflict search of BDO affiliated organisations within Australia. This conflict search incorporates all Partners, Directors and Managers of BDO affiliated organisations. We are not aware of any circumstances that, in our view, would constitute a conflict of interest or would impair our ability to provide objective assistance in this matter.

Remuneration or other benefits received by our employees
All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from NTM for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

Referrals
We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution
Internal complaints resolution process
As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, PO Box 700 West Perth WA 6872.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme
A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ('AFCA').

AFCA is an external dispute resolution scheme that deals with complaints from consumers in the financial system. It is a not-for-profit company limited by guarantee and authorised by the responsible federal minister. AFCA was established on 1 November 2018 to allow for the amalgamation of all Financial Ombudsman Service ('FOS') schemes into one. AFCA will deal with complaints from consumers in the financial system by providing free, fair and independent financial services complaint resolution. If an issue has not been resolved to your satisfaction you can lodge a complaint with AFCA at any time.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
AFCA Free call: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

You may contact us using the details set out on page 1 of the accompanying report.

TABLE OF CONTENTS

1.	Introduction	1
2.	Summary and Opinion	1
3.	Scope of the Report	4
4.	Outline of the Scheme	6
5.	Profile of NTM	7
6.	Profile of Dacian	12
7.	Profile of the Proposed Merged Entity	20
8.	Economic analysis	21
9.	Industry analysis	24
10.	Valuation approach adopted	28
11.	Valuation of NTM prior to the Scheme	31
12.	Valuation of the Proposed Merged Entity	43
13.	Is the Scheme fair?	63
14.	Is the Scheme reasonable?	64
15.	Conclusion	67
16.	Sources of information	67
17.	Independence	69
18.	Qualifications	69
19.	Disclaimers and consents	70

Appendix 1 - Glossary and copyright notice

Appendix 2 - Valuation Methodologies

Appendix 3 - Independent Technical Specialist Report prepared by SRK

Appendix 4 - Discount Rate

© 2021 BDO Corporate Finance (WA) Pty Ltd

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

22 January 2021

The Directors
NTM Gold Limited
Unit 4, 20 Altona Street
West Perth, WA 6005

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 16 November 2020, NTM Gold Limited (**'NTM'** or **'the Company'**) announced that it had entered into a binding Scheme Implementation Deed (**'SID'**) with Dacian Gold Limited (**'Dacian'**) under which it is proposed that Dacian will acquire the entire issued capital of NTM by way of a scheme of arrangement under the Corporations Act 2001 (Cth) (**'the Scheme'**). Under the terms of the Scheme, each NTM shareholder will receive one Dacian share for every 2.7 NTM shares that are held at the record date (**'Scheme Consideration'**).

NTM and Dacian are both public companies, listed on the Australian Securities Exchange (**'ASX'**). Upon implementation of the Scheme, NTM will become a wholly owned subsidiary of Dacian and NTM shareholders will receive shares in the enlarged Dacian following the Scheme (**'Proposed Merged Entity'**).

All currencies are quoted in Australian Dollars unless otherwise stated.

2. Summary and Opinion

2.1 Requirement for the report

The directors of NTM have requested that BDO Corporate Finance (WA) Pty Ltd ('BDO') prepare an independent expert's report ('our Report') to express an opinion as to whether or not the Scheme is in the best interests of non-associated shareholders of NTM ('Shareholders').

Our Report is prepared pursuant to section 411 of the Corporations Act 2001 (**'Corporations Act'** or 'the Act') and is to be included in the scheme booklet (**'Scheme Booklet'**) prepared to assist Shareholders in their decision whether to approve the Scheme.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('ASIC') Regulatory Guides 60 'Schemes of Arrangements' ('RG 60'), Regulatory Guide 111 'Content of Expert's Reports' ('RG 111') and Regulatory Guide 112 'Independence of Experts' ('RG 112').

In arriving at our opinion, we have assessed the terms of the Scheme as outlined in the body of this report. We have considered:

- How the value of 2.7 NTM shares prior to the Scheme (on a control basis) compares to the value of a share in the Proposed Merged Entity following the implementation of the Scheme (on a minority basis);
- The likelihood of an alternative offer being made to NTM;
- Other factors which we consider to be relevant to Shareholders in their assessment of the Scheme; and
- The position of Shareholders should the Scheme not proceed.

2.3 Opinion

We have considered the terms of the Scheme as outlined in the body of this report and have concluded that, in the absence of a superior proposal, the Scheme is fair and reasonable to Shareholders.

Therefore, in the absence of a superior proposal, we conclude that the Scheme is in the best interests of Shareholders.

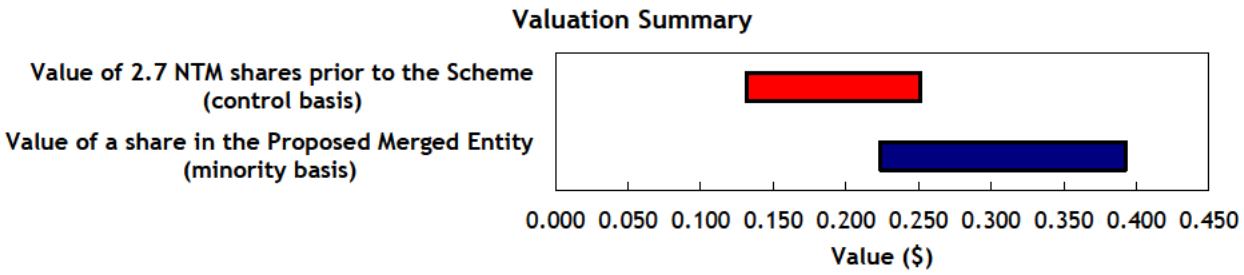
2.4 Fairness

In Section 13 we determined that the value of 2.7 NTM shares prior to the Scheme, on a control basis, compares to the value of a share in the Proposed Merged Entity to be received by Shareholders as consideration under the Scheme, on a minority interest basis, as detailed below.

	Ref	Low	Preferred	High
		$	$	$
Value of 2.7 NTM shares prior to the Scheme (control basis)	11.3	0.132	0.192	0.251
Value of a share in the Proposed Merged Entity (minority basis)	12.3	0.224	0.305	0.393

Source: BDO analysis

The above valuation ranges are graphically presented below:



The above pricing indicates that, in the absence of any other relevant information, and a superior proposal, the Scheme is fair for Shareholders.

2.5 Reasonableness

We have considered the analysis in Section 14 of this report, in terms of both:

- advantages and disadvantages of the Scheme; and
- other considerations, including the position of Shareholders if the Scheme does not proceed and the consequences of not approving the Scheme.

In our opinion, the position of Shareholders if the Scheme is approved is more advantageous than the position if the Scheme is not approved. Accordingly, in the absence of any other relevant information and/or a superior proposal we believe that the Scheme is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
14.1.1	The Scheme is fair for Shareholders	14.2.1	Dilution of Shareholders' interests and exposure to the Redcliffe Project
14.1.2	Provides Shareholders with exposure to a producing mine	14.2.2	Shareholders will be exposed to the risk associated with holding shares in a company with debt
14.1.3	The Proposed Merged Entity may be able to utilise NTM's resource to increase production and extend the life of mine of its Mt Morgans gold operation		
14.1.4	Creation of an enlarged group and re-rating as a mid-tier gold producer		
14.1.5	Creates a group with a stronger balance sheet		
14.1.6	Exposure to a more diversified suite of assets		
14.1.7	Shareholders are not foregoing the opportunity to receive a control premium in the future		

Other key matters we have considered include:

Section	Description
14.3	Alternative Proposal
14.4	Tax implications
14.5	Consequences of not approving the Scheme

3. Scope of the Report

3.1 Purpose of the Report

The Scheme is to be implemented pursuant to section 411 of the Corporations Act. Part 3 of Schedule 8 to the Corporations Act Regulations 2001 ('Regulations') prescribes the information to be sent to shareholders in relation to schemes of arrangement pursuant to section 411 of the Act ('Section 411').

An independent expert's report must be obtained by a scheme company if:

- There is one or more common directors; or
- The other party to the scheme holds 30% or more of the voting shares in the scheme company.

The expert must be independent and must state whether or not, in his or her opinion, the proposed scheme is in the best interests of the members of the company the subject of the scheme and set out the reasons for that opinion.

There are no common directors of NTM and Dacian, nor is there any other party to the Scheme that holds 30% or more of the scheme company, being NTM. Accordingly, there is no requirement for this report pursuant to Section 411. Notwithstanding the fact that there is no legal requirement to engage an independent expert to report on the Scheme, the directors of NTM have requested that BDO prepare this report as if it were an independent expert's report pursuant to Section 411 and to provide an opinion as to whether the Scheme is fair and reasonable and in the best interests of Shareholders.

The requirement for an independent expert's report is also a condition precedent in the SID, which states that, for the Scheme to proceed, the independent expert must conclude that the Scheme is in the best interests of Shareholders.

3.2 Regulatory guidance

Neither the Act nor the Regulations defines the term 'in the best interests of'. In determining whether the Scheme is in the best interests of Shareholders, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

A key matter under RG 111 that an expert needs to consider when determining the appropriate form of analysis is whether or not the effect of the transaction is comparable to a takeover bid and is therefore representative of a change of 'control' transaction.

In the circumstance of a scheme that achieves the same outcome as a takeover bid, RG 111 suggests that the form of the analysis undertaken by the independent expert should be substantially the same as for a takeover. Independent expert reports required under the Act in the circumstance of a takeover are required to provide an opinion as to whether or not the takeover bid is 'fair and reasonable'. While there is no definition of 'fair and reasonable', RG 111 provides some guidance as to how the terms should be interpreted in a range of circumstances.

RG 111 suggests that an opinion as to whether transactions are fair and reasonable should focus on the purpose and outcome of the transaction, that is, the substance of the transaction rather than the legal mechanism to effect the transaction.

Schemes of arrangement pursuant to Section 411 can encompass a wide range of transactions. Accordingly, 'in the best interests' must be capable of a broad interpretation to meet the particular circumstances of each transaction. This involves a judgment on the part of the expert as to the overall

commercial effect of the transaction, the circumstances that have led to the transaction and the alternatives available. The expert must weigh up the advantages and disadvantages of the proposed transaction and form an overall view as to whether shareholders are likely to be better off if the proposed transaction is implemented than if it is not. This assessment is the same as that required for a 'fair and reasonable' assessment in the case of a takeover. If the expert would conclude that a proposal was 'fair and reasonable' if it was in the form of a takeover bid, the expert will also be able to conclude that the scheme is in the best interests of shareholders. An opinion of 'in the best interests' does not imply the best possible outcome for shareholders.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to, or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if despite being 'not fair', the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Having regard to the above, BDO has completed this comparison in three parts:

- a comparison between the value of 2.7 NTM shares on a control basis and the value of a share in the Proposed Merged Entity on a minority interest basis (fairness – see Section 13 'Is the Scheme Fair?');
- an investigation into other significant factors to which Shareholders might give consideration, prior to approving the Scheme, after reference to the value derived above (reasonableness – see Section 14 'Is the Scheme Reasonable?'); and
- a consideration of whether the Scheme is in the best interests of Shareholders.

RG 111 states that if a transaction is fair and reasonable then the expert can conclude that the transaction is in the best interests of shareholders; if a transaction is not fair but reasonable an expert can still conclude that the transaction is in the best interests of shareholders; if a transaction is neither fair nor reasonable then the expert would conclude that the transaction is not in the best interests of shareholders.

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' ('APES 225').

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

4. Outline of the Scheme

On 16 November 2020, NTM announced that it had executed a SID with Dacian, under which it is proposed that Dacian will acquire 100% of the shares in NTM. Pursuant to the Scheme, shareholders of NTM will receive one share in the Proposed Merged Entity, for every 2.7 shares they hold in NTM on the Scheme record date.

The outstanding options in NTM (**'Existing Options'**) will, subject to the ASX granting a waiver of Listing Rule 6.23.2, be exchanged for new Dacian options at the same exchange ratio, for an adjusted exercise price of $0.27 and the same expiry date of 31 March 2022. The only holder of options in NTM is DGO Gold Limited (**'DGO'**). NTM, Dacian and DGO, have together entered into an option cancellation deed (**'Option Cancellation Deed'**), for the NTM options. Under the Option Cancellation Deed, the 60 million options in NTM that are exercisable at $0.10 on or before 31 March 2022, will be cancelled and replaced with 22,222,222 options in the Proposed Merged Entity, exercisable at $0.27, expiring on 31 March 2022.

The Scheme is subject to certain conditions precedent, including the following:

- NTM shareholders' approval of the Scheme, by the requisite majority of NTM shareholders (75% of all votes cast by shareholders, and 50% of the number of NTM shareholders who vote);
- The independent expert concluding that the Scheme is in the best interests of Shareholders;
- ASIC and ASX approvals, consents, modifications and waivers, such that are necessary or which NTM and Dacian agree are desirable, to implement the Scheme;
- All other regulatory approvals which are necessary, or that the parties agree are desirable to implement the Scheme;
- The Option Cancellation Deed remaining in full force and effect;
- Written confirmation that the NTM performance rights on issue (**'Existing Rights'**) will vest and be converted to shares with effect from the date the Scheme becomes effective, and any NTM shares from the resulting exercise will be registered with NTM before the record date;
- The receipt of all the consents, waivers, or approvals required under Dacian's syndicated facility agreement with among other, Dacian, Mt Morgans WA Mining Pty Ltd and Westpac Banking Corporation, on terms acceptable to Dacian;
- The court making orders under 411(4)(b) of the Corporations Act, approving the Scheme; and
- No material adverse change or prescribed event, occurring in relation to either Dacian or NTM.

The complete terms of the Scheme are set out in the SID that was announced on 16 November 2020.

Based on the total number of NTM shares on issue, the number of Proposed Merged Entity shares to be issued to NTM shareholders is set out below.

Share structure following the implementation of the Scheme		Percentage of Issued Shares
Number of NTM shares on issue as at the date of our Report	685,609,211	
Number of NTM shares to be issued on exercise of NTM Performance Rights	2,500,000	
Total number of NTM shares	688,109,211	
Number of NTM Shares which will convert into one share in the Proposed Merged Entity	2.7	
Number of Proposed Merged Entity shares to be issued to Shareholders	254,855,263	31.4%

Share structure following the implementation of the Scheme		Percentage of Issued Shares
Number of Dacian shares on issue as at the date of our Report	556,508,554	68.6%
Total ordinary shares on issue in the Proposed Merged Entity following the implementation of the Scheme (undiluted)	**811,363,817**	**100%**

We note that following the implementation of the Scheme, the exercise price of the options in the Proposed Merged Entity is $0.27. Therefore, the options are in-the-money based on the share price of Dacian as at the date of our Report. The exercise of the options in the Proposed Merged Entity will result in the issue of 22,222,222 shares and will raise $6 million of cash. On a diluted basis, the Proposed Merged Entity will therefore have 833,586,039 shares on issue.

5. Profile of NTM

5.1 History

NTM is an ASX-listed gold exploration company with operations in the Eastern Goldfields region of Western Australia (**'WA'**). The Company is primarily focussed on its 100% owned Redcliffe Gold Project (**'Redcliffe'** or **'the Project'**), located in WA. The Company was incorporated and listed on the ASX in 2006 as Western Uranium Limited. NTM first acquired an interest in Redcliffe in August 2015, when it acquired a 51% interest in the Project from Redcliffe Resources Limited, before moving to full ownership on completion of merger with Redcliffe Resources Limited in April 2016.

The current directors of NTM are:

- Mr. Andrew Muir - Managing Director;
- Mr. Edward van Heemst - Chairman and Non-Executive Director;
- Mr. Eduard Eshuys - Non-Executive Director; and
- Dr. Michael Ruane - Non-Executive Director.

5.2 Redcliffe

Redcliffe is located 40 to 60 kilometres (**'km'**) northeast of Leonora, in the Eastern Goldfields Region of WA. The Project area spans 720 square kilometres (**'km^2'**) and overlies Archaean-aged greenstones. The primary focus of NTM's exploration are the tenements centred on the Mertondale Shear Zone (**'MSZ'**), a gold-rich fluid pathway with multiple gold deposits discovered to date. The Project is split into three groups, being the Northern Group, Central Group and Southern Group.

Redcliffe's key prospects include the Hub, GTS and Redcliffe East deposits. Other areas include Aliso, Barry North, Chino, Golden Spear, Mesa, 727 and Trip 2 North. Historic exploration has been limited to shallow depths, with large areas remaining untested. Redcliffe is in close proximity to existing infrastructure and gold mines, namely, Dacian's Mt Morgans mine, St Barbara Limited's Sons of Gwalia mine, Saracen Mineral Holding Limited's Thunderbox mine and Red 5 Limited's Darlot mine.

On 17 April 2020, the Company announced that it had acquired a 100% interest in four gold prospective tenements from Kingwest Resources Limited (**'Kingwest'**) for $125,000. The acquisition incorporates tenements E37/1252, E37/1284, E37/1285 and E37/1314 known as the **'Wells Group'**. The Wells Group is located north of Redcliffe, abutting NTM's northernmost tenement and contains the northern extent of the MSZ. The Wells Group spans an area of 426km^2, which has more than doubled NTM's land position to

720km^2. Historic exploration at the Wells Group is limited, however NTM has commenced initial groundwork and approvals are being sought.

The maiden Inferred Mineral Resource Estimate (**'MRE'**) for Hub was completed during the 2020 financial year following the detailed reverse circulation and diamond drilling. The MRE was 890.3 kilotonne (**'kt'**) at 4.9 g/t gold (**'Au'**) for 140.8 thousand ounces (**'koz'**) of gold using a 0.5g/t Au lower cut off. The MRE was classified as Inferred in accordance with the Australasian Code for Reporting on Exploration Results, Mineral Resources and Ore Reserves (2012 Edition) (**'JORC Code'**).

Following completion of the Hub MRE, the global MRE for Redcliffe was 13.4mt at 1.6g/t Au for 678.7 koz.

Further information on Redcliffe can be found in the Independent Technical Assessment and Valuation Report in Appendix 3 of our Report.

5.3 Recent Corporate Events

Capital Raisings

On 8 July 2019, the Company announced that it had completed a placement of 100,000,000 shares to institutional and sophisticated investors to raise $3.25 million at an issue price of $0.0325. Notably, Empire Resources Limited (**'Empire'**) participated in the placement by investing $1.5 million, increasing Empire's holding in NTM to 8.70% following the placement. In conjunction with the placement, DGO and NTM directors Andrew Muir and Edward van Heemst contributed a total of $0.62 million in addition to the placement.

On 1 November 2019, the Company announced a placement of 60,000,000 shares to institutional and sophisticated investors to raise $3.00 million at an issue price of $0.05. In conjunction with the placement, DGO contributed $0.41 million in addition to the placement.

On 2 April 2020, the Company announced the exercise of 71.9 million options at $0.05 each which raised $3.6 million. The Company's major shareholders Empire and DGO exercised 25 million and 20 million options respectively.

All funds raised under the aforementioned capital raisings were to be allocated towards exploration activity at Redcliffe.

Wells Group Acquisition

On 17 April 2020, the Company announced that it had acquired a 100% interest in a group of four gold prospective tenements from Kingwest for $125,000. The acquisition incorporates tenements E37/1252, E37/1284, E37/1285 and E37/1314 known as the 'Wells Group' and covering an area of 426km^2. The Wells Group is located north of Redcliffe, abutting NTM's northernmost tenement.

Director Movements

On 25 July 2019, the Company announced that Mr Edward van Heemst was elected chairman of the Company, following the resignation of Mr Paul Price as a director and chairman of the NTM Board.

On 24 April 2020, the Company announced the appointment of Dr Michael Ruane as a Non-Executive Director of NTM. Dr Michael Ruane is the Board representative of Empire, NTM's second largest shareholder. NTM also announced that Mr Rodney Foster had resigned as a director of the Company.

5.4 Historical Statements of Financial Position

Statement of Financial Position	Audited as at 30-Jun-20	Audited as at 30-Jun-19	Audited as at 30-Jun-18
	$	$	$
CURRENT ASSETS			
Cash and cash equivalents	6,675,699	460,131	443,550
Other receivables	104,962	75,338	831,875
Prepayments	8,444	12,011	2,104
TOTAL CURRENT ASSETS	**6,789,105**	**547,480**	**1,277,529**
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	12,771,007	8,725,152	5,949,426
Plant and equipment	250,930	152,976	103,155
Right-of-use assets	94,155	-	-
TOTAL NON-CURRENT ASSETS	**13,116,092**	**8,878,128**	**6,052,581**
TOTAL ASSETS	**19,905,197**	**9,425,608**	**7,330,110**
CURRENT LIABILITIES			
Trade and other payables	525,776	320,396	296,180
Provisions	45,549	46,347	19,667
Lease liabilities	22,935	-	-
TOTAL CURRENT LIABILITIES	**594,260**	**366,743**	**315,847**
NON-CURRENT LIABILITIES			
Lease liabilities	71,582	-	-
TOTAL NON-CURRENT LIABILITIES	**71,582**	**-**	**-**
TOTAL LIABILITIES	**665,842**	**366,743**	**315,847**
NET ASSETS	**19,239,355**	**9,058,865**	**7,014,263**
EQUITY			
Contributed equity	34,097,508	22,675,122	19,513,794
Reserves	4,714,205	4,788,277	4,809,868
Accumulated losses	(19,572,358)	(18,404,534)	(17,309,399)
TOTAL EQUITY	**19,239,355**	**9,058,865**	**7,014,263**

Source: NTM's audited financial statements for the years ended 30 June 2018, 30 June 2019 and 30 June 2020.

Commentary on Historical Statements of Financial Position

We note that the Company's auditor outlined the existence of material uncertainty relating to the going concern assumption in its audit report for the years ended 30 June 2018, 30 June 2019 and 30 June 2020. For all three audit reports, the material uncertainty arose due to the Company's cash flow forecast indicating that the Company would be required to raise funds in order to provide additional working capital to continue developing Redcliffe. The Company's auditor noted that if the Company is unable to secure additional funding through capital raisings to fund its ongoing exploration commitments and working capital, it would cast significant doubt over the Company's ability to continue as a going concern.

- Cash and cash equivalents increased from $0.46 million as at 30 June 2019 to $6.68 million as at 30 June 2020. This increase in cash held was primarily the result of capital raisings amounting to $11.56 million which comprised three placements totalling approximately $6.86 million in July and

November 2019, $4.28 million raised from the exercise of options and $0.41 million raised from the exercise of contributory rights. This was partially offset by payments for exploration and evaluation of $3.83 million and payments to suppliers and employees of $1.13 million.

- Other receivables of $0.83 million as at 30 June 2018 primarily related to proceeds receivable from the divestment of its interest in manganese license applications in the Northern Territory.
- Exploration and evaluation ('E&E') expenditure is recognised as an E&E asset in the year in which it is incurred. E&E assets are initially measured at cost and are assessed for impairment when circumstances suggest that the carrying amount of an E&E asset may exceed its recoverable amount.
- Right-of-use assets of $0.09 million as at 30 June 2020 relate to the present value of future lease payments on the Company's land and buildings, which were recognised in accordance with the new AASB 16 'Leases' standard. Corresponding current and non-current lease liabilities are also recognised in accordance with AASB 16 'Leases'.

5.5 Historical Statements of Profit or Loss and Other Comprehensive Income

Statement of Profit or Loss and Other Comprehensive Income	Audited for the year ended 30-Jun-20 $	Audited for the year ended 30-Jun-19 $	Audited for the year ended 30-Jun-18 $
Interest received	8,385	3,734	7,263
Other income	50,000	-	750,000
Gross profit	**58,385**	**3,734**	**757,263**
Administration expenses	(209,489)	(145,053)	(67,111)
Compliance costs	(201,171)	(209,782)	(241,065)
Consultants fees	(137,985)	(225,925)	(158,509)
Depreciation expense	(40,464)	(25,295)	(13,088)
Directors' remuneration	(145,419)	(128,571)	(118,826)
Employee benefits expense	(229,097)	(205,407)	(94,854)
Finance costs	(668)	-	-
Impairment of exploration and evaluation	(87,394)	(109,378)	(148,460)
Loss on disposal of non-current assets	(6,182)	-	(1,438)
Office accommodation expenses	(28,702)	(31,362)	(20,205)
Travel expenses	(36,710)	(52,050)	(20,472)
Share based payments expense	(102,928)	33,954	(33,954)
Loss before income tax	**(1,167,824)**	**(1,095,135)**	**(160,719)**
Income tax benefit	-	-	-
Loss after income tax for the year	**(1,167,824)**	**(1,095,135)**	**(160,719)**
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive loss for the year attributable to owners of NTM	**(1,167,824)**	**(1,095,135)**	**(160,719)**

Source: NTM's audited financial statements for the years ended 30 June 2018, 30 June 2019 and 30 June 2020.

Commentary on Historical Statements of Profit or Loss and Other Comprehensive Income

- Other income of $50,000 for the year ended 30 June 2020 related to the Australian Government's COVID-19 stimulus package for employers. Other income for the year ended 30 June 2018, related to proceeds from disposal of mineral interests during the year.
- The depreciation expense for the year ended 30 June 2020, includes both depreciation on plant and equipment, and depreciation on right-of-use assets, in accordance with the Company's adoption of the new lease standard, AASB 16 'Leases'.

5.6 Capital Structure

The share structure of NTM as at 10 December 2020 is outlined below:

	Number
Total ordinary shares on issue	683,859,211*
Top 20 Shareholders	447,755,030
Top 20 Shareholders - % of shares on issue	65.47%

Source: NTM share registry information

* 1,750,000 performance rights were subsequently converted to shares, bringing the number of shares on issue to 685,609,211 as at the date of our Report

The range of shares held in NTM as at 10 December 2020 is as follows:

Range of Shares Held	No. of Ordinary Shareholders	No. of Ordinary Shares	Percentage of Issued Shares (%)
1 - 1,000	217	91,916	0.01%
1,001 - 5,000	366	1,061,843	0.16%
5,001 - 10,000	328	2,611,930	0.38%
10,001 - 100,000	891	36,249,292	5.30%
100,001 - and over	388	643,844,230	94.15%
TOTAL	**2,190**	**683,859,211***	**100.00%**

Source: NTM share registry information

* 1,750,000 performance rights were subsequently converted to shares, bringing the number of shares on issue to 685,609,211 as at the date of our Report

The ordinary shares held by the most significant shareholders as at the date of our Report are detailed below:

Name	No. of Ordinary Shares Held	Percentage of Issued Shares (%)
DGO Gold Limited	135,158,073	19.71%
Empire Resources Limited*	95,248,084	13.89%
Regal Funds Management Pty Ltd	92,297,673	13.46%
Edward van Heemst	35,000,000	5.10%
Subtotal	**357,703,830**	**52.17%**
Others	327,905,381	47.83%
Total ordinary shares on Issue	**685,609,211**	**100.00%**

Source: NTM share registry information

*Dr Michael Ruane's interest has been grouped with the interest held by Empire Resources Limited. Dr Ruane does not control Empire Resources Limited, but is considered to have significant influence over Empire Resources Limited, therefore these interests have been grouped.

As at the date of our Report, the options and performance rights on issue are outlined below:

Name	Number of Options/Rights	Exercise Price ($)	Expiry Date
Options	60,000,000	0.10	31 March 2022
Existing Rights	2,500,000	Nil	Various dates
Total number of options and performance rights	**62,500,000**		
Cash raised if options are exercised	**$6,000,000**		

Source: NTM annual report for the year ended 30 June 2020

As outlined in Section 4, NTM, Dacian and DGO have entered into an Option Cancellation Deed for the options, under which the NTM options will be cancelled and replaced with 22,222,222 options in the Proposed Merged Entity, exercisable at $0.27, expiring on 31 March 2022.

Additionally, if the Scheme is implemented, then all of the Existing Rights will vest and be converted into NTM shares and any NTM shares resulting from the exercise will be issued and registered by NTM before the record date.

6. Profile of Dacian

6.1 History

Dacian is an ASX-listed gold producer and explorer with operations located in the North-Eastern Goldfields of WA. The Company is primarily focused on its 100% owned Mt Morgans Gold Operation (**'Mt Morgans'**), located in Laverton, WA. Dacian was incorporated in 2011 and listed on the ASX in 2012.

The current directors of Dacian are:

- Mr. Ian Cochrane - Chairman;
- Mr. Leigh Junk - Managing Director and Chief Executive Officer; and
- Mr. Robert Reynolds - Non-Executive Director.

6.2 Mt Morgans Gold Operation

Mt Morgans includes the Jupiter open pit gold mine (**'Jupiter'**) and a 2.5 million metric tonnes per annum (**'Mtpa'**) carbon-in-leach (**'CIL'**) treatment plant and associated infrastructure (**'Mt Morgans Plant'**). In addition, Dacian has several exploration tenements situated within Mt Morgans, including the Mt Marven, Phoenix Ridge, McKenzie Well, Mt McKenzie, Cameron Well, Trasvaal and Craic projects (**'Dacian's Exploration Projects'**). Prior to August 2020, Mt Morgans also comprised the Westralia underground mine (**'Westralia'**), however, Dacian has since suspended all mining activities at Westralia.

Mt Morgans is situated in the Laverton gold district, amongst numerous multi-million ounce gold mines with a highly prospective tenement position.

Mt Morgans commenced commercial production on 1 January 2019.

On 5 June 2019, Dacian released an operational and corporate update in which it revised down production guidance for the June quarter of 2019, citing issues with the performance of the underground contractor, lower than expected grades from Westralia and Jupiter and suspension of the treatment plant for a three day period. Following further board review and optimisation, production guidance for the 2020 financial year together with a five year mine plan were released in July 2020. Operational updates in 2019 noted that the Company was on track to meet stated guidance for the 2020 financial year. However in February

2020, following a preceding change in senior management, Dacian announced a material downgrade of its Mineral Reserve and Ore Estimates and revised down its production guidance for the 2020 financial year. Dacian also provided a revised three year outlook plan, and noted optimisation studies would continue into the 2021 calendar year.

Dacian has produced a total of 310,524 ounces of gold from Mt Morgans as at 30 September 2020. For additional detail in relation to the historical operations at Mt Morgans, refer to the independent technical assessment and valuation report prepared by SRK Consulting (Australasia) Pty Ltd (**'SRK'**) (**'Technical** Specialist **Report'**) in Appendix 3 of our Report.

Jupiter

Open pit operations at Mt Morgans are sourced from the Jupiter mine area which is located adjacent to the Mt Morgans Plant and situated approximately 15km east-south-east of Westralia. Jupiter lies within the Jupiter Corridor, a 2km long north-south trend containing three main syenite intrusive bodies, which from south to north are termed Ganymede, Heffernans and Doublejay. Several smaller syenite dykes and intrusive bodies were found proximal to the three main syenites and all are contained within the Jupiter Corridor.

Mining operations at Jupiter contributes the primary ore feed to the treatment plant which combined with additional ore sources including ROM stockpiles, contributes to the total ore feed for the Mt Morgans Plant.

Approximately 150,000 ounces of gold was produced from Jupiter during the period between 1994 and 1996. Subsequent to the completion of mining activities in 1996, the remnant resources remaining at Jupiter were 800,000 tonnes (**'t'**) at 2.8g/t Au for 73,000 ounces (above a 1.5 g/t lower cut-off grade). Mine production at the Jupiter open pit for the 2020 financial year totalled 2,060kt at 1.1g/t Au for 71,937 ounces.

Westralia

Prior to August 2020, underground operations at Mt Morgans were sourced from the Westralia mine area which comprises the Beresford and Allanson deposits, located 15km from the Mt Morgans Plant.

In February 2020, the Company announced a Mineral Resource and Ore Reserve update which included a 40% reduction in Mineral Resource at Mt Morgans from 3.5 million to 2.1 million ounces. The resource reduction primarily related to the Westralia underground mine where the Mineral Resource decreased by 52% from 1.5 million ounces to 0.7 million ounces. The downgrade was a result of increased diamond drill densities across the Beresford and Allanson deposits since the previous 2018 Mineral Resource estimate, resulting in reductions in previously assumed high grade domains, as well as reduced continuity across the mine.

Subsequently, it was announced that underground production from the Westralia mine would conclude in December 2020. However, Dacian ceased mining activities at Westralia in August 2020, ahead of the previously scheduled conclusion, preserving the 195,000 ounce Ore Reserve remaining as part of its optimisation studies. As a result of the suspension of mining activities at Westralia four months earlier than planned and the rescheduling of the Jupiter open pit, production guidance for Mt Morgans for the 2021 financial year was revised down to 110,000-120,000oz, from 120,000-130,000oz.

The Company is currently progressing a scoping study on the greater Westralia mine area, including an assessment of the mining potential of all its underground deposits and open pit cutback, with the view that a holistic strategy could optimise Resource inventory.

Dacian's Exploration Projects

During the 2020 financial year, a total of 38,044m of exploration drilling was completed at Dacian's Exploration Projects. The majority of this drilling was conducted across the Phoenix Ridge project, located 650 metres north of the Allanson underground deposit.

On 3 October 2019, Dacian announced a maiden Inferred MRE for the Phoenix Ridge deposit at Mt Morgans of 481,000t at 8.1g/t for 125,000 ounces. During the year, infill drilling continued at Phoenix Ridge as work progressed towards a Mineral Resource update with mining studies shortly after. The Resource was unchanged at 31 December 2019 and was confirmed in the Mineral Resource and Ore Reserve update announced to the ASX on 27 February 2020.

Dacian plans to spend $15 million on exploration activities during the 2021 financial year with a number of programs already nearing completion across several projects. During the September 2020 quarter, Dacian completed the following drilling across its key exploration targets:

- Mt Marven: 44 reverse circulation ('RC') holes for 5,671m
- Phoenix Ridge: 11 RC holes for 1,440m;
- McKenzie Well: 39 RC holes for 2,984m;
- Mt McKenzie: 12 diamond drill holes for 3,884m; and
- Cameron Well: 6 RC holes for 1,002m and 12 diamond drill holes for 3,905m.

Further information on Mt Morgans can be found in the Technical Specialist Report in Appendix 3 of our Report.

6.3 Recent Corporate Events

Mt Morgans Project Debt Facility

On 21 December 2016, Dacian announced that it had entered into a $150 million facility with Westpac Banking Corporation, Australia and New Zealand Banking Group Limited and BNP Paribas (collectively, **'the Financiers'**) to fund the development of Mt Morgans ('Mt Morgans **Facility'**).

During the December 2019 quarter, Dacian and the Financiers reviewed the terms under the Mt Morgans Facility, and agreed on the following changes:

- The fixed debt repayment schedule was modified to better align repayment obligations with Dacian's cash flow forecast over the Mt Morgans Facility's remaining tenor to 30 June 2022. This included the deferral of the 31 December 2019 debt repayment to 31 March 2020 totalling $7.05 million and the setting aside of cash totalling $7.05 million to a restricted cash account to partly fund the 31 March 2020 debt repayment amount of $24.70 million;
- A new variable debt repayment schedule was agreed that had the potential to increase debt repayments from June 2020. The variable repayment each quarter was set up to a capped amount and subject to a 'pay if you can' condition and are to be made only when working capital funding levels and quarterly cash flows exceed certain minimum levels; and
- Dacian implemented an interim hedging program with the purpose of providing Dacian and the Financiers future gold price certainty. This interim hedging program comprised purchasing deferred premium gold put options covering 150,000 ounces at a strike price of $2,100 per ounce, expiring on 28 February 2020.

The key terms of the Mt Morgans Facility are as follows:

- Fixed schedule of repayments through to 30 June 2022;
- Security is provided by a general security agreement over all of the assets and undertakings of Dacian's subsidiaries, Mt Morgans WA Mining Pty Ltd and Dacian Gold Mining Pty Ltd, a specific security agreement over Dacian's bank accounts and a featherweight security agreement over all of the other assets of Dacian (the maximum amount recoverable under the featherweight security is $5,000);
- The Mt Morgans Facility agreement contains a number of typical financial covenants that are assessed and reported to the Financiers on a quarterly basis; and
- The effective interest rate on the facility at 30 June 2020 was 4.1%.

Recapitalisation

On 8 April 2020, Dacian announced that it was intending to conduct an equity raising of $98 million (before costs), in order to recapitalise Dacian and deliver on its three-year production outlook. The proposed equity raising comprised an institutional entitlement offer and a placement to institutional and sophisticated investors raising a combined $70 million and a retail entitlement offer raising $28 million, both with an issue price of $0.30 per share (**'Recapitalisation'**).

It was noted that Macquarie Capital (Australia) Limited and Canaccord Genuity (Australia) Limited had underwritten the equity raise to a minimum of $80 million. The Directors of Dacian committed to take up to $5.7 million of the equity raise via their existing entitlements and/or through sub-underwriting the offer.

In addition, Dacian outlined the proposed use of funds, which are set out below:

- Partial repayment of the Mt Morgans Facility of $50 million;
- Pre-stripping activities at Doublejay of $15 million;
- Exploration activities over the following 12 months of $15 million; and
- General working capital and costs associated with the equity raise of $18 million.

On the same date, Dacian released an equity raising presentation, which noted that the Recapitalisation was part of a revised mine plan and corporate strategy focused on de-risking the company's capital structure and generating sustainable, positive cash flows. The objectives of the Recapitalisation were to deleverage Dacian's balance sheet, increase financial flexibility and execute the company's three-year outlook which sought to address the previous challenges faced at Mt Morgans.

The presentation also noted that Dacian was in discussions with the Financiers regarding the replacement of the Mt Morgans Facility with a 'corporate style facility' with greater tenor and repayment flexibility in order to better support sustainable future operations.

On 6 May 2020, Dacian announced that it successfully raised equity funding of $98 million (before costs) in relation to the Recapitalisation.

Hedging

In January 2020, Dacian implemented a deferred premium gold put option regime, covering 67,608 ounces at a strike price of $2,050 per ounce expiring over the period through to June 2021 and gold forward sale contracts covering 49,788 ounces at an average delivery price of $2,266 per ounce over the period from September 2020 to June 2021.

On 27 October 2020, Dacian announced that its outstanding hedge commitments at 30 September 2020 (being 61,488 ounces) had been restructured, which resulted in 27,324 ounces that were previously due for delivery during the year ended 30 June 2021, had been moved to the September and December Quarters of 2021.

6.4 Historical Statements of Financial Position

Statement of Financial Position	Audited as at 30-Jun-20	Audited as at 30-Jun-19	Audited as at 30-Jun-18
	$'000s	$'000s	$'000s
CURRENT ASSETS			
Cash and cash equivalents	51,976	35,515	62,866
Receivables	3,179	5,173	3,724
Inventories	20,382	20,674	13,096
Derivative financial instruments	45	-	-
TOTAL CURRENT ASSETS	**75,582**	**61,362**	**79,686**
NON-CURRENT ASSETS			
Property, plant and equipment	107,205	130,858	150,073
Exploration and evaluation assets	4,072	4,072	4,163
Mine properties	84,486	142,763	103,004
Deferred tax assets	13,374	32,573	28,143
TOTAL NON-CURRENT ASSETS	**209,137**	**310,266**	**285,383**
TOTAL ASSETS	**284,719**	**371,628**	**365,069**
CURRENT LIABILITIES			
Trade and other payables	21,016	43,954	50,297
Provisions	1,420	1,151	784
Borrowings	34,585	37,395	76,656
Other financial liabilities	261	-	-
TOTAL CURRENT LIABILITIES	**57,282**	**82,500**	**127,737**
NON-CURRENT LIABILITIES			
Provisions	21,195	18,608	15,001
Borrowings	43,600	85,645	89,465
TOTAL NON-CURRENT LIABILITIES	**64,795**	**104,253**	**104,466**
TOTAL LIABILITIES	**122,077**	**186,753**	**232,203**
NET ASSETS	**162,642**	**184,875**	**132,866**
EQUITY			
Issued capital	338,904	244,513	195,187
Share-based payments reserve	2,250	3,007	3,516
Accumulated losses	(178,512)	(62,645)	(65,837)
TOTAL EQUITY	**162,642**	**184,875**	**132,866**

Source: Dacian's audited financial statements for the years ended 30 June 2018, 30 June 2019 and 30 June 2020.

Commentary on Historical Statements of Financial Position

- Cash and cash equivalents increased from $35.52 million as at 30 June 2019 to $51.98 million as at 30 June 2020. The increase in cash held was primarily the result of gold sales of $269.49 million and capital raisings amounting to $98.35 million which comprised an institutional placement and entitlement offer raising a combined $70 million and a retail entitlement offer raising $28 million. This was partially offset by payments to suppliers and employees of $233.33 million, mine property expenditure of $43.09 million, Mt Morgans Facility repayments of $41.40 million and exploration expenditure of $8.82 million.
- Inventories of $20.38 million as at 30 June 2020 primarily related to the net realisable value of gold in circuit of $5.77 million, gold dore of $5.30 million, run-of-mine inventory of $3.78 million, mine spares and stores at cost of $3.71 million and crushed ore of $1.82 million.
- Property, plant and equipment of $107.21 million as at 30 June 2020 primarily related to plant and equipment of $93.03 million and leased equipment of $13.09 million. Over the 2020 financial year, a depreciation expense and impairment charge of $15.91 million and $6.31 million respectively was made to Dacian's plant and equipment. The impairment charge was the result of the 40% downgrade of the Mineral Resource at Mt Morgans from 3.5 million to 2.1 million ounces and the decision to suspend mining operations at the Westralia underground mine, which is further detailed in Section 6.2 of our Report.
- Mine properties decreased from $142.76 million as at 30 June 2019 to $84.49 million as at 30 June 2020. This was primarily the result of a $61.55 million impairment charge in relation to the assets within the Mt Morgans CGU. The decrease in fair value of the assets within the Mt Morgans CGU was largely a result of the 40% downgrade of the Mineral Resource at Mt Morgans from 3.5 million to 2.1 million ounces and the decision to suspend mining operations at the Westralia underground mine, which is further detailed in Section 6.2 of our Report.
- Current provisions of $1.42 million as at 30 June 2020 solely comprised employee leave liabilities. Non-current provisions of $21.20 million primarily comprised rehabilitation and restoration provision of $20.90 million.
- Non-current borrowings decreased from $85.65 million as at 30 June 2019 to $43.60 million as at 30 June 2020 which was the result of $41.40 million in debt repayments in relation to the Mt Morgans Facility.

6.5 Historical Statement of Profit or Loss and Other Comprehensive Income

Statement of Profit or Loss and Other Comprehensive Income	Audited for the year ended 30-Jun-20 $'000s	Audited for the year ended 30-Jun-19 $'000s	Audited for the year ended 30-Jun-18 $'000s
Revenue	270,047	132,821	-
Cost of goods sold	(264,996)	(108,943)	-
Gross profit	**5,051**	**23,878**	**-**
Corporate employee expenses	(3,985)	(3,632)	(2,634)
Share-based employee expense	(1,712)	(760)	(1,368)
Borrowing and finance costs	(6,644)	(4,946)	1,168
Exploration costs expensed and written off	(9,148)	(12,247)	(27,445)

Statement of Profit or Loss and Other Comprehensive Income	Audited for the year ended 30-Jun-20 $'000s	Audited for the year ended 30-Jun-19 $'000s	Audited for the year ended 30-Jun-18 $'000s
Losses on derivative instruments	(6,808)	-	-
Other expenses	(4,304)	(3,625)	(2,596)
Impairment loss on assets	(68,537)	-	-
Loss before income tax	**(96,087)**	**(1,332)**	**(32,875)**
Income tax benefit/(expense)	(20,377)	4,350	27,473
Loss after income tax for the period from continuing operations	**(116,464)**	**3,018**	**(5,402)**
Other comprehensive income/(losses) for the year, net of tax	-	-	-
Total comprehensive loss for the year	**(116,464)**	**3,018**	**(5,402)**

Source: Dacian's audited financial statements for the years ended 30 June 2018, 30 June 2019 and 30 June 2020.

Commentary on Historical Statements of Profit or Loss and Other Comprehensive Income

- The increase in revenue and cost of goods sold from the year ended 30 June 2019 to the year ended 30 June 2020 reflects the commencement of commercial production on 1 January 2019. Revenue was $270.05 million for the year ended 30 June 2020. This comprised of $269.49 million generated from the sale of 140,946 ounces of gold at an average price of $1,912 per ounce and $0.56 million generated from the sale of silver.
- Cost of goods sold of $265.00 million for the year ended 30 June 2020 comprised production costs of $202.65 million, amortisation of mine properties of $34.97 million, depreciation of mine plant and equipment of $19.24 million and royalties of $8.14 million. Depreciation and amortisation of Dacian's mine properties and plant and equipment is assessed on a unit-of-production basis.
- Losses on derivative instruments of $6.81 million for the year ended 30 June 2020 relates to unfavourable movements in the fair value of Dacian's deferred premium gold put options. In October 2019, Dacian purchased 150,000 ounces in deferred premium gold put options at a strike price of $2,100 per ounce which were held until expiry on 28 February 2020. In January 2020, Dacian purchased a further 67,608 ounces in deferred premium gold put options at a strike price of $2,100 per ounce expiring over the period from April 2020 to June 2021.
- Impairment loss on assets of $68.54 million for the year ended 30 June 2020 is comprised of an impairment loss of $61.55 million on Dacian's mine properties and $6.99 million on Dacian's property, plant and equipment. This impairment loss was in relation to the assets within the Mt Morgans CGU. The decrease in fair value of the assets within the Mt Morgans CGU was largely a result of the 40% downgrade of the Mineral Resource at Mt Morgans from 3.5 million to 2.1 million ounces and the decision to suspend mining operations at the Westralia underground mine, which is further detailed in Section 6.2 of our Report.

6.6 Capital Structure

The share structure of Dacian as at 30 October 2020 is outlined below:

	Number
Total Ordinary Shares on Issue	556,508,554
Top 20 Shareholders	279,618,155
Top 20 Shareholders - % of shares on issue	50.25%

Source: Share registry information

The ordinary shares held by the most significant shareholders as at the date of our Report are detailed below:

Name	No. of Ordinary Shares Held	Percentage of Issued Shares (%)
Franklin Resources Inc. and its Affiliates	42,119,173	7.57%
Sun Valley Gold Master Fund, Ltd and other Sun Valley Gold entities	28,022,080	5.04%
Van Eck Associates Corporation (and its associates)	27,934,030	5.02%
Others	458,433,271	82.38%
Total ordinary shares on Issue	**556,508,554**	**100.00%**

Source: Dacian annual report for the year ended 30 June 2020 and Scheme Booklet

As at 2 November 2020, the options and performance rights on issue are outlined below:

Name	Number of Options/Rights	Exercise Price ($)	Expiry Date
Unlisted options	50,000	1.16	31 January 2021
Unlisted options	300,000	1.99	28 February 2021
Unlisted options	500,000	3.66	30 June 2021
Employee performance rights	2,457,612	Nil	30 June 2022
Employee performance rights	2,867,870	Nil	30 June 2023
Director performance rights	8,333,334	Nil	See Below
Total number of options and performance rights	**14,508,816**		
Cash raised if options exercised	**$2,485,000**		

Source: Dacian's Appendix 3G dated 2 November 2020

Terms of the director performance rights

The director performance rights are divided into six tranches and summarised below:

Tranche	Number of Rights	Vesting Condition
Tranche C	1,861,111	TSR Hurdle, measured over the 3 year period to 30 June 2023
Tranche D	916,667	Reserve Growth Hurdle, measured over the 3 year period to 30 June 2023
Tranche E	1,861,111	TSR Hurdle, measured over the 4 year period to 30 June 2024
Tranche F	916,667	Reserve Growth Hurdle, measured over the 4 year period to 30 June 2024
Tranche G	1,861,111	TSR Hurdle, measured over the 5 year period to 30 June 2025
Tranche H	916,667	Reserve Growth Hurdle, measured over the 5 year period to 30 June 2025

Source: Dacian's Notice of Extraordinary General Meeting dated 15 May 2020

7. Profile of the Proposed Merged Entity

Upon implementation of the Scheme, the Proposed Merged Entity will represent the combined assets of NTM and Dacian.

7.1 Key assets

The key combined assets of the Proposed Merged Entity will include:

- 100% interest in Redcliffe (NTM);
- 100% interest in Mt Morgans (Dacian); and
- Other mineral assets and exploration assets held by NTM and Dacian.

7.2 Board of Directors and employees

Following the implementation of the Scheme, the board of directors is intended to be:

- Mr. Ian Cochrane – Chairman (Dacian);
- Mr. Leigh Junk – Managing Director and Chief Executive Officer (Dacian);
- Mr. Robert Reynolds – Non-Executive Director (Dacian); and
- Mr Eduard Eshuys - Non-Executive Director (NTM).

NTM's exploration personnel will transition to the Proposed Merged Entity, maintaining continued knowledge of Redcliffe.

7.3 Capital Structure

Under the Scheme, Shareholders will receive one share in the Proposed Merged Entity for every 2.7 NTM shares that they hold. Upon implementation of the Scheme, NTM shareholders and Dacian shareholders will hold approximately 31.4% and 68.6% of the total issued capital of the Proposed Merged Entity on an undiluted basis, respectively.

7.4 Stock exchange listing

Following the implementation of the Scheme, NTM will become a wholly owned subsidiary of Dacian and the Proposed Merged Entity will continue to be listed on the ASX, under Dacian's ASX code, DCN.

8. Economic analysis

Overview

The Australian economy grew at 2% over 2019. The Reserve Bank of Australia ('RBA') had predicted growth of approximately 2.75% for 2020, based on low interest rates, lower exchange rates, a rise in mining investment, high levels of spending on infrastructure and an expected recovery in residential construction. However, as a result of the COVID-19 outbreak and the Australian bushfires, this momentum has been significantly disrupted.

COVID-19 has led to the largest contraction in global economic activity since the 1930s. Labour markets have been severely disrupted, and inflation has declined. The easing of containment measures in some nations led to a new surge in infections, postponing a fuller and faster economic recovery. The global economic downturn has been concentrated in the services (mainly travel and hospitality) sector, with the manufacturing sector staging a recovery, initially in China, but then in other industrial nations.

The pandemic has had a significant impact on the Australian economy and financial system, along with creating considerable volatility in financial markets. Equity prices experienced sharp declines and the yield on government bonds reached historic lows in March 2020 and have continued to decline through to December 2020. Measures taken by the Australian government and the RBA have improved stability in equity and bond markets over recent months.

Globally, financial market conditions have rebounded from the period of dislocation in March 2020, and over the past few months financial conditions have remained accommodative as interest rates have fallen to historical lows. The expectation that significant fiscal and monetary stimulus will be provided for an extended period, is supporting sentiment in financial markets.

Government Policies

The Australian Government introduced a range of stimulus measures in response to the economic impact of COVID-19, totalling $507 billion since the beginning of the pandemic.

Support from public policy has cushioned the effects of the health-related activity restrictions on incomes and will shape the recovery of the economy. In aggregate, household disposable income has increased throughout the pandemic, despite the large contraction in economic activity and even as many people lost their jobs or worked fewer hours. The largest contributor to this support has been the $101 billion JobKeeper program, which is estimated to have supported more than 25% of all workers nationwide. The program has been extended beyond September 2020 and will continue to support employment until March 2021, although at lower rates of subsidy and with changed eligibility criteria. The extension is targeted at businesses and not-for-profits which continue to be significantly impacted by COVID-19.

Furthermore, additional payments to recipients of other forms of social assistance have boosted household incomes and will continue to do so over the next few quarters. Many households have also been able to supplement their income cash flows by withdrawing from their superannuation, with a total of $35 billion being withdrawn as at November 2020.

Further stimulus measures include the $680 million Homebuilder Program announced on 4 June 2020, which was introduced to assist the residential construction market. The program provides eligible owner-occupiers with a grant of $25,000 to build a new home or renovate an existing home.

In mid-March 2020, the RBA introduced a comprehensive package of policy measures to support the Australian economy. The RBA announced it would implement further measures including focusing on

lowering the cash rate and reducing the target on the 3-year government bond yield to 0.25%. Subsequently, in November 2020, the RBA implemented a package of further policy measures to support job creation and the recovery of the Australian economy. The RBA further reduced the cash rate and the target on the 3-year government bond yield to 0.10% and announced a program to purchase $100 billion of government bonds with maturities of around 5 to 10 years over the next six months. Given the outlook for both employment and inflation, the RBA will not increase the cash rate until inflation is sustainably within the 2% and 3% target range.

In addition, the RBA has introduced a three-year Term Funding Facility (**'TFF'**) which was provided for authorised deposit-taking institutions (**'ADIs'**), such as commercial banks, unlocking access to additional funding, equivalent to approximately 3% of their outstanding credit, at a fixed rate of 0.25% for three years. In November 2020, the RBA provided further support by reducing the interest rate on new drawdowns under the TFF to 0.10% per annum until 30 June 2021. As at 1 December 2020, ADIs had drawn $84 billion under the TFF and still had access to a further $105 billion.

The 2020-21 Federal Budget provided an additional $98 billion of response and recovery support in the form of a $74 billion new JobMaker Plan and $25 billion in additional temporary and targeted supported under the COVID-19 Response Package.

The five-year JobMaker Plan focuses on driving sustainable, private sector led growth through the support of aggregate demand and job creation. Part of the plan involves lowering taxes by over $50 billion, introducing the JobMaker Hiring Credit, which will provide businesses with incentives to take on additional employees aged between 16 and 35 years old and the Boosting Apprentices Wage Subsidy which will support up to 100,000 new apprentices and trainees.

Economic Indicators

According to the RBA's baseline scenario, the Australian economy is expected to contract by approximately 4% over 2020, before growing by approximately 5% over 2021 and 4% over 2022. If realised, this would still leave the level of output below where it would have been, had the pandemic not occurred. The expected recovery will be supported by considerable fiscal and monetary policy easing, as well as accommodative financial conditions.

Following a quarterly decline in the Consumer Price Index (**'CPI'**) inflation of 1.9% in the June 2020 quarter which resulted in annual deflation of 0.3%, CPI inflation rebounded by 1.6% in the September 2020 quarter, resulting in annual inflation of 0.7%. The increase was largely accounted for by the reintroduction of child care fees following the end of free child care on 13 July 2020, which alone contributed 0.9% to inflation in the September 2020 quarter. The quarterly rise in inflation was also supported by the rise in automotive fuel prices, as global demand began to recover. According to the RBA's baseline scenario, inflation is expected to gradually increase to 1.5% by the end of 2022.

The COVID-19 outbreak has severely affected the labour market. The measured unemployment rate increased by more than 2% over the course of a few months, reaching 7.4% in the month of June 2020, the highest rate in more than two decades. Since June 2020, the unemployment rate has declined to 6.9% as of September 2020, but remains higher than the pre-pandemic levels of 5.2% in March 2020. Of the 870,000 employment losses between March and May of 2020, approximately half have since been re-employed, however, employment still remains around 3.3% lower than in March 2020. The Australian Government's JobKeeper program introduced in March 2020 is currently subsidising 3.5 million jobs, in the absence of this program, employment would have declined much further. The RBA expects the

unemployment rate to peak a little below 8% at the end of 2020, declining gradually to just above 6% by the end of 2022.

The Australian dollar depreciated significantly during the height of the market turmoil in March 2020. As at January 2021, the Australian dollar had appreciated to be above its level at the beginning of 2020. This appreciation was in line with the currencies of a range of other developed economies against the backdrop of a depreciation of the United States dollar over recent months.

Outlook

There is considerable uncertainty for the near term outlook of the Australian economy with the outcome depending on the success of efforts to contain the coronavirus as well as the timeframe for border closure measures currently in place. Further outbreaks of the virus and associated restrictions on activity are the key risks to the outlook.

While uncertainty exists, the RBA is predicting that the downturn will be less than initially predicted, with recent data better than expected. This has resulted in the RBA amending its forecast of an 8% Gross Domestic Product ('GDP') contraction to a 4% contraction for the 2020 calendar year.

Source: www.rba.gov.au *Statement by Phillip Lowe, Governor: Monetary Policy Decision 1 December 2020, 3 November 2020, 1 September 2020, 7 July 2020, 2 June 2020, 5 May 2020, 7 April 2020 and 19 March 2020*, www.abs.gov.au *Consumer Price Index September 2020*, Australian Federal Government *September 2020 Resources and Energy Quarterly,* Australian Government *2020-21 Budget Overview.*

9. Industry analysis

Gold is a soft malleable metal which is highly desirable due to its rarity, permanence and unique mineral properties. Gold has been used in jewellery and as a form of currency for thousands of years, however more recently, there has been increasing demand for its use in the manufacture of electronics, dentistry, medicine and aerospace technology.

In addition to its practical applications, gold also serves as an international store of monetary value. Gold is widely regarded as a monetary asset as it is considered less volatile than world currencies and therefore provides a safe haven investment during periods of economic uncertainty.

Once mined, gold continues to exist indefinitely and is often melted down and recycled to produce alternative or replacement products. Consequently, demand for gold is supported by both gold ore mining and gold recycling. A summary of the recent historical supply of gold is provided in the table below:

Gold supply (tonnes)	2012	2013	2014	2015	2016	2017	2018	2019	YTD 2020
Mine production	2,940	3,128	3,242	3,336	3,459	3,492	3,554	3,530	2,477
Net producer hedging	(45)	(28)	105	13	38	(26)	(12)	(1)	(28)
Recycled gold	1,648	1,215	1,149	1,086	1,249	1,128	1,147	1,281	944
Total supply	**4,543**	**4,315**	**4,496**	**4,435**	**4,746**	**4,594**	**4,689**	**4,810**	**3,393**

Source: World Gold Council Quarter 3 2020 Statistics, 29 October 2020

Historically, the price of gold is negatively correlated to the prices of other asset classes during times of uncertainty and financial crises. Growing uncertainty on the back of the recent coronavirus outbreak has caused the price of gold to rally, as investors demand the high liquidity that gold provides. The recent increase in the price of gold has positively impacted the gold industry, and will continue to do so if economic uncertainty prevails.

The World Gold Council expects that the interplay between financial uncertainty, lower interest rates, weakening global economic growth and gold price volatility will continue to drive gold demand in the near term.

The gold ore mining industry has performed steadily in recent years, with growth driven by price increases and slow economic growth. However, gold mine production in 2019 was 1.3% lower than in 2018, the first annual decline in production since 2008. This decline can be mainly attributed to China's fall in mine output by 6% due to strict environmental restrictions that have come into force in recent years.

Key external drivers

Global gold prices have a significant impact on the revenue generated by industry operators. When gold prices are low, gold miners are less likely to commit to projects with lower gold grades and higher production costs. Ultimately, a decline in gold prices reduces the viability of new and existing projects, which hinders industry growth.

The global gold price is denominated in US dollars and therefore, the exchange rate directly affects the returns received by local industry operators. A weaker Australian Dollar benefits the domestic industry by reducing prices in export markets and pushing up domestic prices, likely resulting in higher volumes.

Global demand for gold is also inversely related to global economic performance. As gold is regarded as a store of value and is particularly sought after during periods of economic uncertainty, demand follows a counter cyclical pattern. Strong global GDP growth can therefore have a negative impact on gold demand

and the industry. The recent rally in gold prices, which saw it reach a historical high during early August 2020, is a reflection of ongoing easing of global monetary policies, continued geopolitical uncertainty, and the outbreak of COVID-19.

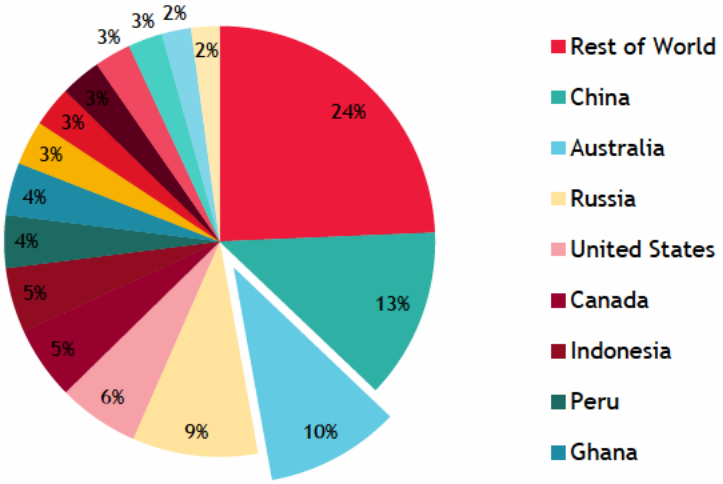
Gold ore mining trends

Gold ore mining is a capital intensive and high cost process, which is becoming increasingly difficult and more expensive as the quality of ore reserves diminishes. The industry also incurs many indirect costs related to exploration, royalties, overheads, marketing and native title law. Typically, many of these costs are fixed in the short term as a result of industry operators' inability to significantly alter cost structures once a mine commences production.

Until the late 1980s, South Africa produced approximately half of the total gold ore mined globally. More recently however, the industry has diversified geographically and China and Australia now dominate global gold production. According to the United States Geological Survey ('USGS'), total estimated global gold ore mined for 2019 was approximately 3,287 metric tonnes. The chart below illustrates the estimated global gold production by country for 2019.

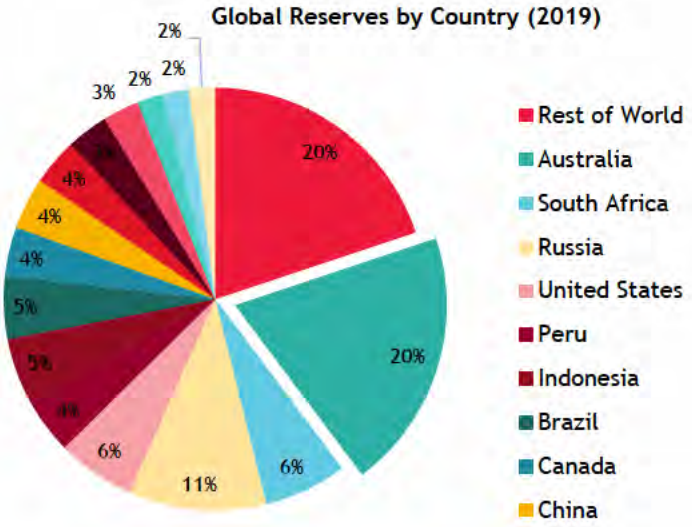
Global gold production is expected to decline in 2020 following the effects of COVID-19. The virus led to a number of gold mine closures across the world due to lockdown restrictions imposed by individual countries across the March 2020 quarter. Notably, the production from the world's largest gold producers, including Newmont Corporation, Barrick Gold Corporation, AngloGold Ashanti Limited and Newcrest Mining Limited, has more than halved in the June 2020 quarter to 1.4 million ounces, down from 2.9 million ounces in the June 2019 quarter. As a result, global gold production is expected to decline 1.7% over 2020.

Global Production by Country (2019)



Source: 2020 United States Geological Survey and BDO analysis

Despite China leading global gold production in 2019, Australia, South Africa and Russia hold the largest known gold reserves globally. As depicted below, the USGS estimates that collectively these three countries account for approximately 37% of global gold reserves.

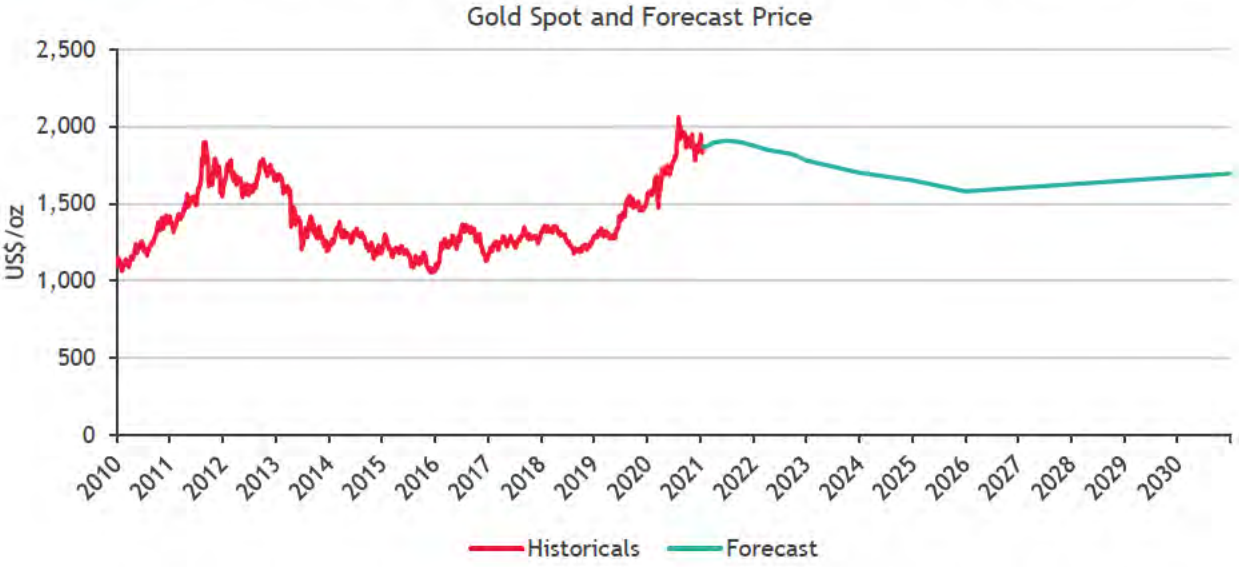


Source: 2020 United States Geological Survey and BDO analysis.

According to the 2020 USGS, Australia's gold reserves amount to 10,000 tonnes, representing 20% of global reserves and the largest percentage held by any one country. IBIS World estimates domestic industry revenue will grow by an annualised 2% over the five year period through to 2024-25, reaching approximately $21.1 billion. However, rising production costs due to lower ore quality and higher transportation costs are anticipated to reduce industry profitability over the period.

Gold prices

The gold spot price since 2010 and forecast prices through to 2030 are depicted in the graph below.



Source: Bloomberg and Consensus Economics

The price of gold reached US$1,900 on 5 September 2011, largely due to the debt market crisis in Europe and the Standard and Poor's downgrade of the US credit rating. Global stock markets subsequently went into turmoil, which saw investors opt for the stability offered by gold.

The price of gold fluctuated around US$1,700 during 2012 before entering a steep decline in 2013. The downturn represented the beginning of a correction in the price of gold, which had almost tripled in the two-year period prior to the European crisis in 2011. Improved market sentiment and increased risk appetite from investors saw gold prices continue to decline throughout 2014 and 2015 to US$1,051 in December 2015.

During 2016, gold prices strengthened, likely as a result of heightened uncertainty surrounding the US Presidential election and the United Kingdom's exit from the European Union. The price of gold reached US$1,363 in late 2016 before stabilising around US$1,200 to US$1,300 throughout 2017.

The gold price fluctuated throughout 2018. In January 2018, the gold price strengthened, rising to approximately US$1,360, spurred on by a weak US dollar. From April 2018 through to August 2018, the price of gold trended downwards. Prices remained flat through August and September of 2018, before increasing in October and November of 2018.

The price of gold declined to US$1,270 in May 2019, before rallying past US$1,500 to reach a six year high. Demand for gold was primarily driven by investors looking to avoid US-China trade war uncertainties, while civil unrest in Hong Kong prompted investors to abandon riskier asset classes for safe haven assets. The gold price continued to remain around US$1,500 throughout October 2019, although it dipped slightly to US$1,465 in mid-November 2019.

Gold prices have fluctuated significantly throughout 2020 to date. Demand for gold increased in response to the uncertainty created by the global spread of COVID-19, as investors prioritised safe haven assets. In late March 2020, the increasing demand for gold was interrupted by a panic selloff as investors began to realise their profits amidst the growing uncertainty caused by the crisis. Gold spot prices fell to a yearly low of US$1,471, before rallying. Throughout May and June 2020, prices remained elevated around US$1,700.

Through early July 2020, gold prices steadily increased to above the US$1,800 level, before spiking in late July and early August to exceed US$2,000. The COVID-19 crisis remains the primary driver of the gold price, as central banks continue to inject trillions of dollars into financial markets and investors further prioritise safe haven assets. Additionally, the availability of cheap money through low global interest rates is further spurring investment in gold. Gold prices reached a record high of approximately US$2,064 on 6 August 2020, before declining back below the US$2,000 mark through to January 2021.

According to Consensus Economics forecasts, the price of gold will decline over the medium term but still remains high in comparison to historical levels. This medium term decline is likely on the back of developments in relation to a COVID-19 vaccination as well as stability in the United States following the presidential election of Joe Biden. Future price movements are expected to depend on the duration and severity of the crisis, and its impact on government policies globally.

Source: Bloomberg and Consensus Economics

10. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings ('FME');
- Discounted cash flow ('DCF');
- Quoted market price basis ('QMP');
- Net asset value ('NAV'); and
- Market based assessment (such as a Resource Multiple).

A summary of each of these methodologies is outlined in Appendix 2.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information.

It is possible for a combination of different methodologies to be used together to determine an overall value where separate assets and liabilities are valued using different methodologies. When such a combination of methodologies is used, it is referred to as a 'sum-of-parts' ('**Sum**-of-**Parts**') valuation.

The approach using the Sum-of-Parts involves separately valuing each asset and liability of the company. The value of each asset may be determined using different methods as described above. The component parts are then valued using the NAV methodology, which involves aggregating the estimated fair market value of each individual company's assets and liabilities.

10.1 Value of NTM prior to the Scheme

In our assessment of the value of NTM shares prior to the Scheme, we have chosen to employ the following methodologies:

- Sum-of-Parts as our primary methodology, which estimates the market value of a company by assessing the realisable value of its identifiable assets and liabilities. The value of each asset and liability may be determined using different methods and the component parts are then aggregated using the NAV methodology. The value derived from this methodology reflects a control value; and
- QMP as our secondary methodology, as this represents the value that a Shareholder may receive for a share if it were sold on market. The value derived from this methodology reflects a minority interest value.

We have employed the Sum-of-Parts methodology in estimating the fair market value of NTM by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration to the:

- Value of NTM's mineral assets, applying the comparable transactions and yardstick approaches; and
- Value of NTM's other assets and liabilities, applying the cost approach under the NAV method.

We have chosen these methodologies for the following reasons:

- NTM's mineral assets do not currently generate any income nor are there any historical profits that could be used to represent future earnings, therefore we do not consider the application of the FME approach to be appropriate;
- NTM has no foreseeable future net cash inflows on which we would have sufficient reasonable grounds in accordance with Regulatory Guide 170 'Prospective Financial Information' ('**RG 170**') and

Information Sheet 214: Mining and Resources: Forward-looking Statements (**'IS 214'**), therefore we do not consider the application of the DCF approach to be appropriate;

- As NTM's mineral assets are currently non-producing, and there is no revenue or cash flows currently generated by the Project, we have commissioned an independent technical specialist to value NTM's mineral assets prior to the Scheme. Therefore, we consider the Sum-of-Parts approach to be an appropriate methodology to use in assessing the value of a NTM share prior to the Scheme; and
- We have adopted QMP as our secondary approach. The QMP basis is a relevant methodology to consider because NTM's shares are listed on the ASX, therefore reflecting the value that a Shareholder will receive for a share sold on the market. This means there is a regulated and observable market where NTM's shares can be traded. However, in order for the QMP methodology to be considered appropriate, the listed shares should be liquid and the market should be fully informed of the Company's activities.

Technical Expert

In performing our valuation of NTM's mineral assets, we have relied on the Technical Specialist Report, which includes an assessment of the market value of NTM's mineral assets.

SRK's Technical Specialist Report has been prepared in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuation of Mineral Assets (2015 Edition) (**'VALMIN Code'**) and the JORC Code. We are satisfied with the valuation methodologies adopted by SRK, which we believe are in accordance with industry practices and are compliant with the requirements of the VALMIN Code. The specific valuation methodologies used by SRK are referred to in the respective sections of our Report and in further detail in the Technical Specialist Report contained in Appendix 3.

10.2 Value of the Proposed Merged Entity

Our valuation of the Proposed Merged Entity includes:

- The value of NTM, under the ownership of Dacian;
- The value of Dacian prior to the Scheme;
- The adjusted number of shares on issue following the implementation of the Scheme; and
- A minority interest discount.

In our assessment of the value of the Proposed Merged Entity following the implementation of the Scheme, we have chosen to employ the Sum-of-Parts valuation approach. Pursuant to RG 111.65, we note that the expert should consider more than one methodology to reduce the risk of the expert's opinion being distorted by its choice of methodology. We have valued the Proposed Merged Entity using the Sum-of-Parts approach only, however we have used a secondary valuation methodology to value each of the material components of the Sum-of-Parts valuation.

The valuation approaches used in assessing the value of NTM can be found in Section 10.1 above.

In our assessment of the value of Dacian prior to the Scheme, forming a part of our valuation of the Proposed Merged Entity, we have chosen to employ the following methodologies:

- Sum-of-Parts methodology, which estimates the market value of a company by assessing the realisable value of its identifiable assets and liabilities. The value of each asset and liability may be determined using different methods and the component parts are then aggregated using the NAV methodology. The value derived from this methodology reflects a control value.

- QMP as our secondary methodology, as this represents the value that a Shareholder may receive for a share if it were sold on market. The value derived from this methodology reflects a minority interest value.

We have employed the Sum-of-Parts method in estimating the fair market value of Dacian by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration to the:

- Value of Dacian's Mt Morgans Project, applying the DCF methodology;
- Value of Dacian's residual resources (Mineral Resources and advanced and early stage exploration assets) not included in the DCF, having reliance on the valuation carried out by an independent technical expert;
- Value of Dacian's other assets and liabilities, applying the cost approach under the NAV method; and
- Present value of the Proposed Merged Entity's corporate overhead costs to be incurred which is based on historical corporate costs incurred by NTM and Dacian and an analysis of the corporate costs incurred by comparable ASX-listed companies.

We have chosen these methodologies for the following reasons:

- Mt Morgans is Dacian's main asset, therefore the core value of Dacian lies in the future cash flows to be generated from Mt Morgans;
- Cash flows from Mt Morgans have a finite life and these cash flows may vary substantially from year to year, rendering it suitable for a DCF valuation and not a FME valuation;
- The residual resources held by Dacian, not included in the DCF, are valued using alternative valuation methodologies by an independent technical specialist, as contained in the Technical Specialist Report in Appendix 3;
- The FME methodology is most commonly applicable to profitable businesses with steady growth histories and forecasts. The FME methodology is also not considered appropriate for valuing finite life assets, such as mining assets; and
- The QMP basis is a relevant methodology to consider because Dacian's shares are listed on the ASX, therefore reflecting the value that a shareholder will receive for a share sold on the market. This means that there is a regulated and observable market where Dacian shares can be traded. However, in order for the QMP to be considered appropriate, Dacian's shares should be liquid and the market should be fully informed on the Company's activities.

Technical Expert

In performing our valuation of Mt Morgans using the DCF method, we have relied on the Technical Specialist Report prepared by SRK including SRK's review of the technical project assumptions contained in the cash flow model. Additionally, we have relied on SRK's valuation of the residual resources (Mineral Resources and exploration assets) not included in the DCF valuation, which is included in the Technical Specialist Report.

We note that consistent methodologies were used by SRK in valuing NTM's mineral assets prior to and following the Scheme, however the conclusions differ because following the implementation of the Scheme, NTM may be able to utilise Dacian's mining infrastructure. As such, the market value of NTM's mineral assets under the ownership of Dacian may exceed the value of NTM's mineral assets prior to the Scheme.

We are satisfied with the valuation methodologies adopted by SRK, which we consider to be in accordance with industry practices and are compliant with the requirements of the VALMIN Code.

The specific valuation methodologies used by SRK are referred to in the respective sections of our Report and in further detail in the Technical Specialist Report contained in Appendix 3.

11. Valuation of NTM prior to the Scheme

11.1 Sum-of-Parts

We have employed the Sum-of-Parts methodology in estimating the fair market value of a NTM share on a control basis prior to the Scheme, by aggregating the estimated fair market values of its underlying assets and liabilities, having consideration of the following:

- Value of NTM's mineral assets; and
- Value of NTM's other assets and liabilities.

Our Sum-of-Parts valuation is set out in the table below:

Valuation of NTM prior to the Scheme	Ref	Low $	Preferred $	High $
Value of NTM's mineral assets	11.1.1	29,300,000	44,300,000	59,300,000
Value of NTM's other assets and liabilities	11.1.2	4,296,061	4,296,061	4,296,061
Total value of NTM prior to the Scheme (control)		**33,596,061**	**48,596,061**	**63,596,061**
Number of shares outstanding	11.1.3	685,609,211	685,609,211	685,609,211
Value per share prior to the Scheme (control)		**$0.049**	**$0.071**	**$0.093**

We have assessed the value of a NTM share prior to the Scheme (on a controlling interest basis) to be in the range of $0.049 to $0.093 with a preferred value of $0.071.

11.1.1. Valuation of NTM's mineral assets

In performing our valuation of NTM's mineral assets, we have relied on the Technical Specialist Report prepared by SRK which includes an assessment of the market value of NTM's Redcliffe Project and other exploration assets.

We instructed SRK to provide an independent market valuation of the mineral assets held by NTM. SRK considered a number of different valuation methods when valuing the mineral assets of NTM. SRK applied the comparable transactions approach and yardstick approaches for valuing the NTM Resource and the comparable transactions and geoscientific rating approach to value the exploration potential.

The range of values for NTM's mineral assets as determined by SRK is set out below:

Mineral Assets	Low Value $ million	Preferred Value $ million	High Value $ million
NTM Resources	20.8	31.3	41.8
NTM Exploration Potential	8.4	12.9	17.5
TOTAL (rounded)	**29.3**	**44.3**	**59.3**

Source: Technical Specialist Report prepared by SRK

The table above indicates a range of values between $29.3 million and $59.3 million, with a preferred value of $44.3 million. For further information on SRK's approach and conclusions, refer to the SRK report, which is included as Appendix 3 of our Report.

11.1.2. Valuation of NTM's other assets and liabilities

The other assets and liabilities of NTM represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with NTM and analysis of these other assets and liabilities, outlined in the table below, we do not believe that there is a material difference between the book value and the fair value unless an adjustment has been noted below.

The table below represents a summary of the assets and liabilities identified:

Valuation of NTM's other assets and liabilities	Note	Audited as at 30-Jun-20	Adjusted
		$	$
CURRENT ASSETS			
Cash and cash equivalents	a)	6,675,699	4,503,412
Other receivables		104,962	104,962
Prepayments		8,444	8,444
TOTAL CURRENT ASSETS		**6,789,105**	**4,616,818**
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	b)	12,771,007	-
Plant and equipment		250,930	250,930
Right-of-use assets		94,155	94,155
TOTAL NON-CURRENT ASSETS		**13,116,092**	**345,085**
TOTAL ASSETS		**19,905,197**	**4,961,903**
CURRENT LIABILITIES			
Trade and other payables		525,776	525,776
Provisions		45,549	45,549
Lease liabilities		22,935	22,935
TOTAL CURRENT LIABILITIES		**594,260**	**594,260**
NON-CURRENT LIABILITIES			
Lease liabilities		71,582	71,582
TOTAL NON-CURRENT LIABILITIES		**71,582**	**71,582**
TOTAL LIABILITIES		**665,842**	**665,842**
NET ASSETS		**19,239,355**	**4,296,061**

Source: NTM's audited financial statements for the year ended 30 June 2020, management accounts as at 30 September 2020 and 31 October 2020 and BDO analysis

We have not undertaken a review of NTM's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

We have been advised that there has not been any other significant change in the net assets of NTM since 30 September 2020 and that the above assets and liabilities represent their fair market values apart from the adjustments detailed below. Where the above balances differ materially from the audited position at 30 June 2020 we have obtained supporting documentation to validate the adjusted values used, which provides reasonable grounds for reliance on the unaudited financial information.

We note the following in relation to the above valuation of NTM's other assets and liabilities:

Note a): Cash and cash equivalents

NTM's management have provided us with the bank balance at 30 September 2020, which we have verified against NTM's September Quarterly Cash flow report. We have also adjusted the cash position for movements to 12 November 2020 and have obtained bank statements and bank reconciliations supporting the balance below. Our adjustments are set out in the table below.

Cash and cash equivalents	$
Cash and cash equivalents at 30 June 2020	6,675,699
Net cash used in operations to 30 September 2020 (rounded)	(276,000)
Net cash used in investing activities to 30 September 2020 (rounded)	(1,184,000)
Less: Rounding difference	(414)
Cash and cash equivalents at 30 September 2020	**5,215,285**
Cash used in exploration activities in October 2020	(558,881)
Cash used for administration expenses in October 2020	(103,031)
Other cash movements between 1 October 2020 and 12 November 2020	(49,961)
Adjusted cash and cash equivalents	**4,503,412**

Source: NTM's audited financial statement for the financial year ended 30 June 2020, NTM's management accounts for the period ended 30 September 2020 and 31 October 2020, NTM's bank statements to 12 November 2020 and NTM's September Quarterly Cash Flow Report and BDO analysis.

Note b): Exploration and evaluation expenditure

We have adjusted the book value of exploration and evaluation expenditure of $12,771,007 at 30 June 2020 to nil, as it is accounted for in the valuation of NTM's mineral assets, which has been valued separately in Section 11.1.1.

11.1.3. Number of shares outstanding

As detailed in Section 5.6, the number of NTM shares on issue as at the date of our Report is 685,609,211.

We note that NTM has 2,500,000 Existing Rights on issue. Our valuation of a NTM share prior to the implementation of the Scheme is on an undiluted basis because the Existing Rights vest subject to hurdles, which if achieved, would likely be value accretive to Shareholders. The quantum of the increase in value associated with achieving the vesting conditions is uncertain, therefore we do not consider it appropriate to adjust the number of shares on issue to reflect the conversion of the Existing Rights.

We also note that NTM has 60,000,000 options on issue. As at 13 November 2020, the options are out-of-the-money and as such, we have not assumed the exercise of the options in assessing the value of NTM prior to the Scheme.

11.2 Quoted Market Prices for NTM Securities

To provide a comparison to the valuation of NTM in Section 11.1, we have also assessed the quoted market price for a NTM share.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.11 suggests that when considering the value of a company's shares for the purposes of a control transaction, the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100% control of another company. These advantages include the following:

- control over decision making and strategic direction;
- access to underlying cash flows;
- control over dividend policies; and
- access to potential tax losses.

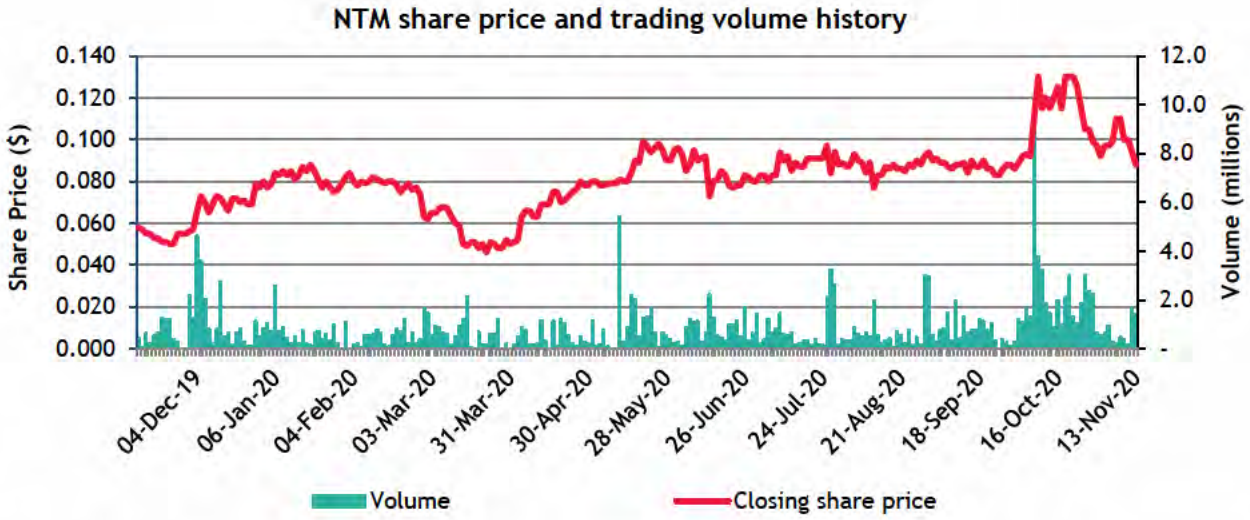
RG 111.13 states that the expert can then consider an acquirer's practical level of control when considering reasonableness. Reasonableness has been considered in Section 14.

Therefore, our calculation of the quoted market price of a NTM share including a premium for control has been prepared in two parts. The first part is to calculate the quoted market price on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a quoted market price value that includes a premium for control.

Minority interest value

Our analysis of the quoted market price of a NTM share is based on the pricing prior to the announcement of the Scheme. This is because the value of a NTM share after the announcement may include the effects of any change in value as a result of the Scheme. However, we have considered the value of a NTM share following the announcement when we have considered reasonableness in Section 14.

Information on the Scheme was announced on 16 November 2020. Therefore, the following chart provides a summary of the share price movement over the 12 months to 13 November 2020, which was the last trading day prior to the announcement.



Source: Bloomberg

The daily price of NTM shares from 13 November 2019 to 13 November 2020 has ranged from a low of $0.046 on 23 March 2020 to a high of $0.130 on a number of days in October 2020. The highest single day of trading over the assessed period was 8 October 2020, when 9,709,271 shares were traded.

During this period a number of announcements were made to the market. The key announcements are set out below:

Date	Announcement	Closing Share Price Following Announcement $ (movement)			Closing Share Price Three Days After Announcement $ (movement)		
30/10/2020	Quarterly Cashflow Report	0.097	▼	2.02%	0.097	▶	0.00%
30/10/2020	Quarterly Activities Report	0.097	▼	2.02%	0.097	▶	0.00%
28/10/2020	Hub Deposit Extends with More High Grades at Depth	0.105	▶	0.00%	0.092	▼	12.38%
13/10/2020	Diggers and Dealers Investor Presentation	0.120	▲	4.35%	0.125	▲	4.17%
08/10/2020	Response to ASX Price Query	0.110	▲	19.57%	0.120	▲	9.09%
21/09/2020	Hub Extension Program Intersects Further High Grades	0.090	▲	3.45%	0.083	▼	7.78%
01/09/2020	High Grade Gold Confirms Southern Extension at Hub	0.094	▲	2.17%	0.089	▼	5.32%
12/08/2020	Extensional Drilling Underway	0.077	▼	13.48%	0.087	▲	12.99%
31/07/2020	Quarterly Cashflow Report	0.089	▲	1.14%	0.093	▲	4.49%
31/07/2020	Quarterly Activities Report	0.089	▲	1.14%	0.093	▲	4.49%
07/07/2020	Investor Presentation	0.083	▲	3.75%	0.090	▲	8.43%
12/05/2020	Maiden Hub Resource of 141koz	0.081	▲	2.53%	0.084	▲	3.70%
08/05/2020	Trading Halt	0.079	▶	0.00%	0.080	▲	1.27%
29/04/2020	Quarterly Cashflow Report	0.078	▼	2.50%	0.080	▲	2.56%
29/04/2020	Quarterly Activities Report	0.078	▼	2.50%	0.080	▲	2.56%
27/04/2020	Positive Maiden Leach Tests for Hub	0.076	▲	1.33%	0.078	▲	2.63%

Date	Announcement	Closing Share Price Following Announcement $ (movement)			Closing Share Price Three Days After Announcement $ (movement)		
22/04/2020	Redcliffe Drilling Update	0.071	▲	1.43%	0.076	▲	7.04%
17/04/2020	NTM Significantly Expands Redcliffe Ground Holding	0.075	▲	8.70%	0.071	▼	5.33%
02/04/2020	Options Exercise Raises $3.6m	0.052	▲	1.96%	0.066	▲	26.92%
19/02/2020	Investor Presentation	0.078	▼	2.50%	0.079	▲	1.28%
29/01/2020	Quarterly Cashflow Report	0.076	▲	1.33%	0.084	▲	10.53%
29/01/2020	Quarterly Activities Report	0.076	▲	1.33%	0.084	▲	10.53%
15/01/2020	High Grades Continue at Hub, Strike Increased Again	0.087	▲	4.82%	0.085	▼	2.30%
02/12/2019	Outstanding Results from Shallow Hub RC	0.056	▲	1.82%	0.073	▲	30.36%
28/11/2019	2019 AGM Presentation	0.055	▶	0.00%	0.057	▲	3.64%
28/11/2019	Trading Halt	0.055	▶	0.00%	0.057	▲	3.64%
19/11/2019	Aircore Highlights New Trends, Hub RC Singles Confirm Grades	0.053	▼	3.64%	0.051	▼	3.77%

Source: Bloomberg and BDO analysis

On 28 October 2020, NTM released a drilling update for the Hub deposit, which outlined that the latest diamond holes at the Hub Prospect had extended the high-grade mineralisation by a further 190 metres. There was no change in the NTM share price on the date of the announcement, closing at $0.105 before decreasing 12.38% over the subsequent three-day period to close at $0.092.

On 8 October 2020, NTM released a response to a price query issued by the ASX. In the response, the Company noted it was not aware of any information that had not been announced, however it noted that it was aware of an online investor discussion board with respect to a director of the Company purchasing shares, following release of an Appendix 3Y on 6 October 2020 and that a further purchase of shares occurred on 7 October 2020 with another Appendix 3Y to be released in respect of that transaction shortly. On the date of the announcement, the share price increased by 19.57% to close at $0.110, before further increasing 9.09% over the subsequent three-day period to close at $0.120.

On 21 September 2020, NTM released a drilling update for Redcliffe. On the date of the announcement, the share price increased by 3.45% to close at $0.090, before declining 7.78% over the subsequent three-day period to close at $0.083.

On 12 August 2020, NTM announced the commencement of a drilling program at Redcliffe, which outlined that a series of holes were to be drilled to test the extensions to the Hub and GTS deposits. On the date of the announcement, the share price decreased by 13.48% to close at $0.077, however the share price increased by 12.99% over the subsequent three-day period to close at $0.087.

On 7 July 2020, NTM released an investor presentation. On the date of the announcement, the share price increased by 3.75% to close at $0.083, before further increasing 8.43% over the subsequent three-day period to close at $0.090.

On 17 April 2020, NTM announced that it had acquired a group of four gold tenements from Kingwest, known as the 'Wells Group'. On the date of the announcement, the share price increased by 8.70% to close at $0.075, before declining 5.33% over the subsequent three-day period to close at $0.071.

On 2 April 2020, NTM announced the exercise of 71.9 million options at an exercise price of $0.05 to raise $3.6 million, with major shareholders Empire and DGO exercising 25 million and 20 million options respectively. On the date of the announcement, the share price increased by 1.96% to close at $0.052, before further increasing 26.92% over the subsequent three-day period to close at $0.066.

On 29 January 2020, the following announcements were made:

- the Company released its Quarterly Activities Report which highlighted the completion of a placement to institutional and sophisticated investors which raised $3 million; and
- the Company released its Quarterly Cashflow Report which stated payments for exploration & evaluation of $1.10 million and an increase in cash of $1.41 million for the quarter.

On the date of the aforementioned announcements, the share price increased by 1.33% to close at $0.076, before further increasing by 10.53% over the subsequent three-day period to close at $0.084.

On 2 December 2019, NTM released an update in relation to Redcliffe, including the RC drilling results at the Hub Prospect. On the date of the announcement, the share price increased by 1.82% to close at $0.056, before further increasing by 30.36% over the subsequent three-day period to close at $0.073.

To provide further analysis of the market prices for a NTM share, we have also considered the weighted average market price for 10, 30, 60 and 90 day periods to 13 November 2020.

Share Price per unit	13-Nov-20	10 Days	30 Days	60 Days	90 Days
Closing price	$0.088				
Volume weighted average price		$0.098	$0.113	$0.105	$0.101

Source: Bloomberg, BDO analysis

The above weighted average prices are prior to the date of the announcement of the Scheme to avoid the influence of any increase in price of NTM shares that has occurred since the Scheme was announced.

An analysis of the volume of trading in NTM shares for the twelve months to 13 November 2020 is set out below:

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
1 Day	$0.086	$0.094	1,423,731	0.21%
10 Days	$0.086	$0.115	6,758,935	0.99%
30 Days	$0.086	$0.140	52,310,389	7.65%
60 Days	$0.082	$0.140	76,934,801	11.25%
90 Days	$0.077	$0.140	97,251,953	14.22%
180 Days	$0.046	$0.140	162,592,891	23.78%
1 Year	$0.046	$0.140	219,271,554	32.06%

Source: Bloomberg, BDO analysis

This table indicates that NTM's shares display a low level of liquidity, with 32.06% of the Company's current issued capital being traded over a twelve month period and 0.99% of its issued capital traded over the ten day trading period prior to the announcement of the Scheme. RG 111.69 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should

100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of NTM, we consider the shares to display a low level of liquidity, on the basis that less than 1% of securities have been traded weekly on average, with 32.06% of the Company's current issued capital being traded over a twelve month period, and 23.78% of the Company's current issued capital being traded in the last 180 trading days.

We have also assessed the trading volumes for NTM shares on a weekly basis over the twelve months prior to 13 November 2020, being the last full trading day prior to the announcement of the Scheme and found the mean and median weekly trading volume was approximately 0.61% and 0.45% of the Company's issued capital respectively. Of the 52 weeks in which our analysis is based on, more than 1% of the Company's securities had been traded in only eight of those weeks.

During the week which included the highest single trading day over the assessed period (5 October 2020 to 9 October 2020), 2.56% of the Company's issued capital was traded. We note that on 8 October 2020 NTM responded to an ASX price query, stating it was not aware of any information that had not been announced to the market, however NTM noted that director Dr Ruane had been purchasing shares during this period. Given this unusual trading activity, we have also considered the weighted average market price for 10, 30 and 60 day periods to 2 October 2020 , being the last trading date prior to the week of unusually high trading activity.

Share Price per unit	02-Oct-20	10 Days	30 Days	60 Days
Closing price	$0.089			
Volume weighted average price (VWAP)		$0.088	$0.088	$0.088

Our assessment is that a range of values for NTM shares based on market pricing, after disregarding post announcement pricing, is between $0.088 and $0.110.

Control Premium

We have reviewed the control premiums on completed transactions, paid by acquirers of gold companies, general mining companies and all ASX-listed companies. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e. less than a 0% premium) and at a premium in excess of 100%. We have summarised our findings below:

Gold Companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2020	1	2,748.72	10.10
2019	1	219.99	56.41
2018	2	31.26	21.77
2017	2	13.74	41.04
2016	5	19.15	51.38
2015	4	56.22	53.80
2014	8	123.49	48.94
2013	4	241.86	20.24
2012	6	137.84	57.98
2011	5	1,032.94	41.35
2010	7	1,415.17	34.60

Source: Bloomberg, BDO Analysis

General Mining Companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2020	6	494.16	33.24
2019	11	153.60	36.27
2018	9	61.53	39.47
2017	5	13.91	35.21
2016	11	66.19	51.54
2015	9	340.82	57.86
2014	15	113.69	41.79
2013	13	134.67	34.94
2012	16	231.26	49.34
2011	20	845.42	33.08
2010	17	642.22	36.44

Source: Bloomberg, BDO Analysis

All ASX-Listed Companies

Year	Number of Transactions	Average Deal Value ($m)	Average Control Premium (%)
2020	21	412.97	38.19
2019	42	3,235.53	31.96
2018	40	1,216.21	31.15
2017	28	1,009.73	39.09
2016	38	788.27	36.82
2015	34	828.14	34.10
2014	45	517.00	37.98
2013	36	138.78	33.37
2012	47	511.85	43.94
2011	63	953.85	35.75
2010	50	606.51	38.70

Source: Bloomberg, BDO Analysis

The mean and the median of the entire data sets comprising control transactions from 2010 onwards for gold companies, general mining companies and all ASX-listed companies, are set out below:

Entire Data Set Metrics	Gold Companies		General Mining Companies		All ASX-Listed Companies	
	Deal Value ($m)	Control Premium (%)	Deal Value ($m)	Control Premium (%)	Deal Value ($m)	Control Premium (%)
Mean	482.25	42.97	336.20	40.67	952.31	36.50
Median	37.80	41.51	44.40	38.23	120.94	32.94

Source: Bloomberg, BDO Analysis

In arriving at an appropriate control premium to apply we note that observed control premiums can vary due to the:

- Nature and magnitude of non-operating assets;
- Nature and magnitude of discretionary expenses;
- Perceived quality of existing management;
- Nature and magnitude of business opportunities not currently being exploited;
- Ability to integrate the acquiree into the acquirer's business;
- Level of pre-announcement speculation of the transaction; and
- Level of liquidity in the trade of the acquiree's securities.

When performing our control premium analysis, we considered completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre-transaction or proceeded to hold a controlling interest post-transaction in the target company.

The table above indicates that the long-term average control premium paid by acquirers of gold companies, general mining companies and all ASX-listed companies is approximately 42.97%, 40.67% and 36.50% respectively. However, in assessing the transactions included in the table, we noted transactions that appear to be extreme outliers.

These outliers included four gold company transactions, 17 general mining company transactions and 34 ASX-listed company transactions, for which the announced premium was in excess of 100%. We have removed these transactions because we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas, the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific strategic value to the acquirer.

In a population where there are extreme outliers, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the assessed period was approximately 41.51% for gold companies, 38.23% for general mining companies and 32.94% for all ASX-listed companies.

We consider an appropriate control premium to be on the lower end of historical averages as a result of the degree of business risk faced by small, early-stage exploration companies. As NTM's current operations are on a small scale, are in the exploration phase and are therefore high risk assets, we believe that an acquirer would not be willing to pay a control premium in line with historical averages. Further, the audit report of NTM for the year ended 30 June 2020 includes an emphasis of matter relating to the material uncertainty around the ability of the Company to continue as a going concern. Based on the above, we consider an appropriate premium for control to be between 25% and 35%.

Quoted market price including control premium

Applying a control premium to NTM's quoted market share price results in the following quoted market price value including a premium for control:

	Low	Midpoint	High
	$	$	$
Quoted market price value	0.088	0.099	0.110
Control premium	25%	30%	35%
Quoted market price valuation including a premium for control	**0.110**	**0.129**	**0.149**

Source: BDO analysis

Therefore, our valuation of a NTM share based on the quoted market price method and including a premium for control is between $0.110 and $0.149 with a rounded midpoint value of $0.129.

11.3 Assessment of the value of NTM prior to the Scheme

The results of the valuations performed are summarised in the table below:

	Low	Preferred	High
	$	$	$
Sum-of-Parts (Section 11.1)	0.049	0.071	0.093
QMP (Section 11.2)	0.110	0.129	0.149

Source: BDO analysis

We consider the Sum-of-Parts approach to be the most appropriate methodology to value NTM as the core value of the Company lies in its Redcliffe Project, which has been independently valued by SRK. Further, our analysis of the quoted market price of a NTM share in Section 11.2 indicates that the Company's shares display a low level of liquidity, which in accordance with RG 111, may prohibit the QMP methodology from being the most appropriate valuation approach.

We note that the value of NTM derived under the Sum-of-Parts approach is lower than the results derived under the QMP approach for the following reasons:

- QMP may include any blue sky value of NTM's mineral assets. We have commissioned SRK to provide a valuation of NTM's mineral assets as an independent technical specialist. We have instructed SRK to prepare their Technical Specialist Report in compliance with the VALMIN Code and other industry guidelines, whilst also adhering to guidance provided by ASIC's Regulatory Guides. Market participants are not governed by these industry codes and therefore may be basing their valuations on more optimistic assumptions;
- Our analysis of the trading in NTM shares in Section 11.2 indicates that shares display a low level of liquidity, with the mean and median weekly trading volume representing approximately 0.61%

and 0.45% of the Company's issued capital respectively. As such, the quoted market price may not reflect the underlying value of the Company's shares;

- In light of the recent volatility of the gold price and exchange rates, SRK has adopted a conservative view by considering a longer term period (twelve months) on which to normalise its resource and area multiples, which is used to value NTM's mineral assets. The market price may reflect less conservative gold price and exchange rate assumptions; and
- Given the current gold price environment and the strong cash position of gold development and mid-tier mining companies, the market price may partly reflect the possibility of NTM entering into a transaction.

Based on the results above we consider the value of a NTM share prior to the Scheme to be between $0.049 and $0.093, with a preferred value of $0.071.

Pursuant to the Scheme, Shareholders will receive one share in the Proposed Merged Entity for every 2.7 NTM shares held. As such, the value that is used for our assessment of whether the Scheme is fair is the value of 2.7 shares in NTM, as set out in the table below.

	Low	Preferred	High
	$	$	$
Value of 2.7 NTM shares (control)	0.132	0.192	0.251

12. Valuation of the Proposed Merged Entity

12.1 Sum of Parts valuation

We have valued the Proposed Merged Entity using a Sum-of-Parts approach, with our valuation including:

- The value of NTM under the ownership of Dacian; and
- The value of Dacian including:
  - The value of Mt Morgans;
  - The value of residual resources (mineral resources and advanced and early stage exploration assets) not included in the DCF;
  - The value of other assets and liabilities not included in the DCF; and
  - Present value of forecast corporate costs of the Proposed Merged Entity.

The summary of our Sum-of-Parts valuation is set out in the table below.

Valuation of the Proposed Merged Entity following the Scheme	Ref	Low	Preferred	High
		$'000s	$'000s	$'000s
Value of NTM's mineral assets	12.1.1	34,400	51,900	69,400
Value of NTM's other assets and liabilities	12.1.2	4,296	4,296	4,296
Value of Dacian's Mt Morgans	12.1.3	124,000	148,000	172,000
Value of Dacian's other mining assets	12.1.4	78,300	111,900	145,500
Value of Dacian's other assets and liabilities	12.1.5	42,050	42,050	42,050
Present value of corporate costs of the Proposed Merged Entity	12.1.6	(30,400)	(28,300)	(24,300)
Transaction costs	12.1.7	(5,800)	(5,800)	(5,800)
Cash raised on exercise of the options in the Proposed Merged Entity	12.1.8	6,000	6,000	6,000
Total value of the Proposed Merged Entity (control)		**252,846**	**330,046**	**409,146**
Number of shares outstanding	12.1.9	833,586,039	833,586,039	833,586,039
Value per share ($) (control)		**0.303**	**0.396**	**0.491**
Minority discount	12.1.10	26%	23%	20%
Value per share ($) (minority interest)		**0.224**	**0.305**	**0.393**

We have assessed the value of a share in the Proposed Merged Entity on a minority interest basis to be in the range of $0.224 to $0.393 with a preferred value of $0.305.

12.1.1. Value of NTM's mineral assets

SRK has independently assessed the value of NTM's mineral assets under the ownership of Dacian. If the Scheme is approved, NTM will be a wholly owned subsidiary of Dacian and therefore may be able to utilise Dacian's mining and processing infrastructure. SRK's value of NTM's mineral assets under the ownership of Dacian are set out below.

Mineral Assets	Low Value	Preferred Value	High Value
	$ million	$ million	$ million
Resources	25.9	39.0	51.9
Exploration Potential	8.4	12.9	17.5
TOTAL (rounded)	**34.4**	**51.9**	**69.4**

Source: Technical Specialist Report prepared by SRK

The table above indicates a range of values between $34.4 million and $69.4 million, with a preferred value of $51.9 million. For further information on SRK's approach and conclusions, refer to the SRK report, which is included as Appendix 3 of our Report.

12.1.2. Value of NTM's other assets and liabilities

As set out in Section 11.1.2, we have determined the value of NTM's other assets and liabilities to be approximately $4.3 million.

12.1.3. Value of Mt Morgans

The management of Dacian have prepared a detailed forecast cash flow model ('**the Model**') of its Mt Morgans operations. The Model estimates the future cash flows expected from production over the life of mine for Mt Morgans.

We have assessed the reasonableness of the Model and the material assumptions that underpin it. We have made certain adjustments to the Model where it was considered appropriate, to arrive at an adjusted model ('**Adjusted Model**'). We have adjusted the Model to reflect any changes to technical assumptions as a result of SRK's review, in addition to any changes to the economic and other input assumptions that we consider appropriate as a result of our research.

The Model was prepared based on estimates of the production profile of Mt Morgans, operating costs and capital expenditure. The main assumptions underpinning the Model and Adjusted Model include:

- mining and processing volumes;
- commodity prices;
- operating costs;
- development and sustaining capital expenditure;
- rehabilitation costs;
- foreign exchange rates;
- royalties;
- corporate tax; and
- discount rate.

We undertook the following analysis on the Model:

- analysed the Model to confirm its integrity and mathematical accuracy;
- appointed SRK as technical expert to review, and where required, provide changes to the technical assumptions underpinning the Model;
- conducted independent research on certain economic and other inputs such as commodity prices, exchange rates, inflation, and the discount rate applicable to the future cash flows of Dacian;

- held discussions with SRK to confirm the reasonableness of the technical inputs underpinning the Model; and
- performed sensitivity analysis on the value of Mt Morgans as a result of flexing key assumptions and inputs.

We have not undertaken a review of the cash flow forecast in accordance with the Standards on Assurance Engagement ASAE 3450 'Assurance Engagements involving Corporate Fundraising and/or Prospective Financial Information' and do not express an opinion on the achievability of the forecast. However, nothing has come to our attention as a result of our procedures to suggest that the assumptions on which the Adjusted Model has been based have not been prepared on a reasonable basis.

Appointment of a technical expert

SRK was engaged to prepare a report providing technical assessment of the assumptions underlying the Model. SRK's assessment involved the review and provision of opinion on the reasonableness of the assumptions adopted in the Model, including but not limited to:

- mining physicals (including volume mined, recovery, and grade);
- mineral resource and reserves included in the Model;
- processing assumptions (including products recovery);
- operating costs (comprising mining, processing and administration costs);
- capital expenditure (development and sustaining capital required);
- royalties;
- rehabilitation; and
- other relevant assumptions.

SRK's Technical Specialist Report is included in Appendix 3.

Limitations

Since forecasts relate to the future, they may be affected by unforeseen events and they depend, in part, on the effectiveness of management's actions in implementing the plans on which the forecasts are based. Accordingly, actual results may vary materially from the forecasts included in the Adjusted Model, as it is often the case that some events and circumstances frequently do not occur as expected, or are not anticipated, and those differences may be material.

Economic assumptions

Inflation

Metal prices obtained from our research sources are quoted on a nominal basis. Therefore, we applied inflation to the Model in order to convert the cash flows to nominal terms in the Adjusted Model.

We have adopted an annual inflation rate of 1.5% for the Adjusted Model. This is based on forecast inflation rates as sourced from Bloomberg, whilst also giving consideration to historical inflation rates in Australia.

Foreign Exchange

Metal prices obtained from our research are quoted in nominal USD terms. We have converted the metal prices from USD to AUD at the following forecast exchange rates for their respective calendar year ('CY') periods:

Exchange Rates	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025
USD:AUD	0.750	0.750	0.760	0.770	0.770	0.770

Source: Bloomberg and BDO analysis

Metal Prices

In forming our view of the forecast gold price, we have had regard to both the historical gold price from Bloomberg as well as consensus analyst views on forecast pricing, as published by Consensus Economics.

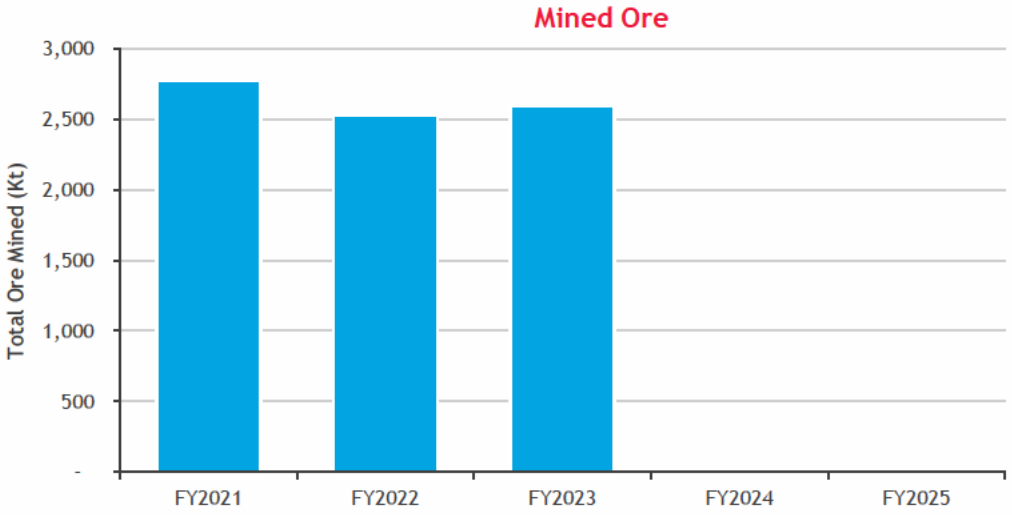
We have also reflected Dacian's gold hedging program in our Adjusted Model.

Based on our analysis, we have adopted the following nominal forecast gold price over the forecast period:

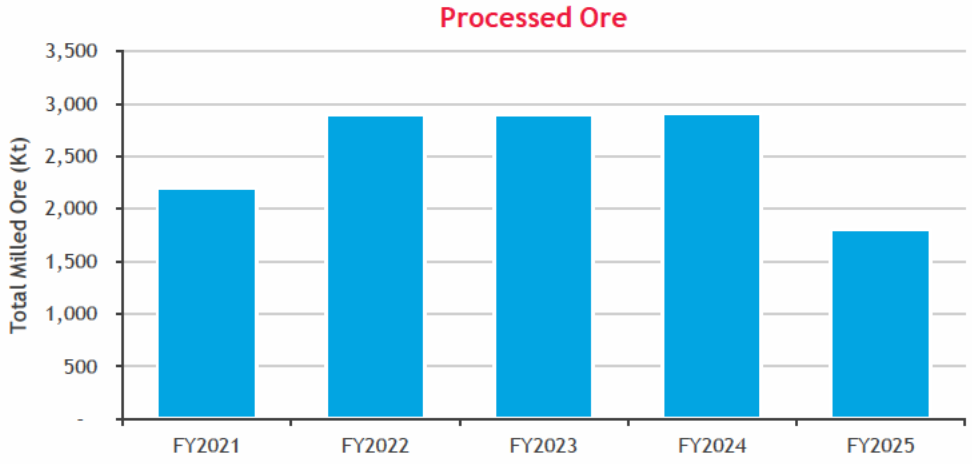
Gold price	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025
Gold (US$/oz)	1,900	1,981	1,852	1,761	1,665	1,726

Mining physicals

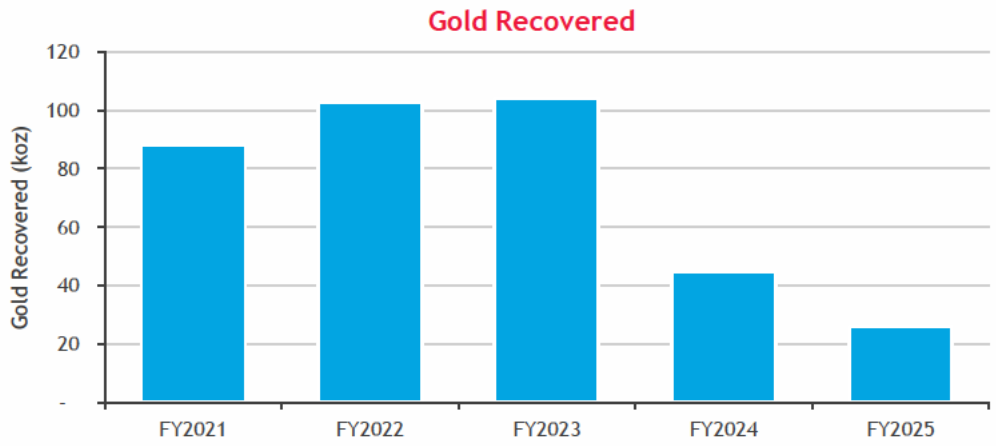
Mt Morgans is currently producing, with a current production outlook of approximately five years. The graphs below show the forecast ore to be mined and processed over the production outlook period, for each financial year ('FY') assuming a 1 October 2020 valuation date. Therefore, given our valuation date of 1 October 2020, in relation to the charts below, FY2021 represents the nine months to 30 June 2021.



Source: Adjusted Model and BDO analysis



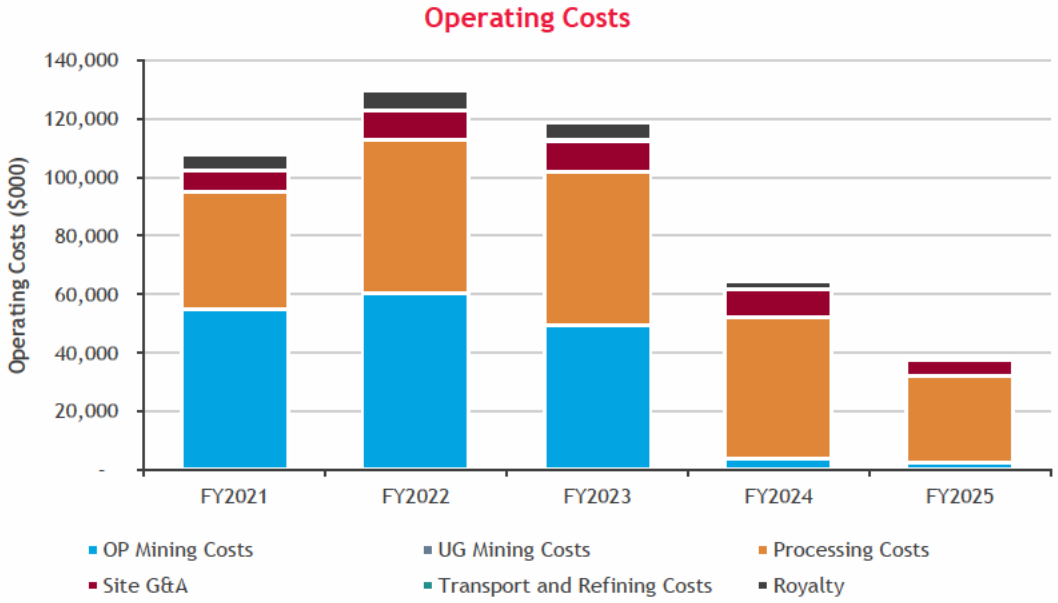
Source: Adjusted Model and BDO analysis



Source: Adjusted Model and BDO analysis

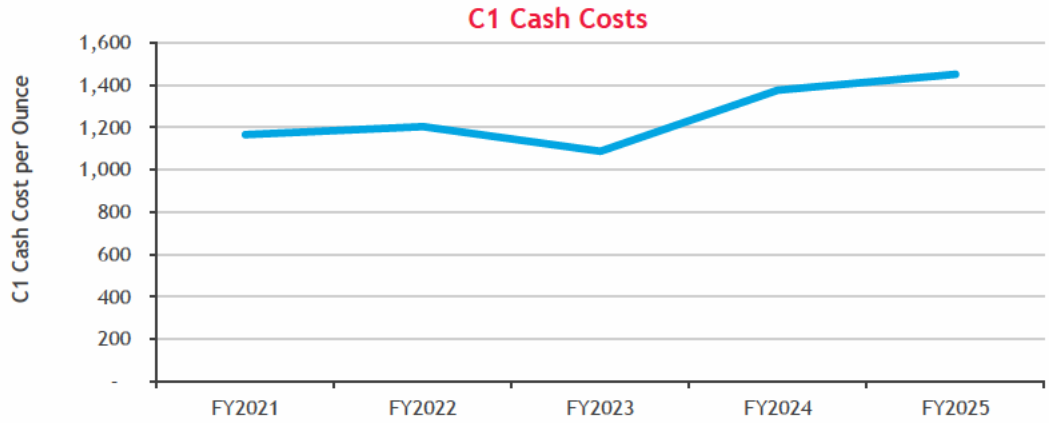
Operating costs

The operating costs included in the Adjusted Model include open pit mining costs (**'OP Mining Costs'**), processing costs, site costs, transport and refining costs, royalties and some underground mining costs (**'UG Mining Costs'**). In preparing the Adjusted Model, we have applied our inflation assumption of 1.5% per annum to the forecast operating costs. SRK has confirmed the reasonableness of the forecast operating cost assumptions having considered the costs incurred historically and by assessing the forecast per tonne operating costs in the context of their experience with mining projects in Australia. The forecast operating costs for Mt Morgans are illustrated in the charts below.



Source: Adjusted Model and BDO analysis

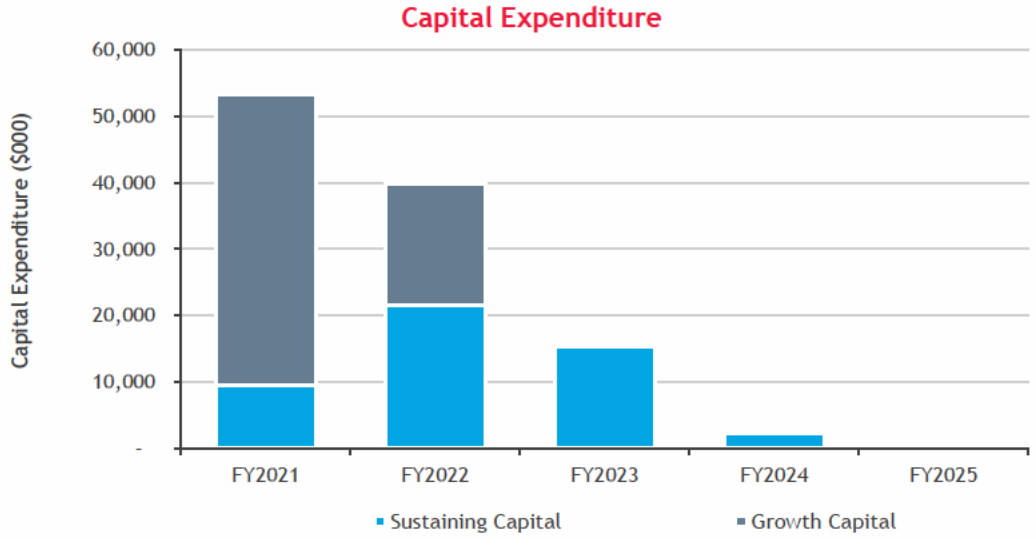
Set out below are the C1 cash costs over the life of mine.



Source: Adjusted Model and BDO analysis

Capital expenditure

The capital expenditure requirements for Mt Morgans relate to sustaining capital costs, growth capital costs and non-sustaining capital costs. SRK has recommended that we remove the non-sustaining capital costs from the Model related to the underground Ore reserve. SRK has confirmed the reasonableness of the other forecast capital costs included in the Model. The forecast capital expenditure required for Mt Morgans in the Adjusted Model is set out in the chart below.



Source: Adjusted Model and BDO analysis

Royalties

Gold metal produced at Mt Morgans is subject to a 2.5% royalty (Western Australian State Government ad valorem royalty). The West Australian State Government royalty is reflected in our Adjusted Model.

Mt Morgans is also subject to additional third party royalties. SRK have advised the royalties relate to tenements over exploration areas and therefore should not be reflected in the Adjusted Model. Further details on the royalties can be found in SRK's Technical Specialist Report found in Appendix 3 of our Report.

Taxation

As at 30 September 2020, Dacian had approximately $205 million of carried forward tax losses available to utilise against future taxable income. BDO Corporate Tax (WA) Pty Ltd has confirmed to us that Dacian will satisfy the Continuity of Ownership Test immediately following the implementation of the Scheme and as such will be able to utilise its carry forward tax losses. Therefore, based on the forecast cash flows included in the Adjusted Model, Dacian has an effective tax rate of 0% over the forecast period.

Corporate costs

We have excluded corporate costs from the Adjusted Model, as these reflect costs that would be incurred by Dacian on a stand-alone basis, and instead have considered the historical costs of Dacian as well as corporate costs incurred by comparable companies to assess an appropriate forecast level of corporate cost to adopt for the Proposed Merged Entity. This is detailed in Section 12.1.6.

Mine Closure Costs

The Model includes total mine closure costs of $18.0 million (in real terms). SRK has recommended a mine closure cost estimate of $24.4 million (in real terms) which includes an additional contingency allowance. We have reflected SRK's recommended mine closure costs in the Adjusted Model. Further details on the mine closure costs can be found in SRK's Technical Specialist Report found in Appendix 3 of our Report.

Receivables and payables

We have reflected the receivables and payables balances as at 30 September 2020 in the Adjusted Model (with the exception of a prepayment balance). The receivables and payables are assumed to have 30 day terms over the forecast period. The receivables and payables balances have not moved materially since the audited position at 30 June 2020, giving us reasonable grounds for reliance on the unaudited management accounts.

Inventories

We have reflected the inventory on hand, including stockpiles, gold in circuit, consumables, reagents and fuel in the Adjusted Model. We have assumed all inventories are sold or have been used by the end of the forecast period. We note that gold on hand has been considered separately in Dacian's other assets and liabilities in Section 12.1.5.

Debt repayment

The Model includes principal and interest repayments from the Mt Morgans Facility. As at 30 September 2020, the outstanding balance of the Mt Morgans Facility is $39.1 million. The Adjusted Model forecasts that the Mt Morgans Facility will be fully repaid in March 2022.

Discount rate

In our assessment of an appropriate discount rate to apply to the cash flows of Mt Morgans, we consider the most appropriate discount rate to be the Proposed Merged Entity's cost of equity. This is because the Adjusted Model includes debt cash flows, and therefore the cash flows in the Adjusted Model represent cash flows to equity holders.

We have selected a nominal cost of equity in the range of 7% to 11% per annum to discount the cash flow of Mt Morgans to its present value. We have used a rounded midpoint discount rate of 9% in our base case.

In selecting this range of discount rates, we have considered the following:

- the rate of return for comparable ASX listed gold producing companies; and
- the risk profile of the Proposed Merged Entity as compared to the comparable companies identified.

A detailed consideration of how we arrived at our adopted discount rate range is shown in Appendix 4.

Sensitivity analysis

Our valuation of Mt Morgans is sensitive to changes in the forecast commodity prices, operating expenditure, capital expenditure and foreign exchange rates. We have therefore included a sensitivity analysis to consider the value of Mt Morgans under various pricing scenarios and in applying:

- a change of +/- 10% to the gold price;
- a change of +/- 10% to operating costs;
- a change of +/- 10% to capital costs;
- a change of +/- 10% to the AUD/USD exchange rate; and
- a discount rate in the range of 7% to 11%.

The following sensitivities have been prepared to assist Shareholders in considering the potential effects to the value of Mt Morgans if our base case assumptions change:

Currency: $000	Sensitivity Analysis of the value of Mt Morgans			
Percentage change	Gold price (US$/oz)	Exchange rate (AUD/USD)	Capital costs	Operating costs
-10%	88,607	209,117	158,462	187,312
-8%	100,529	198,411	156,414	179,493
-6%	112,451	186,836	154,365	171,674
-4%	124,374	173,420	152,316	163,856
-2%	136,296	160,558	150,267	156,037
0%	148,219	148,219	148,219	148,219
2%	160,141	136,369	146,170	140,400
4%	172,063	124,982	144,121	132,581
6%	183,986	114,030	142,072	124,763
8%	194,729	103,489	140,024	116,944
10%	203,482	93,336	137,975	109,126

Source: Adjusted Model and BDO analysis

	Discount Rate					
Discount rate (%)	6%	7%	8%	9%	10%	11%
Value of Mt Morgans ($m)	158,368	154,883	151,502	148,219	145,031	141,934

Source: Adjusted Model and BDO analysis

In considering the above sensitivities, Shareholders should note the following:

- the variables described above may have compounding or offsetting effects and are unlikely to move in isolation;
- the variables for which we have performed sensitivities are not the only variables which are subject to deviation from the forecast assumptions; and
- the sensitivities performed do not cover the full range of possible variances from the base case assumptions used (i.e. variances could be greater than the percentage increases or decreases set out in this analysis).

We also note that we have presented the above sensitivities to highlight the sensitivity of the value of Mt Morgans to changes in pricing and other assumptions.

Based on the above analysis we consider the value of Mt Morgans to be in the range of $124 million to $172 million with a preferred value of $148 million.

12.1.4. Value of Dacian's other mineral assets

We have instructed SRK to independently value Dacian's other mineral assets. The fair market value of Dacian's other mineral assets lies within the range of $78.3 million to $145.5 million with a preferred value of $111.9 million. SRK used the comparable transactions and yardstick approach to value the residual resource and the comparable transactions and geoscientific ratings approaches to value Dacian's

exploration portfolio. The breakdown of the values of Dacian's other mineral assets is detailed in the table below.

Mineral Assets	Low Value	Preferred Value	High Value
	$ million	$ million	$ million
Dacian residual resource (not considered in the Adjusted Model)	47.8	65.4	83.0
Dacian Exploration Portfolio	30.5	46.5	62.5
TOTAL (rounded)	**78.3**	**111.9**	**145.5**

Source: Technical Specialist Report prepared by SRK

For further information on SRK's approach and conclusions, refer to the SRK report, which is included as Appendix 3 of our Report.

12.1.5. Value of Dacian's other assets and liabilities

The other assets and liabilities of Dacian represent the assets and liabilities that have not been specifically addressed elsewhere in our Sum-of-Parts valuation. From our discussions with Dacian and analysis of these other assets and liabilities, outlined in the table below, we do not believe that there is a material difference between the book value and the fair value unless an adjustment has been noted below.

The table below represents a summary of the assets and liabilities identified:

Valuation of Dacian's other assets and liabilities	Note	Audited as at 30-Jun-20	Adjusted
		$000	$000
CURRENT ASSETS			
Cash and cash equivalents	a)	51,976	40,744
Receivables	b)	3,179	555
Inventories	c)	20,382	1,905
Derivative financial instruments	d)	45	-
TOTAL CURRENT ASSETS		**75,582**	**43,204**
NON-CURRENT ASSETS			
Property, plant and equipment	e)	107,205	560
Exploration and evaluation assets	f)	4,072	-
Mine properties	g)	84,486	-
Deferred tax assets	h)	13,374	-
TOTAL NON-CURRENT ASSETS		**209,137**	**560**
TOTAL ASSETS		**284,719**	**43,764**
CURRENT LIABILITIES			
Trade and other payables	i)	21,016	-
Provisions		1,420	1,420
Borrowings	j)	34,585	-
Other financial liabilities	k)	261	-
TOTAL CURRENT LIABILITIES		**57,282**	**1,420**
NON-CURRENT LIABILITIES			
Provisions	l)	21,195	294

Valuation of Dacian's other assets and liabilities	Note	Audited as at 30-Jun-20 $000	Adjusted $000
Borrowings	m)	43,600	-
TOTAL NON-CURRENT LIABILITIES		**64,795**	**294**
TOTAL LIABILITIES		**122,077**	**1,714**
NET ASSETS		**162,642**	**42,050**

Source: Dacian's audited financial statements for the year ended 30 June 2020, management accounts as at 30 September 2020 and BDO analysis

We have not undertaken a review of Dacian's unaudited accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

We have been advised that there has not been any other significant change in the net assets of Dacian since 30 September 2020 and that the above assets and liabilities represent their fair market values apart from the adjustments detailed below. Where the above balances differ materially from the audited position at 30 June 2020 we have obtained supporting documentation to validate the adjusted values used, which provides reasonable grounds for reliance on the unaudited financial information.

We note the following in relation to the above valuation of Dacian's other assets and liabilities:

Note a): Cash and cash equivalents

Dacian's management has provided us with the bank balance at 30 September 2020, which we have verified against Dacian's September Quarterly Cash flow report. We have also adjusted the cash position for material movements subsequent to 30 September 2020, based on Dacian's monthly management report. Our adjustments are set out in the table below.

Cash and cash equivalents	$000
Cash and cash equivalents at 30 June 2020	51,976
Add: net cash generated from operating activities at Mt Morgans	16,426
Less: cash expenditure on mine development, waste stripping and plant and equipment	(6,892)
Less: repayment of borrowings	(25,000)
Less: Transaction costs related to borrowings and the issue of equity	(537)
Add: proceeds from hedge settlement error subsequent to 30 September 2020	4,771
Adjusted cash and cash equivalents	**40,744**

Note b): Receivables

Dacian's management have provided us with management accounts as at 30 September 2020. Given that the receivables balance has not moved materially since the audited position at 30 June 2020, we have reasonable grounds for reliance on the unaudited financial information. We also note that the trade and other receivables balances (other than prepayments) are reflected in the Adjusted Model. The portion of

the receivables that relates to prepayments has been left unadjusted. Prepayments as at 30 September 2020 total approximately $555,000.

Note c): Inventories

For the purpose of our valuation we have adjusted the inventories balance of approximately $20 million as at 30 June 2020 to $1.91 million, which is the portion of inventories that relates to gold on hand as at 30 September 2020. We note all other inventories are included in the Adjusted Model and therefore reflected in our value of Mt Morgans.

Note d): Derivative financial instruments

For the purpose of our valuation we have adjusted the derivative financial instruments balance of $45,000 as at 30 June 2020 to nil, as the hedging arrangements are reflected in the Adjusted Model and therefore included in our value of Mt Morgans.

Note e): Property, plant and equipment

We have adjusted the PP&E balance of approximately $107 million at 30 June 2020 to approximately $560,000 which is the portion that relates to the PP&E assets not used for mining activities. The remaining balance relates to PP&E used for mining related activities and is reflected in the value of Mt Morgans and Dacian's other mineral assets.

Note f): Exploration and evaluation assets

We have adjusted the exploration and evaluation assets of approximately $4 million at 30 June 2020 to nil as these costs are reflected in the value of Mt Morgans and Dacian's other mineral assets.

Note g): Mine properties

We have adjusted the mine properties assets of approximately $84 million at 30 June 2020 to nil as these costs are reflected in the value of Mt Morgans and Dacian's other mineral assets.

Note h) Deferred tax assets

The net deferred tax assets comprise timing differences and carry forward tax losses. We have adjusted these to nil because the carry forward tax losses are included in the Adjusted Model (refer Section 12.1.3) and the timing differences are implicit in the cash flows of the Adjusted Model.

Note i): Trade and other payables

The trade and other payables balance has been reflected in the Adjusted Model. As such, we have adjusted the trade and other payables balance to nil.

Note j): Current borrowings

We have adjusted the current borrowings balance of approximately $35 million at 30 June 2020 to nil. Current borrowings relate to Dacian's Mt Morgans Facility and finance lease liabilities. As the principal and interest repayments from the Mt Morgans Facility are reflected in the Adjusted Model, we have removed this portion of the balance as this is already reflected in our value of Mt Morgans. Similarly, we have also removed the lease liability, as the lease repayments are reflected in the Adjusted Model, and are therefore reflected in our value of Mt Morgans.

Note k): Other financial liabilities

Other financial liabilities of approximately $261,000 relate to hedge liabilities at 30 June 2020. We have adjusted the other financial liabilities balance to nil as the hedging arrangements are reflected in the Adjusted Model and therefore included in our value of Mt Morgans.

Note l): Non-current Provisions

We have adjusted the non-current provisions balance of approximately $21 million at 30 June 2020 to $294,000, which is the portion of the non-current provision balance that doesn't relate to rehabilitation. We have removed the rehabilitation provision, as mine closure costs are included in the Adjusted Model and therefore reflected in the value of Mt Morgans.

Note m): Non-current borrowings

We have adjusted the non-current borrowings balance of approximately $44 million at 30 June 2020 to nil. Non-current borrowings relate to Dacian's Mt Morgans Facility and finance lease liabilities. As the principal and interest repayments from the Mt Morgans Facility are reflected in the Adjusted Model, we have removed this portion of the balance as this is already reflected in our value of Mt Morgans. Similarly, we have also removed the lease liability, as the lease repayments are reflected in the Adjusted Model, and are therefore reflected in our value of Mt Morgans.

12.1.6. Present value of corporate costs of the Proposed Merged Entity

We have removed the corporate costs from the Adjusted Model. These corporate costs consist of all corporate administration costs that cannot be directly attributable to Mt Morgans.

As part of our analysis, we have considered the corporate costs that Dacian has incurred historically. Set out below are the corporate costs incurred by Dacian for the years ended 30 June 2019 and 30 June 2020. We note that commercial production only began at Mt Morgans on 1 January 2019 and as such the corporate costs for the year ended 30 June 2019 year may not be entirely reflective of the corporate costs of the Proposed Merged Entity going forward. We also note that during the year ended 30 June 2020, Dacian underwent a recapitalisation, and would have incurred additional corporate costs as part of that process.

	Actual year ended 30-Jun-19	Actual year ended 30-Jun-20
Corporate costs ($m)	7.79	9.57

Source: Dacian Annual Report for the years ended 30 June 2019 and 30 June 2020

As part of our analysis, we have also considered the corporate costs incurred by ASX-listed companies with a similar size and scale of operations to the Proposed Merged Entity. We have analysed ASX-listed mining companies with major projects located within Australia, while considering other company characteristics such as revenue, total assets, number of producing mines and market capitalisation, as proxies for the size and scale of operations.

Our analysis of the corporate costs for the identified ASX-listed companies is set out below. We have not included Dacian in the mean and median calculations but it has been presented for comparison purposes:

Company Name	Commodity	Revenue for the year ended 30-June-20 $m	Market capitalisation at 30 October 2020 $m	Corporate costs for the year ended 30 June 2020 $m
Dacian Gold Limited	Gold	270.0	197.5	9.57
Sandfire Resources Limited	Gold	656.8	787.9	12.68
Red 5 Limited	Gold	200.3	541.9	11.04
Gold Road Resources Limited*	Gold	210.6	1,161.2	10.33
Aurelia Metals Limited	Gold	331.8	406.4	10.26
Alkane Resources Limited	Gold	72.5	732.2	9.95
Aeris Resources Limited	Copper	227.3	119.5	9.63
West Gold Resources Limited	Gold	492.3	1,083.4	7.07
Grange Resources Limited*	Gold	460.4	283.6	5.95
Mean (excluding Dacian)		**331.5**	**639.5**	**9.61**
Median (excluding Dacian)		**279.6**	**637.0**	**10.11**

Source: Annual reports and BDO analysis

*Data presented is for the year ended 31 December 2019

Based on the above analysis of corporate costs incurred by companies with similar size, scale and nature of operations as the Proposed Merged Entity, we have assessed real corporate costs for the Proposed Merged Entity to be in the range of $8 million to $10 million per annum, with a preferred position of $9 million per annum. Following completion of mining at Mt Morgans in 2023, we have reduced corporate costs by 50% for the remaining forecast period.

We have applied our assessed forecast inflation rate of 1.5% per annum to the corporate costs over the forecast period and have discounted these cash flows at the Proposed Merged Entity's cost of equity of 9%, as detailed in Appendix 4.

Based on the above analysis, we have assessed the present value of corporate costs to be in the range of $24.3 million to $30.4 million with a preferred value of $28.3 million, which we have input into our Sum-of-Parts valuation of the Proposed Merged Entity.

Refer to Appendix 5 for a list of the comparable companies used in our analysis and a description of each.

12.1.7. Transaction costs

We have adjusted our valuation of the Proposed Merged Entity to reflect the transaction costs that will be incurred in the event the Scheme is implemented. The transaction costs to be incurred by the Proposed Merged Entity have been estimated to be $5.8 million as detailed in the Scheme Booklet. This includes an estimate of the stamp duty liability that is likely to arise following the implementation of the Scheme. We note that the stamp duty payable is an estimate and that the actual amount payable may differ from the amount provided for in the Scheme Booklet. However, our valuation or opinion in relation to the Scheme is not sensitive to changes in the assumptions underpinning the estimate of the stamp duty liability or other transaction costs.

12.1.8. Cash raised on exercise of the options in the Proposed Merged Entity

As at the date of our Report, the options in the Proposed Merged Entity which are being proposed to be issued to the option holders of NTM are in-the-money. As such, we have assumed the exercise of these

options will take place and have adjusted the value of the Proposed Merged Entity to reflect the cash raised accordingly. As detailed in Section 4, Dacian will issue 22,222,222 options in the Proposed Merged Entity that are exercisable at $0.27, which gives rise to additional cash raised of $6 million.

12.1.9. Number of shares outstanding

Following the implementation of the Scheme, the Proposed Merged Entity will have approximately 833 million shares on issue (on a diluted basis) as set out in the table below.

Share structure following the implementation of the Scheme	
Number of NTM shares on issue as at the date of our Report	685,609,211
Number of NTM shares to be issued on exercise of NTM Performance Rights	2,500,000
Total number of NTM shares	688,109,211
Number of NTM Shares which will convert into one share in the Proposed Merged Entity	2.7
Number of Proposed Merged Entity shares to be issued to Shareholders	254,855,263
Number of Dacian shares on issue as at the date of our Report	556,508,554
Total ordinary shares on issue in the Proposed Merged Entity following the implementation of the Scheme (undiluted basis)	**811,363,817**
Number of Dacian shares issued following exercise of the options	22,222,222
Total ordinary shares on issue in the Proposed Merged Entity following the implementation of the Scheme and exercise of the options (diluted basis)	**833,586,039**

12.1.10. Minority discount

The value of a Proposed Merged Entity share derived under the Sum-of-Parts approach is reflective of a controlling interest. This suggests that the acquirer obtains an interest in the company which allows them to have an individual influence on the operations and value of that company. However, if the Scheme is approved, Shareholders will be minority holders in the Proposed Merged Entity, meaning that their individual holding will not be considered significant enough to have an individual influence in the operations of that company.

Therefore, we have adjusted our valuation of a Proposed Merged Entity share following the Scheme to reflect the minority interest holding. The minority discount is based on the inverse of the control premium and is calculated using the formula 1-(1/(1+control premium)).

Based on our analysis in Section 11.2, we consider an appropriate control premium to be in the range of 25% to 35% with a midpoint of 30%. This assessed control premium range gives rise to a rounded minority discount in the range of 20% to 26%, with a rounded midpoint of 23%.

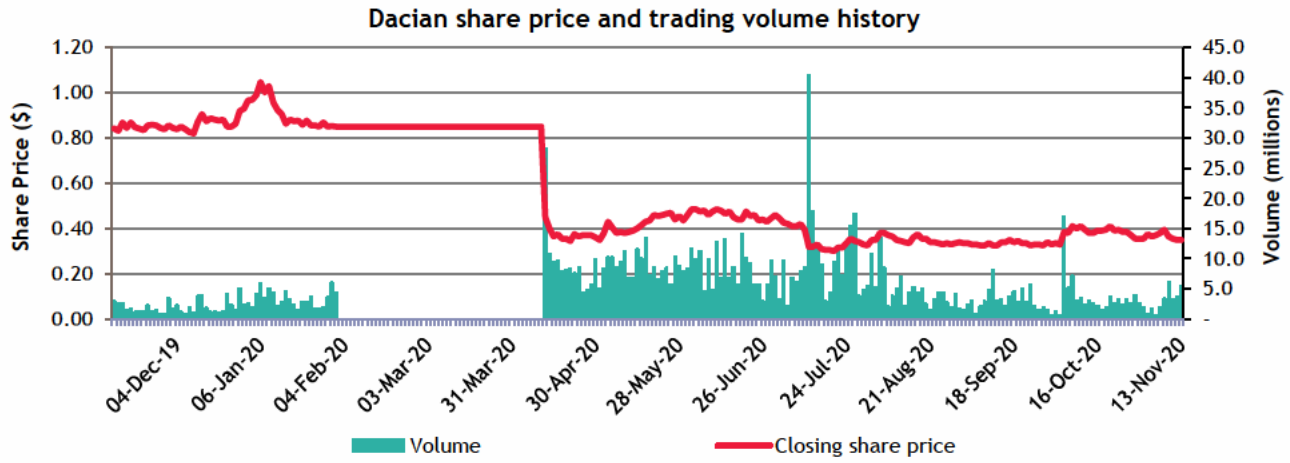
12.2 Quoted Market Price of Dacian

The value of Dacian from our Sum-of-Parts valuation represents a controlling interest and as such, in performing our cross-check we have assessed the QMP of Dacian on a controlling interest basis. Therefore, our calculation of the QMP of a Dacian share including a premium for control has been prepared in two parts. The first part is to calculate the QMP on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a QMP that includes a premium for control.

Minority interest value

Our analysis of the quoted market price of a Dacian share is based on the pricing prior to the announcement of the Scheme. This is because the value of a Dacian share after the announcement may include the effects of any change in value as a result of the Scheme.

Information on the Scheme was announced to the market on 16 November 2020. Therefore, the following chart provides a summary of the share price movement over the 12 months to 13 November 2020, which was the last trading day prior to the announcement of the Scheme.



Source: Bloomberg

The daily price of Dacian shares from 13 November 2019 to 13 November 2020 has ranged from a low of $0.300 on 21 July 2020 to a high of $1.047 on 6 January 2020. The highest single day of trading over the assessed period was 13 July 2020, when 40,488,823 shares were traded.

On 3 February 2020, it was announced that the securities of Dacian were to be suspended from trading immediately at the request of the company, pending the release of an announcement regarding an update to Dacian's Ore Resources, Mineral Resources and life-of-mine plan. On 14 April 2020, the securities of Dacian were reinstated to official quotation.

During this period a number of announcements were made to the market. The key announcements are set out below:

Date	Announcement	Closing Share Price Following Announcement $ (movement)			Closing Share Price Three Days After Announcement $ (movement)		
28/10/2020	Quarterly Activities and Cashflow Report	0.370	▼	3.90%	0.355	▼	4.05%
27/10/2020	Restructuring of Outstanding Hedge Commitment	0.385	▶	0.00%	0.355	▼	7.79%
23/10/2020	High Grade Drilling Results Along Strike At Mt Marven	0.395	▲	1.28%	0.370	▼	6.33%
06/10/2020	Preliminary September Quarter Update	0.385	▲	16.67%	0.400	▲	3.90%
10/08/2020	Investor Presentation - August 2020	0.365	▼	1.35%	0.340	▼	6.85%
31/07/2020	Quarterly Activities and Cashflow Report	0.325	▼	1.52%	0.380	▲	16.92%
24/07/2020	Mt Morgans Gold Operation Exploration Update	0.335	▲	6.35%	0.340	▲	1.49%

Date	Announcement	Closing Share Price Following Announcement $ (movement)			Closing Share Price Three Days After Announcement $ (movement)		
22/07/2020	Response to ASX Aware Query	0.315	▲	5.00%	0.355	▲	12.70%
13/07/2020	Operations and Corporate Update	0.320	▼	18.99%	0.310	▼	3.13%
06/05/2020	Dacian Successfully Completes Retail Entitlement Offer	0.405	▼	5.81%	0.380	▼	6.17%
30/04/2020	Quarterly Activities and Cashflow Report	0.360	▼	2.70%	0.430	▲	19.44%
14/04/2020	Reinstatement to Official Quotation	0.450	▼	47.06%	0.375	▼	16.67%
09/04/2020	Completion of Placement and Institutional Component	0.850	▶	0.00%	0.365	▼	57.06%
08/04/2020	Equity Raising Presentation	0.850	▶	0.00%	0.400	▼	52.94%
08/04/2020	Prospectus - Non Renounceable Entitlement Offer	0.850	▶	0.00%	0.400	▼	52.94%
08/04/2020	Equity Capital Raising to Recapitalise Dacian	0.850	▶	0.00%	0.400	▼	52.94%
06/04/2020	Preliminary March Quarter Operating Results	0.850	▶	0.00%	0.850	▶	0.00%
12/03/2020	Investor Presentation	0.850	▶	0.00%	0.850	▶	0.00%
27/02/2020	Three Year Production Outlook	0.850	▶	0.00%	0.850	▶	0.00%
27/02/2020	2019 Mineral Resource and Ore Reserve Update	0.850	▶	0.00%	0.850	▶	0.00%
03/02/2020	Suspension from Official Quotation	0.850	▶	0.00%	0.850	▶	0.00%
03/02/2020	Quarterly Cashflow Report	0.850	▶	0.00%	0.850	▶	0.00%
03/02/2020	Quarterly Activities Review	0.850	▶	0.00%	0.850	▶	0.00%
20/12/2019	Board and Management Succession	0.850	▼	3.45%	0.920	▲	8.21%
25/11/2019	Outstanding In-fill Drilling Results at Phoenix Ridge	0.856	▲	2.55%	0.844	▼	1.43%

Source: Bloomberg and BDO analysis

On 6 October 2020, Dacian released its preliminary September Quarter Update. The update highlighted that its gold production for the September quarter of 32,799 ounces was tracking well against guidance and that a $25 million debt repayment was made in relation to the Mt Morgans Facility during the quarter. On the date of the announcement, the share price increased by 16.67% to close at $0.385, before further increasing 3.90% over the subsequent three-day period to close at $0.400.

On 31 July 2020, Dacian released its Quarterly Activities and Cashflow Report, highlighting that its gold production for the year ended 30 June 2020 of 138,814 ounces was within full year guidance, and cash and unsold gold at hand increased by $43.20 million in comparison to the March quarter. On the date of the announcement, the share price decreased by 1.52% to close at $0.325, before increasing by 16.92% over the subsequent three-day period to close at $0.380.

On 22 July 2020, Dacian released a response to an aware query issued by the ASX in relation to certain market announcements made by Dacian between the period from 27 February 2020 to 13 July 2020. On the date of the announcement, the share price increased by 5.00% to close at $0.315, before further increasing 12.70% over the subsequent three-day period to close at $0.355.

On 13 July 2020, Dacian released an operations and corporate update which highlighted that its gold production for the year ended 30 June 2020 of 138,814 ounces was within full year guidance and that its gold production for the June quarter of 31,833 ounces was below quarterly guidance. On the date of the

announcement, the share price decreased by 18.99% to close at $0.320, before further decreasing by 3.13% over the subsequent three-day period to close at $0.310.

On 6 May 2020, Dacian announced that it had completed the retail component of its entitlement offer which was announced to the ASX on 8 April 2020, raising a total of $28 million at an offer price of $0.30. On the date of the announcement, the share price decreased by 5.81% to close at $0.405, before further decreasing by 6.17% over the subsequent three-day period to close at $0.380.

On 30 April 2020, Dacian released its Quarterly Activities and Cashflow Report, highlighting that its gold production for the March quarter of 31,695 ounces was in line with quarterly guidance and its $98 million institutional placement and entitlement offer announced to the ASX on 8 April 2020. On the date of the announcement, the share price decreased by 2.70% to close at $0.360, before increasing 19.44% over the subsequent three-day period to close at $0.430.

On 14 April 2020, the ASX announced the reinstatement of Dacian to official quotation, nothing that the suspension of trading in the securities of Dacian was to be lifted immediately following the release by Dacian of an announcement regarding a capital raising. On the date of the announcement, the share price decreased by 47.06% to close at $0.450, before further decreasing 16.67% over the subsequent three-day period to close at $0.375.

On 9 April 2020, Dacian announced the completion of the institutional placement and the institutional component of its entitlement offer to raise a combined $70 million at an offer price of $0.30. There was no change in the Dacian share price on the date of the announcement, closing at $0.850, before decreasing by 57.06% over the subsequent three-day period to close at $0.365.

On 8 April 2020, Dacian made three announcements in relation to an institutional placement of up to 99.4 million shares in Dacian to raise up to $30 million and an entitlement offer of up to 228.4 million shares to raise up to $68 million. The announcements comprised an announcement outlining the capital raising, and equity raising presentation and a prospectus in relation to the entitlement offer to raise up to approximately $68.5 million (before) costs at an offer price of $0.30. There was no change in the Dacian share price on the date of the announcements, closing at $0.850, before decreasing by 52.94% over the subsequent three-day period to close at $0.400.

To provide further analysis of the market prices for a Dacian share, we have also considered the weighted average market price for 10, 30, 60 and 90 day periods to 13 November 2020.

Share Price per unit	13-Nov-20	10 Days	30 Days	60 Days	90 Days
Closing price	$0.350				
Volume weighted average price		$0.366	$0.381	$0.359	$0.345

Source: Bloomberg, BDO analysis

The above weighted average prices are prior to the date of the announcement of the Scheme to avoid the influence of any change in the price of Dacian shares that has occurred since the Scheme was announced.

An analysis of the volume of trading in Dacian shares for the twelve months to 13 November 2020 is set out below:

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
1 Day	$0.345	$0.355	5,489,879	0.99%

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
10 Days	$0.345	$0.405	29,035,417	5.22%
30 Days	$0.330	$0.420	103,729,220	18.64%
60 Days	$0.315	$0.420	194,249,553	34.91%
90 Days	$0.290	$0.420	448,947,253	80.67%

Source: Bloomberg, BDO analysis

This table indicates that Dacian's shares display a high level of liquidity, with 5.22% of the Company's current issued capital being traded over the ten trading days prior to the announcement of the Scheme (two weeks). RG 111.69 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

We have also assessed the trading volumes for Dacian shares on a weekly basis over the six months prior to 13 November 2020, being the last full trading day prior to the announcement of the Scheme and found the mean and median weekly trading volume was approximately 5.44% and 5.66% of the Company's issued capital respectively. Of the 27 weeks in which our analysis is based on, in every week, more than 1% of the Company's securities had been traded. During the week which included the highest single trading day over the assessed period (13 July 2020 to 17 July 2020), 14.69% of the Company's issued capital was traded.

Based on the above analysis, we consider there to be a liquid and active market for Dacian's shares. We have based our assessment of the minority interest value of a Dacian share on the closing price on 13 November 2020 and the volume weighted average prices and closing prices over the 10 and 30 trading days prior to this date.

Our assessment is that a range of values for Dacian shares based on market pricing, after disregarding post announcement pricing, is between $0.350 and $0.380.

Control Premium

As detailed in Section 11.2 and Section 12.1.9, we have applied the same control premium to the Proposed Merged Entity as we have for NTM. We therefor consider an appropriate control premium for Dacian to be in the range of 25% to 35% with a midpoint of 30%.

Quoted market price including control premium

Applying a control premium to Dacian's quoted market share price results in the following quoted market price value including a premium for control:

	Low $	Midpoint $	High $
Quoted market price value	0.350	0.365	0.380
Control premium	25%	30%	35%
Quoted market price valuation including a premium for control	**0.438**	**0.475**	**0.513**

Source: BDO analysis

Therefore, our valuation of a Dacian share based on the quoted market price method and including a premium for control is between $0.438 and $0.513, with a rounded midpoint value of $0.475.

Based on the number of Dacian shares on issue of 556,508,554, this equates to an equity value (on a control basis) of between $244 million and $285 million with a rounded midpoint value of $264 million.

Cross check of Dacian valuation	Low $'000s	Preferred $'000s	High $'000s
Equity value based on QMP value (rounded)	**244,000**	**264,000**	**285,000**
Values from our Sum-of-Parts valuation			
Value of Dacian's Mt Morgans	124,000	148,000	172,000
Value of Dacian's other mining assets	78,300	111,900	145,500
Value of Dacian's other assets and liabilities	42,050	42,050	42,050
Corporate cost adjustment*	(30,400)	(28,300)	(24,300)
Total Sum-of-Parts value of Dacian	**213,950**	**273,650**	**335,250**

*This represents the present value of corporate costs forecast to be incurred by the Proposed Merged Entity as we do not consider the corporate costs incurred by Dacian on a standalone basis to be materially different to our assessed range for the Proposed Merged Entity.

The values derived under the Sum-of-Parts approach are broadly comparable with the equity value of Dacian based on the market capitalisation prior to the announcement of the Scheme. The low value under the Sum-of-Parts approach is lower than the low end of the valuation range using the QMP methodology. This may be a result of the market price factoring in more positive sentiment regarding Mt Morgans and the gold industry more broadly, whereas the Sum-of-Parts valuation reflects more of the downside risk in relation to Mt Morgans. The high value using the Sum-of-Parts valuation approach is higher than the high end of the valuation range using a QMP approach, which is largely a result of the wide range of values attributed to Dacian's residual resource and exploration area by SRK. The reasons for the wide range of values ascribed by SRK can be found in the Technical Specialist Report in Appendix 3 of Our Report.

We have valued Mt Morgans on a discounted cash flow basis, with the reasonableness of the technical inputs underpinning the DCF model being confirmed by SRK, an independent technical specialist. As such, we consider the Sum-of-Parts valuation to be the most appropriate approach in valuing the contribution of Dacian's assets to the value of the Proposed Merged Entity.

12.3 Assessment of the value of a share in the Proposed Merged Entity

Based on the Sum-of-Parts approach, we consider the value of a share in the Proposed Merged Entity on a minority interest basis to be in the range of $0.224 and $0.393, with a preferred value of $0.305.

13. Is the Scheme fair?

The value of 2.7 shares in NTM prior to the implementation of the Scheme on a control basis and the value of a share in the Proposed Merged Entity following the implementation of the Scheme on a minority interest basis is compared below:

	Ref	Low	Preferred	High
		$	$	$
Value of 2.7 NTM shares prior to the Scheme (control basis)	11.3	0.132	0.192	0.251
Value of a share in the Proposed Merged Entity (minority basis)	12.3	0.224	0.305	0.393

We note from the table above that the value of a share in the Proposed Merged Entity on a minority interest basis is greater than the value of 2.7 NTM shares prior to the Scheme on a control basis. Therefore, we consider that the Scheme is fair for Shareholders.

14. Is the Scheme reasonable?

14.1 Advantages of Approving the Scheme

We have considered the following advantages when assessing whether the Scheme is reasonable.

14.1.1. The Scheme is fair for Shareholders

As set out in Section 13, the Scheme is fair. RG 111.12 states that an offer is reasonable if it is fair.

14.1.2. Provides Shareholders with exposure to a producing mine

The mineral assets of NTM are currently in the exploration phase and as such, the shareholders of NTM currently have no immediate exposure to a cash generating asset. However, if the Scheme is implemented, Shareholders will receive immediate exposure to a gold producing mine.

14.1.3. The Proposed Merged Entity may be able to utilise NTM's resource to increase production and extend the life of mine of Mt Morgans

As detailed in the Technical Specialist Report and outlined in Section 12.1.3 of our Report, in accordance with RG 170 and IS 214, there is insufficient reasonable grounds to assume that the Redcliffe mineral resource can be included in the Mt Morgans life of mine plan. As such, the production that may eventuate from Redcliffe is not included in the Adjusted Model. However, should additional studies be conducted on the economic feasibility of the Redcliffe resource, there is potential for mining at Mt Morgans to be extended beyond 2023, which would likely extend cash flows beyond 2025. If the Scheme is approved, there is also potential for higher grade mineralisation on the NTM licences which would be accessible by the Proposed Merged Entity, should it materialise.

Notwithstanding this, we note that SRK has reflected an increased value of NTM's mineral assets under Dacian's ownership (and access to infrastructure) by utilising a higher transaction multiple to be applied to NTM's mineral resource.

14.1.4. Creation of an enlarged group and re-rating as a mid-tier gold producer

Based on the pre-Scheme market capitalisations of both NTM and Dacian, if the Scheme is implemented, all other things being equal, the implied market capitalisation of the Proposed Merged Entity would be approximately $255 million (we note this does not reflect the actual market capitalisation of the Proposed Merged Entity but is based on pre-Scheme share prices). Due to the increased size of the Proposed Merged Entity, this may result in increased analyst coverage which may lead to improved liquidity. As detailed in Section 10.2, prior to the announcement of the Scheme, NTM displays a low level of liquidity. Improved liquidity may result in an increased ability for Shareholders to realise their investment at less of a discount to the most recently traded price, should they choose to exit their position.

Increased analyst coverage and improved liquidity may increase the attractiveness of the Proposed Merged Entity's shares and may lead to an improvement in its ability to raise capital, should it be required.

14.1.5. Creates a group with a stronger balance sheet

If the Scheme is implemented, Shareholders will hold shares in a company with combined net cash and cash equivalents of approximately $45.9 million based on cash balances of NTM and Dacian at 30

September 2020. This will provide the Proposed Merged Entity with a working capital buffer whilst also allowing it to pursue other investment or exploration opportunities.

The stronger balance sheet of the Proposed Merged Entity may also be more attractive to potential investors, improving the ability of the Proposed Merged Entity to raise capital as well as potentially increasing the liquidity of its shares.

14.1.6. Exposure to a more diversified suite of assets

If the Scheme is implemented, Shareholders will go from holding shares in a company with a single exploration project, to holding shares in a mid-tier gold mining company with a gold producing and cash flow positive operation. Despite both Redcliffe and Mt Morgans being primarily gold assets, exposure to a producing asset will diversify away part of the project specific risk associated with holding shares in a company with a single exploration asset. While more diversified in many ways, we note the Proposed Merged Entity will continue to provide Shareholders with gold exposure.

14.1.7. Shareholders are not foregoing the opportunity to receive a control premium in the future

Pursuant to ASIC's regulatory guides, we have assessed the Scheme as a control transaction. Notwithstanding, no individual shareholder will hold a controlling interest in the Proposed Merged Entity, with the largest shareholders being DGO Gold Limited and Franklin Resources (and its affiliates) who will hold approximately 6.17% and 5.18% respectively,(on an undiluted basis) of the issued capital of the Proposed Merged Entity. Based on shareholdings as at the date of our Report, no other shareholder will hold 5% or more of the issued capital of the Proposed Merged Entity.

Therefore, the Scheme does not preclude Shareholders from receiving a control premium in the future and is unlikely to deter a future takeover offer from being made.

14.2 Disadvantages of Approving the Scheme

We have considered the following disadvantages when assessing whether the Schemes are reasonable.

14.2.1. **Dilution of Shareholders' interests and exposure to the Redcliffe** Project

Following the implementation of the Scheme, Shareholders' interests will be diluted from holding 100% of the issued capital of NTM to holding approximately 32% of the Proposed Merged Entity. Therefore, Shareholders' ability to participate in the potential upside of Redcliffe, should it materialise, will be reduced as a result of the Scheme.

14.2.2. Shareholders will be exposed to the risk associated with holding shares in a company with debt

Dacian's Mt Morgans Facility has $39.1 million outstanding at 30 September 2020. This facility has a fixed schedule of repayments through to 30 June 2022, and contains a number financial covenants that are assessed and reported to the Financiers on a quarterly basis. While Dacian expects to fund repayments of the Mt Morgans Facility through operational cash flows generated by Mt Morgans, it does expose Shareholders to a company with increased credit risk, given that NTM currently has no debt. Notwithstanding, we note the Proposed Merged Entity will have a positive net cash position following the

implementation of the Scheme (based on the cash positions of NTM and Dacian in Section 11.1.2 and 12.1.5 respectively and Dacian's debt balance at 30 September 2020).

14.3 Alternative Proposal

We are unaware of any alternative proposal that might offer the Shareholders of NTM a premium over the value resulting from the Scheme.

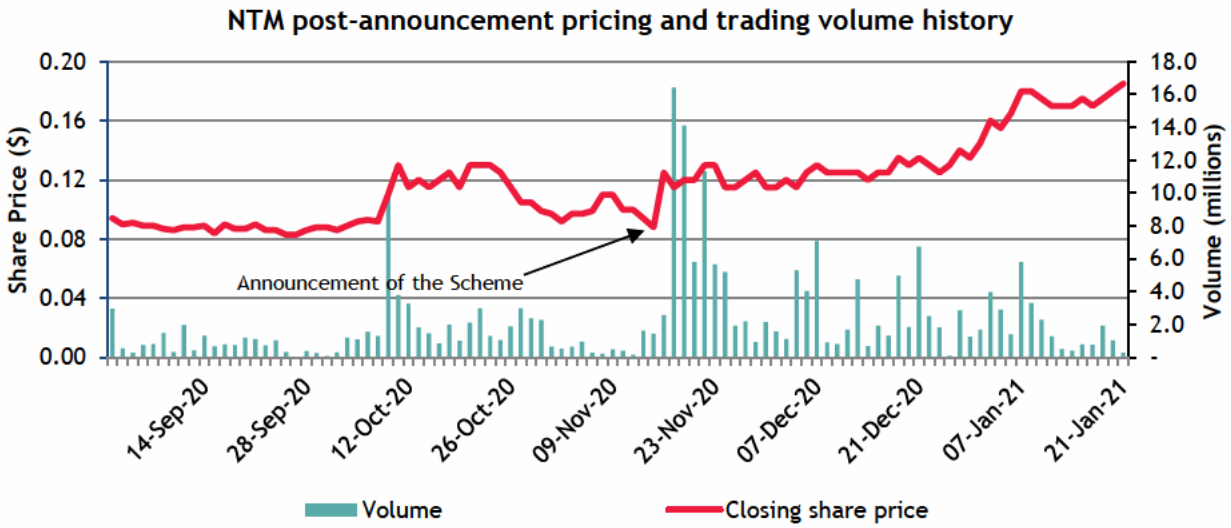
14.4 Tax implications

Shareholders are directed to Section 11 of the Scheme Booklet for a more detailed explanation of the tax implications of the Scheme for Shareholders. We emphasise that the tax circumstances of each shareholder can differ significantly and individual shareholders are advised to obtain their own specific advice.

14.5 Consequences of not Approving the Scheme

Potential decline in share price

We have analysed movements in NTM's share price since the Scheme was announced. A graph of NTM's share price and trading volume leading up to, and following the announcement of the Scheme is set out below. For a longer historical period, refer to Section 11.2 of our Report.



Source: Bloomberg

The closing price of a NTM share from 1 September 2020 to 21 January 2021 ranged from a low of $0.083 on 24 September 2020 and 25 September 2020 to a high of $0.185 on 21 January 2021.

The Scheme was announced on 16 November 2020. On the date that the Scheme was announced, the share price closed at $0.125, up from a closing price of $0.088 on the previous trading day. On that day, 2.58 million shares were traded, representing approximately 0.38% of NTM's current issued capital. We note that on the same date that the Scheme was announced, an ASX trading outage occurred, resulting in the market closing early. Following the announcement of the Scheme, the daily share price of NTM has

fluctuated from a low of $0.115 on a number of days (17 November, 24 November, 25 November, 30 November, 1 December and 3 December), to a high of $0.185 on 21 January 2021.

Given the above analysis, it is possible that if the Scheme is not approved, then NTM's share price may decline back to pre-announcement levels.

Alternatives for Redcliffe should the Scheme not be approved

If the Scheme is not approved, NTM will consider alternatives for Redcliffe, some of which are summarised below. We note that discussions around alternative processing options or owner operator models are not sufficiently advanced for us to provide definitive alternatives to the Scheme not being approved.

The Company may elect to use a third party to process the ore from Redcliffe. Depending on the structure of the toll treatment agreement, this may involve NTM incurring haulage costs to transport the ore from Redcliffe to the third party processing facility as well as incurring a toll treatment charge. This option may significantly reduce the need for large upfront and sustaining capital expenditure but at the expense of higher operating costs.

NTM may elect to build its own low throughput processing plant once scoping, then feasibility studies have been completed to validate the approach. This may take a number of years and may require identification of additional resources. This option will also require significant upfront capital expenditure. In order to fund the construction of a mine and plant, NTM will require funding either through debt financing or an equity raise, or a combination of both.

The benefits of the own operate approach would be that the Company would remove the haulage costs required from processing at a third party processing plant as well as the toll treatment charges from using a third party processing plant. However, the Company would have to incur its own treatment and general site costs. Further, with the initial and sustaining capital expenditure (fixed costs) required to establish its plant, and given the low throughput, it is likely that the economic viability of the operation would be very sensitive to changes to gold prices and exchange rates. Whilst the gold price environment is currently encouraging for gold producers, this may not hold for the longer term and therefore the approach could expose Shareholders to risk, particularly if the financing package has a large component of debt.

As stated above, if the Scheme is not approved, it is likely that the share price will decline to pre-announcement levels, therefore an equity raise will likely be at a price lower than the current market price. Further, if an equity raising is conducted, it would likely be at a discount to the market price at the time and therefore would be dilutive to existing Shareholders, assuming they do not participate in the raising on a pro rata basis.

Transaction costs will be incurred by NTM

If the Scheme is not implemented, NTM's transaction costs of approximately $640,000 will be borne by NTM in addition to a potential break fee of $500,000. The conditions around the payment of the break fee are detailed in section 13.5 of the Scheme Booklet.

15. Conclusion

We have considered the terms of the Scheme as outlined in the body of this report and have concluded that, in the absence of a superior proposal, the Scheme is fair and reasonable to Shareholders.

Therefore, in the absence of a superior proposal, we conclude that the Scheme is in the best interests of Shareholders.

16. Sources of information

Our Report has been based on the following information:

- Draft Scheme Booklet on or about the date of this report;
- Scheme Implementation Deed;
- Audited financial statements of NTM for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- Audited financial statements of Dacian for the years ended 30 June 2018, 30 June 2019 and 30 June 2020;
- Unaudited management accounts of NTM for September 2020 and October 2020;
- Unaudited management accounts of Dacian for September 2020;
- Dacian Balance sheet reconciliations for September 2020;
- Dacian consolidation workbook for June 2020;
- Dacian's Mt Morgans Financial Model;
- Independent Technical Assessment and Valuation Report prepared by SRK;
- Share registry information of Dacian;
- Share registry information of NTM;
- Bloomberg;
- Announcements made by NTM and Dacian available through the Australian Securities Exchange;
- RBA Monetary Policy Decisions dated 19 March 2020, 7 April 2020, 5 May 2020, 2 June 2020, 7 July 2020, 1 September 2020, 5 November 2020 and 1 December 2020;
- Australian Bureau of Statistics – Consumer Price Index September 2020;
- Australian Federal Government – 2020-21 Budget Overview;
- United States Geological Survey 2020;
- IBISWorld Industry Report – Gold Ore Mining in Australia;
- Energy and Metals Consensus Forecasts November 2020 and December 2020; and
- Discussions with Directors and Management of NTM and Dacian.

17. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of $102,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance (WA) Pty Ltd has been indemnified by NTM in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the NTM, including the non-provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance (WA) Pty Ltd has considered its independence with respect to NTM and Dacian and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance (WA) Pty Ltd's opinion it is independent of NTM and Dacian and their respective associates.

The provision of our services is not considered a threat to our independence as auditors under Professional Statement APES 110 – Professional Independence. The services provided have no material impact on the financial report of NTM or Dacian.

A draft of this report was provided to NTM and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

BDO is the brand name for the BDO International network and for each of the BDO Member firms.

BDO (Australia) Ltd, an Australian company limited by guarantee, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent Member Firms. BDO in Australia, is a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International).

18. Qualifications

BDO Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes, Adam Myers and Ashton Lombardo of BDO Corporate Finance (WA) Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 30 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 400 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These experts' reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Corporate Finance Practice Group Leader of BDO in Western Australia, the Global Head of Natural Resources for BDO and a former Chairman of BDO in Western Australia.

Adam Myers is a member of the Australian Institute of Chartered Accountants. Adam's career spans over 20 years in the Audit and Assurance and Corporate Finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

Ashton Lombardo is a member of the Australian Institute of Chartered Accountants. Ashton has over nine years of experience in Corporate Finance and has facilitated the preparation of numerous independent expert's reports and valuations. Ashton has a Bachelor of Economics and a Bachelor of Commerce from the University of Western Australia and has completed a Graduate Diploma of Applied Corporate Governance with the Governance Institute of Australia.

19. Disclaimers and consents

This report has been prepared at the request of NTM for inclusion in the Scheme Booklet which will be sent to all NTM Shareholders. NTM engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider the proposed acquisition of all the issued shares of NTM by Dacian.

BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Scheme Booklet. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Corporate Finance (WA) Pty Ltd.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Scheme Booklet other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance (WA) Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to Dacian. BDO Corporate Finance (WA) Pty Ltd provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of BDO Corporate Finance (WA) Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

The forecasts provided to BDO Corporate Finance (WA) Pty Ltd by Dacian and its advisers are based upon assumptions about events and circumstances that have not yet occurred. Accordingly, BDO Corporate Finance (WA) Pty Ltd cannot provide any assurance that the forecasts will be representative of results that will actually be achieved. We note that the forecasts provided do not include estimates as to the effect of any future emissions trading scheme should it be introduced as it is unable to estimate the effects of such a scheme at this time.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Scheme tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of NTM, or any other party.

BDO Corporate Finance (WA) Pty Ltd has also considered and relied upon independent valuations for the mineral assets held by NTM and Dacian. The valuer engaged for the mineral asset valuation, SRK, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuation is appropriate for this report. We have

received consent from the valuer for the use of their valuation report in the preparation of this report and to append a copy of their report to this report.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance (WA) Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and prior to the date of the Scheme meeting.

Yours faithfully

BDO CORPORATE FINANCE (WA) PTY LTD

Sherif Andrawes	Adam Myers
Director	Director

Appendix 1 – Glossary of Terms

Reference	Definition
The Act	The Corporations Act 2001 Cth
ADIs	Authorised Deposit-Taking Institutions
Adjusted Model	The BDO adjusted Mt Morgans model
AFCA	Australian Financial Complaints Authority
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Au	Gold
BDO	BDO Corporate Finance (WA) Pty Ltd
CAPM	Capital Asset Pricing Model
CIL	Carbon-In-Leach
The Company	NTM Gold Limited
Corporations Act	The Corporations Act 2001 Cth
CPI	Consumer Price Index
CY	Calendar Year
Dacian	Dacian Gold Limited
Dacian Exploration Projects	Exploration tenements situated within Mt Morgans, including the Mt Marven, Phoenix Ridge, McKenzie Well, Mt McKenzie, Cameron Well, Trasvaal and Craic projects
DCF	Discounted Future Cash Flows
DGO	DGO Gold Limited
E&E	Exploration and evaluation

Reference	Definition
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
Empire	Empire Resources Limited
Existing Options	The outstanding options in NTM
Existing Rights	The NTM performance rights currently on issue
The Financiers	The financiers of the Mt Morgans Facility, being Westpac Banking Corporation, Australia and New Zealand Banking Group Limited and BNP Paribas
FME	Future Maintainable Earnings
FOS	Financial Ombudsman Service
FSG	Financial Services Guide
FY	Financial Year
GDP	Gross Domestic Product
IS 214	Information Sheet 214: Mining and Resources: Forward-looking Statements
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition)
Jupiter	Jupiter open pit gold mine, at Mt Morgans
Kingwest	Kingwest Resources Limited
km	Kilometre
km^2	Square kilometre
koz	Thousand Ounces
kt	Kilotonne
The Model	Detailed cash flow model for Mt Morgans prepared by the management of Dacian
MRE	Mineral Resource Estimate
MSZ	Mertondale Shear Zone

Reference	Definition
Mt Morgans	Dacian's 100% owned Mt Morgans Gold Operation
Mt Morgans Facility	A facility with Westpac Banking Corporation, Australia and New Zealand Banking Group Limited and BNP Paribas, taken out to fund the development of Mt Morgans
Mt Morgans Plant	Mt Morgans' 2.5 million metric tonnes per annum carbon-in-leach treatment plant
Mtpa	Million metric tonnes per annum
NAV	Net Asset Value
NTM	NTM Gold Limited
OP Mining Costs	Open pit mining costs
Option Cancellation Deed	NTM, Dacian and DGO Gold Limited, will together enter into an option cancellation deed for the NTM options, under which it is expected that the 60 million options in NTM that are exercisable at $0.10 on or before 31 March 2022, will be cancelled and replaced with 22.2 million options in the Proposed Merged Entity, exercisable at $0.27, expiring on 31 March 2022
The Project	NTM's 100% owned Redcliffe Gold Project
The Proposed Merged Entity	The combined entity following the Scheme, with NTM becoming a wholly owned subsidiary of Dacian
QMP	Quoted Market Price
QNP	Quarterly Net Profit
RBA	Reserve Bank of Australia
Recapitalisation	The recapitalisation of Dacian, which comprised an equity offer to institutional and sophisticated investors and a retail entitlement offer.
RC	Reverse Circulation
Regulations	Corporations Act Regulations 2001 (Cth)
Our Report	This Independent Expert's Report prepared by BDO
Redcliffe	NTM's 100% owned Redcliffe Gold Project
RG 60	Schemes of arrangement (September 2011)
RG 111	Content of expert reports (March 2011)
RG 112	Independence of experts (March 2011)

Reference	Definition
RG 170	Regulatory Guide 170 'Prospective Financial Information'
the Scheme	The scheme of arrangement under which Dacian will acquire the entire issued capital of NTM
Scheme Booklet	The scheme booklet prepared to assist Shareholders in their decision whether to approve the Scheme
Scheme Consideration	NTM shareholder will receive one Dacian share for every 2.7 NTM shares that are held
Section 411	Section 411 of the Corporations Act
Shareholders	Shareholders of NTM
SID	Scheme Implementation Deed
SRK	SRK Consulting (Australasia) Pty Ltd
Sum-of-Parts	A combination of different methodologies used together to determine an overall value where separate assets and liabilities are valued using different methodologies
t	tonnes
Technical Specialist Report	SRK's independent technical assessment and valuation report
TFF	A three-year Term Funding Facility, introduced by the RBA
UG Mining Costs	Underground Mining Costs
USGS	United States Geological Survey
Valmin Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition)
Valuation Engagement	An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.
WA	Western Australia
WACC	Weighted Average Cost of Capital
Wells Group	Tenements E37/1252, E37/1284, E37/1285 and E37/1314, acquired by NTM from Kingwest
Westralia	Westralia underground mine at Mt Morgans

Copyright © 2021 BDO Corporate Finance (WA) Pty Ltd

All rights reserved. No part of this publication may be reproduced, published, distributed, displayed, copied or stored for public or private use in any information retrieval system, or transmitted in any form by any mechanical, photographic or electronic process, including electronically or digitally on the Internet or World Wide Web, or over any network, or local area network, without written permission of the author. No part of this publication may be modified, changed or exploited in any way used for derivative work or offered for sale without the express written permission of the author.

For permission requests, write to BDO Corporate Finance (WA) Pty Ltd, at the address below:

The Directors

BDO Corporate Finance (WA) Pty Ltd

38 Station Street

SUBIACO, WA 6008

Australia

Appendix 2 – Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net asset value ('NAV')*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted Market Price Basis ('QMP')*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

3 *Capitalisation of future maintainable earnings ('FME')*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax ('EBIT') or earnings before interest, tax, depreciation and amortisation ('EBITDA'). The capitalisation rate or 'earnings multiple' is adjusted to reflect which base is being used for FME.

4 *Discounted future cash flows ('DCF')*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

5 *Market Based Assessment*

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

Appendix 3 – Technical Specialist Report

Appendix 4 – Discount Rate

Determining the correct discount rate, or cost of capital, for a business requires the identification and consideration of a number of factors that affect the returns and risks of a business, as well as the application of widely accepted methodologies for determining the returns of a business.

The discount rate applied to the forecast cash flows from a business represents the financial return that will be required before an investor would be prepared to acquire (or invest in) the business.

The capital asset pricing model ('**CAPM**') is commonly used in determining the market rates of return for equity type investments and project evaluations. In determining a business' WACC, the CAPM results are combined with the cost of debt funding. WACC represents the return required on the business, whilst CAPM provides the required return on an equity investment.

In our assessment of the appropriate discount rate for the Proposed Merged Entity, we consider the most appropriate discount rate to be the cost of equity. This is because the Adjusted Model considers cash flows to equity holders.

Cost of Equity and Capital Asset Pricing Model

CAPM is based on the theory that a rational investor would price an investment so that the expected return is equal to the risk free rate of return plus an appropriate premium for risk. CAPM assumes that there is a positive relationship between risk and return, that is, investors are risk averse and demand a higher return for accepting a higher level of risk.

CAPM calculates the cost of equity and is calculated as follows:

CAPM	
K_e	$= R_f + \beta \times (R_m - R_f)$
Where:	
K_e	= expected equity investment return or cost of equity in nominal terms
R_f	= risk free rate of return
R_m	= expected market return
$R_m - R_f$	= market risk premium
β	= equity beta

The individual components of CAPM are discussed below.

Risk Free Rate (R_f)

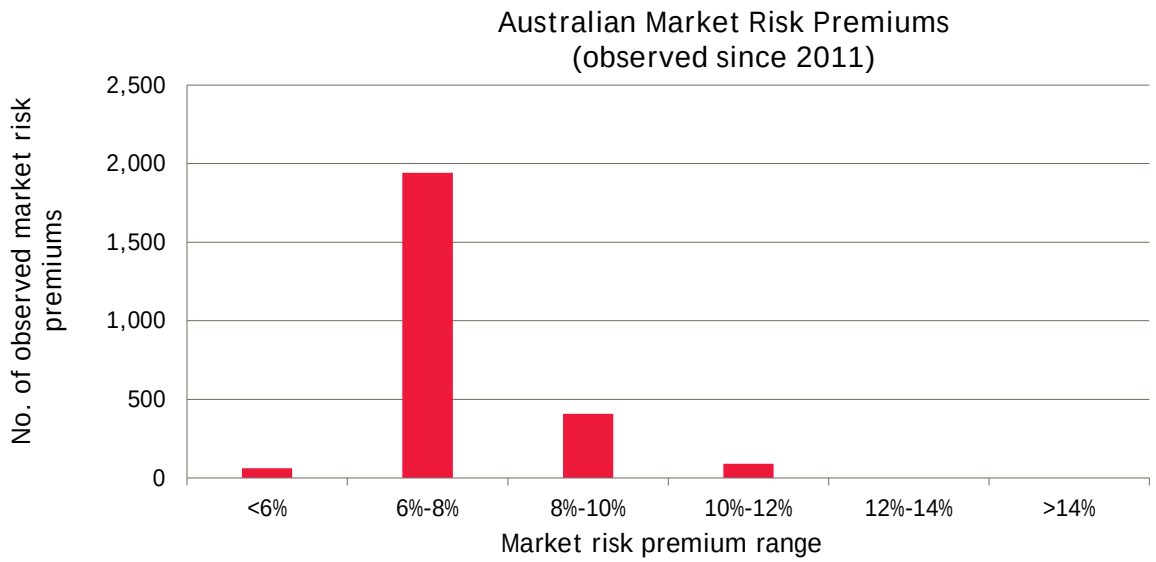
The risk free rate is typically approximated by reference to a forecast long term government bond rate with a maturity approximately equivalent to the timeframe over which the returns from the assets are expected to be received.

In determining an appropriate ten-year bond rate to use as a proxy for the risk free rate we have given consideration to the ten-year Australian Government Bond rate and projections of the ten-year Australian Government Bond rate based on forecasts. Based on this analysis, we have used a risk free rate in the range of 0.9% and 1.2% in our discount rate assessment.

Market Risk Premium (R_m - R_f)

The market risk premium represents the additional return that investors expect from an investment in a well-diversified portfolio of assets. It is common to use a historical risk premium, as expectations are not observable in practice. In order to determine an appropriate market risk premium in Australia, we have analysed historical data. Our sample of data included the daily historical market risk premiums in Australia over the last ten years.

The market risk premium is derived on the basis of capital weighted average return of all members of the S&P 200 Index minus the risk free rate, which is dependent on the 10-year Australian Government Bond rate.



Source: Bloomberg and BDO analysis

The graph above illustrates the frequency of observations of the Australian market risk premium over the past ten years. The graph indicates that a high proportion of the sample data for Australian market risk premiums lie in the range of 6% to 8%. This is supported by the long term historical average market risk premium of between 6% and 8%, which is commonly used in practice. For the purpose of our Report we have adopted a market risk premium of between 6% and 8%.

Equity Beta

Beta is a measure of the expected correlation of an investment's return over and above the risk free rate, relative to the return over and above the risk free rate of the market; a beta greater than one implies that an investment's return will outperform the market's average return in a bullish market and underperform the market's average return in a bearish market. On the other hand, a beta less than one implies that the business will underperform the market's average return in a bullish market and outperform the market's average return in a bearish market.

Equity betas are normally estimated using either an historical beta or an adjusted beta. The historical beta is obtained from the linear regression of a stock's historical data and is based on the observed relationship between the security's return and the returns on an index. An adjusted beta is calculated based on the assumption that the relative risk of the past will continue into the future, and is hence derived from historical data. It is then modified by the assumption that a stock will move towards the

market over time, taking into consideration the industry risk factors, which make the operating risk of the company greater or less risky than comparable listed companies.

It is important to note that it is not possible to compare the equity betas of different companies without having regard to their gearing levels. It is generally accepted that a more valid analysis of betas can be achieved by 'ungearing' the equity beta to derive an asset beta (β_a) by applying the following formula:

Asset beta (β_a)	
β_a	= β / (1+(D/E x (1-t))
Where:	
β_a	= ungeared or asset beta
β	= equity beta
D	= value of debt
E	= value of equity
t	= corporate tax rate

Selected Beta (β)

In order to assess the appropriate equity beta for the Proposed Merged Entity, we have had regard to the equity beta of Dacian and other ASX-listed companies. The ASX listed companies identified have similar projects to the Proposed Merged Entity, in respect of commodity type and location.

The betas below have been assessed over a two-year period using weekly returns, against the S&P/ASX All Ordinaries Gold Index. We have assessed returns against this index as we deem the S&P/ASX All Ordinaries Gold Index to better capture the systematic risks associated with investing in ASX-listed gold miners compared to a broader market index. We also note that the correlations observed when assessing beta relative to a broader market index were weak, which rendered the betas less meaningful.

The list of comparable companies we selected are set out below:

Company	Market Capitalisation 19-Nov-20 (A$m)	Geared Beta (β)	Gross Debt/Equity (%)	Ungeared Beta (βa)	R^2
Dacian Gold Limited (ASX:DCN)	*200*	*0.89*	*48%*	*0.66*	*0.09*
Saracen Mineral Holdings Limited (ASX:SAR)	5,804	1.15	28%	0.96	0.73
Regis Resources Limited (ASX:RRL)	1,979	0.94	5%	0.92	0.67
Silver Lake Resources Limited (ASX:SLR)	1,652	1.01	7%	0.96	0.42
Westgold Resources Limited (ASX:WGX)	1,005	1.04	7%	0.99	0.46
Ramelius Resources Limited (ASX:RMS)	1,481	1.17	10%	1.09	0.46
Gold Road Resources Limited (ASX:GOR)	1,118	1.10	38%	0.87	0.46
Red 5 Limited (ASX:RED)	522	1.07	6%	1.03	0.26
Wiluna Mining Corporation Limited (ASX:WMX)	175	0.97	8%	0.92	0.15
Pantoro Limited (ASX:PNR)	275	0.89	16%	0.80	0.17
Alkane Resources Limited (ASX:ALK)	595	0.98	2%	0.97	0.17
Mean	**1,346**	**1.02**	**16%**	**0.92**	**0.37**
Median	**1,005**	**1.01**	**8%**	**0.96**	**0.42**

Source: Bloomberg and BDO analysis

Descriptions of the comparable companies are provided at the end of this appendix.

In selecting an appropriate beta for the Proposed Merged Entity, we have considered the similarities and differences between them and their set of comparable companies as set out above. The comparable similarities and differences noted are:

- The comparable companies all have gold operations;
- The comparable companies have variable risk profiles depending on the number of operating mines they hold, the assets maturity, stage of production and location;
- although not all companies in the list have similar metrics across each of the assessed factors, we still consider them to be comparable companies as they have sufficient similarities on an overall basis; and
- Alkane Resources Limited operates as a multi-commodity miner, however the majority of its earnings come from its gold operations, therefore it is exposed to similar risk factors as the Proposed Merged Entity, albeit on a more diversified basis.

In selecting an appropriate ungeared beta for the Proposed Merged Entity, we have considered the ungeared betas of the companies listed above along with the above factors. As set out in the tables above, the ungeared beta for the list of comparable companies, based on the 2-year period, ranges from 0.66 to 1.09 with a median of 0.96. This list includes Dacian, which has an ungeared beta of 0.66.

Based on our analysis, we consider an appropriate ungeared beta to be in the range of 0.95 to 1.05 for the Proposed Merged Entity. We have then regeared the ungeared betas based on the implied debt to equity ratio of the Proposed Merged Entity, calculated as 15%. Consequently, we consider an appropriate regeared beta to be between 1.05 and 1.16

Cost of Equity

We have assessed the cost of equity of the Proposed Merged Entity to be in the range of 7.2% to 10.5% with our preferred value being a rounded midpoint of 9%.

Input	Value adopted	
	Low	High
Risk free rate of return	0.9%	1.2%
Equity market risk premium	6.0%	8.0%
Beta (regeared)	1.05	1.16
Cost of Equity	**7.2%**	**10.5%**

Source: Bloomberg and BDO analysis

Set out below are the company descriptions of the companies we considered in our comparable company analysis.

Company Name	Business Description
Saracen Mineral Holdings Limited (ASX:SAR)	Saracen Mineral Holdings Limited, a gold mining company, owns a 100% interest in the Carosue Dam operations located in Kalgoorlie, Western Australia; and the Thunderbox operations located in the Yandal and the Agnew-Wiluna belts in the North Eastern Goldfields of Western Australia. Saracen Mineral Holdings Limited was incorporated in 1987 and is headquartered in Perth, Australia.
Regis Resources Limited (ASX:RRL)	Regis Resources Limited engages in the exploration, evaluation, and development of gold projects in Australia. The company owns the Duketon project located in the North Eastern Goldfields of Western Australia; and the McPhillamys project situated in the Central Western region of New South Wales. Regis Resources Limited was incorporated in 1986 and is headquartered in Perth, Australia.

Company Name	Business Description
Silver Lake Resources Limited (ASX:SLR)	Silver Lake Resources Limited engages in the exploration and production of gold and copper deposits in Australia. The company holds interests in six mines and two processing facilities across its Deflector operations located in the Southern Murchison region of Western Australia; and Mount Monger operations situated within the Kalgoorlie terrane subdivision of the Eastern Goldfields province. Silver Lake Resources Limited is headquartered in Perth, Australia.
Westgold Resources Limited (ASX:WGX)	Westgold Resources Limited engages in the exploration, development, mining, and treatment of gold assets primarily in Western Australia. The company's assets include the Meekatharra Gold Operations, Fortnum Gold Operations, and Cue Gold Operations that comprise approximately 350 mining titles covering an area of 124,000 hectares in the Central Murchison region. It also provides contract mining services. Westgold Resources Limited is headquartered in Perth, Australia.
Ramelius Resources Limited (ASX:RMS)	Ramelius Resources Limited engages in the exploration, mine development and operation, and production and sale of gold in Australia. The company holds interests in the Edna May gold deposit located within the Westonia Greenstone Belt, Western Australia; the Mt Magnet gold project located within the north-south striking Meekatharra-Mt Magnet greenstone belt of the Western Australian Murchison province; and the Vivien gold deposit located to the west of the town of Leinster in Western Australia. It also holds interests in the Marda Gold Project located in north-east of Perth. The company is based in East Perth, Australia.
Gold Road Resources Limited (ASX:GOR)	Gold Road Resources Limited engages in the exploration, development and production of gold in Western Australia. The company owns 50% of the Gruyere gold mine, which was developed in joint venture (JV) with Gold Fields Ltd. It also controls 100% of tenements covering 4,500 km^2 across Yamarna with a mineral resource of 0.3 million ounces. Gold Road Resources Limited was founded in 2004 and is based in West Perth, Australia.
Red 5 Limited (ASX:RED)	Red 5 Limited engages in the exploration, production, and mining of gold deposits and mineral properties in the Philippines and Australia. The company holds interests in the Siana Gold project located in the Island of Mindanao, the Philippines; King of the Hills Gold project located in the Eastern Goldfields of Western Australia; and Darlot Gold mine situated in the north-east of Perth in Western Australia. Red 5 Limited was incorporated in 1995 and is based in West Perth, Australia.
Wiluna Mining Corporation Limited (ASX:WMX)	Wiluna Mining Corporation Limited is a gold producer in Australia that also has exploration interests. It holds a 100% interest in the Matilda-Wiluna gold operation located in Western Australia. The company was incorporated in 2006 and is based in West Perth, Australia.
Pantoro Limited (ASX:PNR)	Pantoro Limited engages in the gold mining, processing, and exploration in Australia. The company also explores for gold and silver deposits. Its flagship property is the Nicolsons Project located in the Kimberley Region of Western Australia. Pantoro Limited was incorporated in 1986 and is based in West Perth, Australia.
Alkane Resources Limited (ASX:ALK)	Alkane Resources Limited operates as a multi-commodity exploration and development and producing company in Australia. It explores for gold, copper, zinc, titanium, nickel, cobalt, and rare earth elements. The company owns an interest in the Tomingley Gold project that consists of four deposits located in the Central West of New South Wales. Its exploration projects comprise the Northern Molong Porphyry Project, Cudal, Peak Hill, Wellington, Elsienora, Rockley, and other projects. The company is headquartered in Burswood, Australia.

Source: S&P Capital IQ and BDO analysis

Appendix 5 – Comparable Company Descriptions

Company Name	Company Description
Sandfire Resources Limited	Sandfire Resources Limited explores for, evaluates, and develops mineral tenements and projects in Australia and internationally. It primarily explores for copper, gold, and silver. The company owns 100% interest in the DeGrussa copper-gold mine located in the Bryah Basin mineral province of Western Australia; and 85% interest in the Black Butte copper project located in central Montana, the United States. It also holds interest in the Tshukudu Project located in Botswana and Namibia within the Kalahari Copper Belt. Sandfire Resources Limited was incorporated in 2003 and is based in West Perth, Australia.
Red 5 Limited	Red 5 Limited, together with its subsidiaries, engages in the exploration, production, and mining of gold deposits and mineral properties. The company holds interests in the Siana Gold project located in the Island of Mindanao, the Philippines; King of the Hills Gold project located in the Eastern Goldfields of Western Australia; and Darlot Gold mine situated in the north-east of Perth in Western Australia. Red 5 Limited was incorporated in 1995 and is based in West Perth, Australia.
Gold Road Resources Limited	Gold Road Resources Limited engages in the exploration, development and production of gold in Western Australia. The company owns 50% of the Gruyere gold mine, which was developed in joint venture (JV) with Gold Fields Ltd. It also controls 100% of tenements covering 4,500 km^2 across Yamarna with a mineral resource of 0.3 million ounces. Gold Road Resources Limited was founded in 2004 and is based in West Perth, Australia.
Aurelia Metals Limited	Aurelia Metals Limited explores for, develops and produces gold in Australia. It primarily explores for gold, silver, lead, zinc, and copper deposits. The company owns 100% interests in the Hera project located to the south-east of Cobar, New South Wales; and the Peak mine located in the northern part of the Cobar Basin, New South Wales. Aurelia Metals Limited was incorporated in 2004 and is headquartered in Brisbane, Australia.
Alkane Resources Limited	Alkane Resources Limited operates as a multi-commodity exploration, development and producing company in Australia. It explores for gold, copper, zinc, titanium, nickel, cobalt, and rare earth elements. The company owns an interest in the Tomingley Gold project that consists of four deposits located in the Central West of New South Wales. Its exploration projects comprise the Northern Molong Porphyry Project, Cudal, Peak Hill, Wellington, Elsienora, Rockley, and other projects. The company is headquartered in Burswood, Australia.
Aeris Resources Limited	Aeris Resources Limited produces and sells copper, gold, and silver products. The company also explores for copper ores. Its flagship asset is the Tritton Copper Operations located near the town of Nyngan in central New South Wales. Aeris Resources Limited was incorporated in 2010 and is based in Brisbane, Australia.
Westgold Resources Limited	Westgold Resources Limited engages in the exploration, development, mining, and treatment of gold assets primarily in Western Australia. The company's assets include the Meekatharra Gold Operations, Fortnum Gold Operations, and Cue Gold Operations that comprise approximately 350 mining titles covering an area of 124,000 hectares in the Central Murchison region. It also provides contract mining services. Westgold Resources Limited is headquartered in Perth, Australia.

Company Name	Company Description
Grange Resources Limited	Grange Resources Limited engages in the integrated iron ore mining and pellet production business in the northwest region of Tasmania. The company is involved in the mining, processing, and sale of iron ore; and exploration, evaluation, and development of mineral resources at the Southdown Magnetite and related Pellet plant projects. It owns interests in the Savage River magnetite iron ore mine located to the southwest of the city of Burnie. Grange Resources Limited is based in Burnie, Australia.

Independent Specialist Report on the Mineral Assets of NTM Gold Limited and Dacian Gold Limited

Report prepared for

BDO Corporate Finance (WA) Pty Ltd

Report prepared by

SRK Consulting (Australasia) Pty Ltd

BDO013

January 2021

Independent Specialist Report on the Mineral Assets of NTM Gold Limited and Dacian Gold Limited

BDO Corporate Finance (WA) Pty Ltd

38 Station Street, Subiaco WA 6008

SRK Consulting (Australasia) Pty Ltd

Level 3, 18-32 Parliament Place, West Perth WA 6005

e-mail: info@srk.com.au
website: www.srk.com

Tel: +61 8 9288 2000

SRK Project Number: BDO013

January 2021

Compiled by

Shaun Barry
Principal Consultant

Peer Reviewed by

Jeames McKibben
Principal Consultant

Email: sbarry@srk.com.au

Authors:

Karen Lloyd, Mat Davies, Mark Noppé, Simon Walsh, Lisa Chandler

Executive Summary

BDO Corporate Finance (WA) Pty Ltd (BDO) has been engaged by NTM Gold Limited (NTM) to prepare an Independent Expert Report (IER) in relation to the proposed transaction between Dacian Gold Limited (Dacian) and NTM whereby the two companies will merge by way of a Scheme of Arrangement (Proposed Scheme).

BDO has subsequently engaged SRK Consulting (Australasia) Pty Ltd (SRK) to prepare an Independent Specialist Report (ISR or Report) in relation to matters on which BDO is not an expert. The scope of the work to be completed by SRK was set by BDO. SRK's ISR will form part of the BDO Report and will be provided to NTM shareholders. The Report does not comment on the 'fairness and reasonableness' of any transaction between NTM and Dacian or NTM and any other parties.

SRK's ISR has been prepared in accordance with the guidelines outlined in the Australasian Code for the Public Reporting of Technical Assessment and Valuation of Mineral Assets (VALMIN Code, 2015), which incorporates the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012). As defined in the VALMIN Code (2015), mineral assets comprise all property including (but not limited to) tangible property, intellectual property, mining and exploration tenure and other rights held or acquired in relation to the exploration, development of, and production from, those tenures. This may include plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals relating to that tenure.

SRK's ISR considers NTM's Redcliffe Project, as well as Dacian's portfolio of Mineral Assets which are both located in the Leonora - Laverton district of the Eastern Goldfields region of Western Australia. The asset portfolio considered in this report includes a large exploration portfolio in addition to the Mt Morgans gold mining centre:

Dacian's Mt Morgans Gold Operations (100.0% ownership) are centred on the Jupiter open pit, along with the Westralia mining centre (currently in study phase), the Mt Marven and Cameron Well gold deposits, and the Mt Morgans processing plant (and associated infrastructure). The Mt Morgans Gold Operations (MMGO) are located approximately 250 km directly northeast of the City of Kalgoorlie Boulder.

NTM's Redcliffe Project (100.0% ownership by NTM Gold Ltd), which includes the Redcliffe, Hub, GTS, Kelly, Nambi, Bindy and Mesa Westlode deposits. The Redcliffe tenements are located approximately 45 km to 60 km northeast of Leonora and 50 km northwest of Dacian's MMGO.

As agreed with BDO, SRK has reviewed the technical project assumptions and provided BDO with an assessment on the reasonableness of the techno-economic assumptions used in Dacian's cashflow model (the Model) which considers the life-of-mine (LOM) plans relating to the MMGO, including the Mineral Resource and Ore Reserve estimates, the mining physicals, the processing assumptions, the operating costs, the capital expenditure and the environmental and permitting provisions. Where SRK considered any assumptions in the Model to be unreasonable, it advised BDO and assisted BDO with making the appropriate changes to the Model to reflect SRK's opinion. SRK's scope specifically excluded any work related to the marketing, commodity price and exchange rate assumptions, inflation rates and financial analysis adopted in the Model.

Additionally, SRK has provided an independent opinion on the market value of Dacian's stated Mineral Resources not included in the Model (residual resources), and its exploration portfolio not associated with the operating mineral assets.

Furthermore, SRK has provided an independent opinion on the market value of NTM's stated Mineral Resources and its exploration portfolio.

SRK's work program commenced on 10 November 2020, with a review of publicly available data and other information sourced by SRK from literature, as well as subscription databases such as S&P Global Market Intelligence database services. NTM also provided SRK with access to a virtual data room and NTM's technical personnel. In accordance with Section 11.1 of the VALMIN Code (2015), a site inspection was made to the MMGO by Mr Simon Walsh of SRK's Perth office on the 27 November 2020 and Ms Karen Lloyd attended the site inspection by video-link.

Table ES-1 summarises SRK's assessment of the market value of Dacian and NTM's Mineral Assets. Overall, SRK has a preference for the values implied through comparable transaction analysis given the recent gold price performance and resultant strong market for Western Australian gold projects, in addition to NTM's portfolio comprising a world-class gold asset base. In the exploration potential case, SRK's adopted Preferred Value represents the mid-point of the valuation range while for the Mineral Resources, SRK has adopted comparable market transactions and used yardstick multiples as a guide.

Table ES-1 Valuation summary

Description	Low (A$M)	High (A$M)	Preferred (A$M)
DACIAN			
Residual Resources (Not considered in the Model)	47.8	83.0	65.4
Dacian Exploration portfolio	30.5	62.5	46.5
TOTAL	78.3	145.5	111.9
NTM – Pre-Merger standalone			
Gold Resources	20.8	41.8	31.3
NTM Exploration Portfolio	8.4	17.5	12.9
TOTAL	**29.3**	**59.3**	**44.3**
NTM – Proposed Merged Entity			
Gold Resources	25.9	51.9	39.0
NTM Exploration Portfolio	8.4	17.5	12.9
TOTAL	**34.4**	**69.4**	**51.9**

Source: SRK Analysis

Note: Any discrepancies between values in the table are due to rounding.

Table of Contents

Executive Summary ii
List of Abbreviations xi
1 Introduction and Scope of Report 1
1.1 Reporting standard 3
1.2 Work program 4
1.3 Legal matters 4
1.4 Valuation Date and Effective Date 4
1.5 Project team 4
1.6 Limitations, Independence and Indemnities and Fees 8
1.6.1 Limitations 8
1.6.2 Statement of SRK independence 8
1.6.3 Indemnities 8
1.6.4 Consulting fees 8
1.7 Consents 9
1.7.1 SRK Consent 9
1.7.2 Practitioner Consent 9
2 Location, Access and Climate 10
3 Regional Setting and Gold Mineralisation 13
4 Dacian's Mt Morgans Gold Operations 15
4.1 Overview 15
4.2 Infrastructure 16
4.3 History 17
4.4 Permitting and Compliance 18
4.5 Native Title 20
4.6 Pastoral Tenure 21
4.7 Royalties 21
4.8 Site inspection 22
4.9 Geology, Mineral Resource Estimates and Prospectivity 22
4.9.1 Regional Geology 22
4.9.2 Local Geology and Mineralisation 24
4.9.3 Main deposits 26
4.9.4 Mineral Resource Estimates 27
4.9.5 Prospectivity 35
4.10 Metallurgical test work and Processing 37
4.10.1 Introduction 37
4.10.2 Metallurgical Testwork – MMGO 37
4.10.3 Processing Flowsheet 38

4.10.4 Infrastructure 39
4.10.5 Throughput 40
4.10.6 Metallurgical Recovery 41
4.10.7 Processing Costs 43
4.10.8 General and Administrative Costs 44
4.10.9 Sustaining and Development Capital Costs 44
4.10.10 Processing Opportunities 45
4.10.11 Processing Risks 45
4.11 Ore Reserves and Mine Planning 46
4.11.1 Ore Reserve Estimates 46
4.12 Jupiter Ore Reserves 47
4.12.1 Equipment and Productivity Assumptions 47
4.12.2 Mining Loss and Dilution 48
4.12.3 Optimisation 49
4.13 Mt Marven Ore Reserves 50
4.13.1 Equipment and Productivity Assumptions 50
4.13.2 Mining Loss and Dilution 51
4.13.3 Optimisation 51
4.14 Open Pit Mining Schedule and Cost Estimates 52
4.14.1 Operating Practices and Reconciliation 53
4.14.2 Opportunities and Risks 53
4.15 Underground Ore Reserve estimates 53
4.16 Environment and Mine Closure 54
4.16.1 Environmental considerations 54
4.16.2 Mine Closure Plan 57
5 NTM's Redcliffe Project 59
5.1 Overview 59
5.2 Infrastructure 60
5.3 History 61
5.4 Native Title 62
5.5 Pastoral Tenure 62
5.6 Royalties 62
5.7 Geology, Mineral Resource Estimates and Prospectivity 62
5.7.1 Regional Geology 62
5.7.2 Local Geology and Mineralisation 63
5.7.3 Mineral Resource Estimates 65
5.7.4 Prospectivity 73
5.7.5 Future exploration 74
5.8 Metallurgical test work and Processing 74
5.8.1 Metallurgical Testwork 74
5.8.2 Throughput 77

5.8.3 Metallurgical Recovery 78
5.8.4 Processing Costs 78
5.8.5 General and Administrative Costs 79
5.8.6 Processing Risks 79
6 Other Considerations 80
6.1 Commodity prices 80
6.1.1 Gold 80
6.2 Previous Valuations 80
6.3 Previous acquisitions 80
6.3.1 Range River Gold Limited 80
6.3.2 Dacian's acquisition of MMGO 2012 80
6.3.3 Jindalee Joint Venture 81
7 Valuation 82
7.1 Reasonableness of Technical Inputs to Dacian's Cashflow Model 84
7.1.1 SRK recommendations 84
7.2 Market Value of Mineral Resources 85
7.2.1 Comparable Market Transaction 85
7.2.2 Yardstick Cross-Check 93
7.2.3 Valuation Summary of Dacian and NTM's Resources 95
7.3 Exploration Potential 96
7.3.1 Comparable transactions - Area multiple analysis 96
7.3.2 Comparable transactions – Area multiple valuation 98
7.3.3 Geoscientific Rating method 100
7.3.4 Summary - Exploration Potential Valuation 104
7.4 Valuation Summary 104
7.4.1 Dacian 104
7.4.2 NTM 105
7.4.3 Commentary 105
8 References 107

List of Tables

Table 1-1: Details of the qualifications and experience of the consultants 7
Table 4-1: MMGO – summary tenement schedule* 15
Table 4-2: MMGO – approved mining proposals and mine closure plans 18
Table 4-3: MMGO – approved water licences 20
Table 4-4: MMGO third party royalties 21
Table 4-5: Summary of the main deposits at MMGO 26
Table 4-6: Total Mineral Resource estimate for MMGO as at 31 December 2019 28
Table 4-7: Forecast LOM Gold Recoveries 42

Table 4-8: Forecast LOM Processing and General and Administrative Costs 43
Table 4-9: MMGO Ore Reserve estimates – 1 January 2020....46
Table 4-10: Jupiter Ore Reserve estimates – 1 January 2020 47
Table 4-11: Jupiter Ore Reserve Mining Equipment and Scheduled Productivity Assumptions 47
Table 4-12: Summary of Modifying Factors: Jupiter Optimisation 49
Table 4-13: Break-even cut-off grade calculation 50
Table 4-14: Mt Marven Ore Reserve estimates – 1 January 2020 50
Table 4-15: Mt Marven - Ore Loss and Dilution modelling....51
Table 4-16: Summary of Modifying Factors: Mt Marven Optimisation 51
Table 4-17: Mt Marven - Break-even cut-off grade calculation 52
Table 4-18: Open Pit Mining Physicals by Calendar Year (from 1 October 2020)....52
Table 4-19: Underground Ore Reserve estimates – 1 January 2020 53
Table 5-1: NTM - Summary tenement schedule*....59
Table 5-2: Summary of Redcliffe deposits supporting the stated gold Mineral Resources 65
Table 5-3: Redcliffe Project – Mineral Resources as at 30 October 2020, cut-off 0.5 g/t....67
Table 5-4: GTS Deposit Testwork Gold Recoveries 75
Table 5-5: Hub Deposit Testwork Gold Recoveries 76
Table 7-1: Suggested valuation approaches according to development status 83
Table 7-2: SRK's Adopted Valuation basis 83
Table 7-3: SRK's MMGO model findings 84
Table 7-4: Resource based transaction multiple analysis....87
Table 7-5: Comparison of transaction values (advanced exploration stage only) by location Yilgarn vs Mid-West 89
Table 7-6: Resources and Residual Resources (those Mineral Resources not considered in the Model).90
Table 7-7: Residual Resources summary 90
Table 7-8: Transaction Multiple analysis of Advanced to Pre-development Projects 91
Table 7-9: Summary of SRK's valuation of Dacian's Mineral Resources and Residual Resources....92
Table 7-10: Summary of SRK's valuation of NTM's Mineral Resources....92
Table 7-11: Summary of SRK's valuation of NTM's Resources 93
Table 7-12: Yardstick factors value range....94
Table 7-13: Yardstick valuation of Dacian's Mineral Resources and Residual Resources 94
Table 7-14: Yardstick Cross check – NTM's Mineral Resources....95
Table 7-15: Summary of SRK's Valuation of Resources 95
Table 7-16: Area-based transaction multiple analysis 98
Table 7-17: Summary Exploration Valuation (Dacian) – comparable transaction method 99
Table 7-18: Summary Exploration Valuation (NTM) – comparable transaction method....99
Table 7-19: Base acquisition cost 100
Table 7-20: Modified property rating criteria 102
Table 7-21: Summary of Dacian's Exploration Potential Value using the Geoscientific (Kilburn) Method .103
Table 7-22: Summary of NTM's Exploration Potential Value using the Geoscientific (Kilburn) Method.....103
Table 7-23: SRK Valuation Summary – Dacian's Exploration Potential 104

Table 7-24: SRK Valuation Summary – NTM's Exploration Potential....104
Table 7-25: Valuation summary – Dacian's Mineral Assets....104
Table 7-26: Valuation summary – NTM's Mineral Assets....105
Table 7-27: General guide regarding confidence for target and Resource/Reserve estimates....105

List of Figures

Figure 1-1: Location overview....1
Figure 2-1: Location overview....10
Figure 2-2: MMGO – topography and drainage....12
Figure 3-1: Regional setting....13
Figure 4-1: MMGO overview....16
Figure 4-2: Geological setting and mining centres in proximity to Dacian's MMGO....23
Figure 4-3: Stratigraphy of the MMGO....25
Figure 4-4: MMGO Mineral Resource estimates....29
Figure 4-5: Jupiter plan showing the Jupiter Mineral Resource block model and current (black line) and future (magenta) pit designs....31
Figure 4-6: Cross-section view of the Jupiter Heffernans deposit Mineral Resource block model and outline of the constraining pit shell for reporting (Section A from the plan view in the above Table)....32
Figure 4-7: Longitudinal section (west facing) of reported Westralia Mineral Resource (2 g/t cut-off grade) block model grade....33
Figure 4-8: Longitudinal cross-sections (west facing) of the reported Westralia Mineral Resource....34
Figure 4-9: MMGO Processing Facility....39
Figure 4-10: MMGO LOM Mine Physicals (feed sources)....41
Figure 4-11: Gold Grade vs. Recovery Relationship (Forecast)....42
Figure 4-12: Jupiter Mining Centre, Staged Approach....48
Figure 4-13: Jupiter Total Material Movement March 2018 to January 2020....48
Figure 5-1: Redcliffe Project overview....60
Figure 5-2: Geological setting of the Redcliffe area showing key domains....63
Figure 5-3: Redcliffe Project gold deposits locations....64
Figure 5-4: Redcliffe Mineral Resource....68
Figure 5-5: Hub long section with Inferred Resource outline....70
Figure 5-6: GTS Mineral Resource domains and drill traces (Plan (LHS), Long Section (Top RHS), and Oblique View (Lower RHS))....71
Figure 5-7: Nambi Mineral Resource domains and drill traces (Plan (LHS), Long Section (Top RHS), and Oblique View (Lower RHS))....72
Figure 7-1: Project value by development status....86
Figure 7-2: Project Value Curve....87
Figure 7-3: Transaction (advanced stage) value by location Yilgarn vs Mid- West....89
Figure 7-4: Area based Resource multiples for ML and PL tenure types....97
Figure 7-5: Area based Resource multiples for EL and mixed tenure types....97
Figure 7-6: Uncertainty by advancing exploration stage....106

List of Appendices

Appendix A: Dacian Tenement List

Appendix B: NTM Gold Tenement List

Appendix C: Comparable Market Transactions

Appendix D: Dacian Valuation

Appendix E: NTM Valuation

Disclaimer

The opinions expressed in this Report have been based on the information supplied to SRK Consulting (Australasia) Pty Ltd (SRK) by NTM Gold Limited (NTM). The opinions in this Report are provided in response to a specific request from BDO to do so. SRK has exercised all due care in reviewing the supplied information. Whilst SRK has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. SRK does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. Opinions presented in this Report apply to the site conditions and features as they existed at the time of SRK's investigations, and those reasonably foreseeable. These opinions do not necessarily apply to conditions and features that may arise after the date of this Report, about which SRK had no prior knowledge nor had the opportunity to evaluate.

List of Abbreviations

A$	Australian dollars
AARL	Anglo-American Research Laboratory
AC	Air core
AER	Annual Environmental Report
mAHD	metres above Australian Height Datum
AIG	Australian Institute of Geoscientists
ASX	Australian Securities Exchange
Au	Gold
AusIMM	Australasian Institute of Mining and Metallurgy
Austwhim	Austwhim Resources Limited
BAC	Base Acquisition Cost
BCM	bank cubic metres
BDO	BDO Corporate Finance (WA) Pty Ltd
BIF	Banded Iron Formation
BMGS	BM Geological Services Pty Ltd
BMM	Blast Movement Monitors
CIL	carbon-in-leach
COG	cut-off-grade
CRA	Consolidated Rio Australia
CTZ	Mt Celia Tectonic Zone
Dacian	Dacian Gold Limited
DCF	Discounted Cashflow
DGM	Dacian Gold Mining Pty Ltd
DGPS	differential global positioning systems
DHEM	downhole electromagnetic survey
DMIRS	Department of Mines, Industry Regulation and Safety
DWER	Department of Water and Environmental Regulation
EGS	Eastern Goldfields Superterrane
EL	Exploration Licence
ELA	Exploration Licence Applications
EP Act	Environmental Protection Act 1986
EPA	Western Australia Environmental Protection Authority
FIFO	Fly in-flyout
G&A	general and administrative or business services costs
GRES	GR Engineering Services
g/t	grams per tonne
GTS	Golden Terrace South
Generation	Generation Mining Ltd
Glencore plc	Glencore
GLpa	gigalitres per annum
ha	hectares
Homestake	Homestake Gold Australia Limited
IER	Independent Expert Report

IP	induced polarisation
ISR	Independent Specialist Report
IVSC	International Valuation Standards Committee
JORC	Joint Ore Reserves Committee
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
k	thousand/s
kg	kilogram/s
kL	kilolitres
km	kilometre/s
km^2	square kilometre/s
koz	kilo-ounces
kt	kilotonnes
L	Miscellaneous Licence (prefix)
L-G	Lerchs-Grossman
LGB	Laverton Greenstone Belt
LOM	life-of-mine
LTZ	Laverton Tectonic Zone
M	Mining Lease / Million
m^3	cubic metres
MCP	Mine Closure Plan
ML	Mining Lease
MLA	Mining Lease Applications
mm	millimetre/s
MMGO	Mt Morgans Gold Operations
MMMC	Mt Morgans Mining Camp
MMWAM	Mt Morgans WA Mining Pty Ltd
mN	metres North
Moz	million ounces
MRE	Mineral Resource estimation
mRL	metres Reduced Level
MSZ	Mertondale Shear Zone
Mt	million tonnes
Mtpa	million tonnes per annum
MTR	metal transaction ratio
MW	megawatt
NAF	non-acid forming
NELA	National Environmental Law Association
NOI	Notice of Intent
NPV	net present valuation
NTM	NTM Mineral Holdings Limited or NTM Gold Limited
oz	ounces
Pacrim	Pacrim Energy Limited
PEC	Priority 1 Ecological Community
PF	Pseudoflow

PFS	pre-feasibility study
PL	Prospecting Licence
PSA Plant	Pressure Swing Absorption Plant
QA/QC	quality assurance and quality control
RAB	rotary air blast
RAM	Reconciled Actual Mined
RC	reverse circulation
RCD	reverse circulation with diamond tail
RG	Regulatory Guide
RICS	Royal Institution of Chartered Surveyors
RNG	Range River Gold Ltd
RO	reverse osmosis system
ROM	run-of-mine
SAG	semi-autogenous grinding
SMU	Selected Mining Unit
SOG	Sons of Gwalia Limited
SRK	SRK Consulting (Australasia) Pty Ltd
t	tonnes
TMM	Total Material Movement
tpa	tonnes per annuum
TSF	tailings storage facility
US$	United States dollar
VALMIN Code	The Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets
WRD	waste rock dumps

1 Introduction and Scope of Report

BDO Corporate Finance (WA) Pty Ltd (BDO) has been engaged by NTM Gold Limited (NTM) to prepare an Independent Expert Report (IER) in relation to the proposed transaction between Dacian Gold Limited (Dacian) and NTM whereby the two companies will merge by way of a Scheme of Arrangement (Proposed Scheme). Under the terms of the Scheme, Dacian will acquire 100.0% of the issued shares of NTM, with each NTM Shareholder receiving 1 Dacian share for every 2.7 NTM shares and the merged entity to continue trading as Dacian.

BDO has subsequently engaged SRK Consulting (Australasia) Pty Ltd (SRK) to prepare an Independent Specialist Report (ISR) in relation to matters on which BDO is not an expert. The scope of the work to be completed by SRK was set by BDO. SRK's ISR will form part of the BDO Report and will be provided to NTM shareholders.

SRK's ISR considers Dacian and NTM's Mineral Assets which are located in the Leonora – Laverton district of the Eastern Goldfields region of Western Australia (Figure 1-1), which comprise:

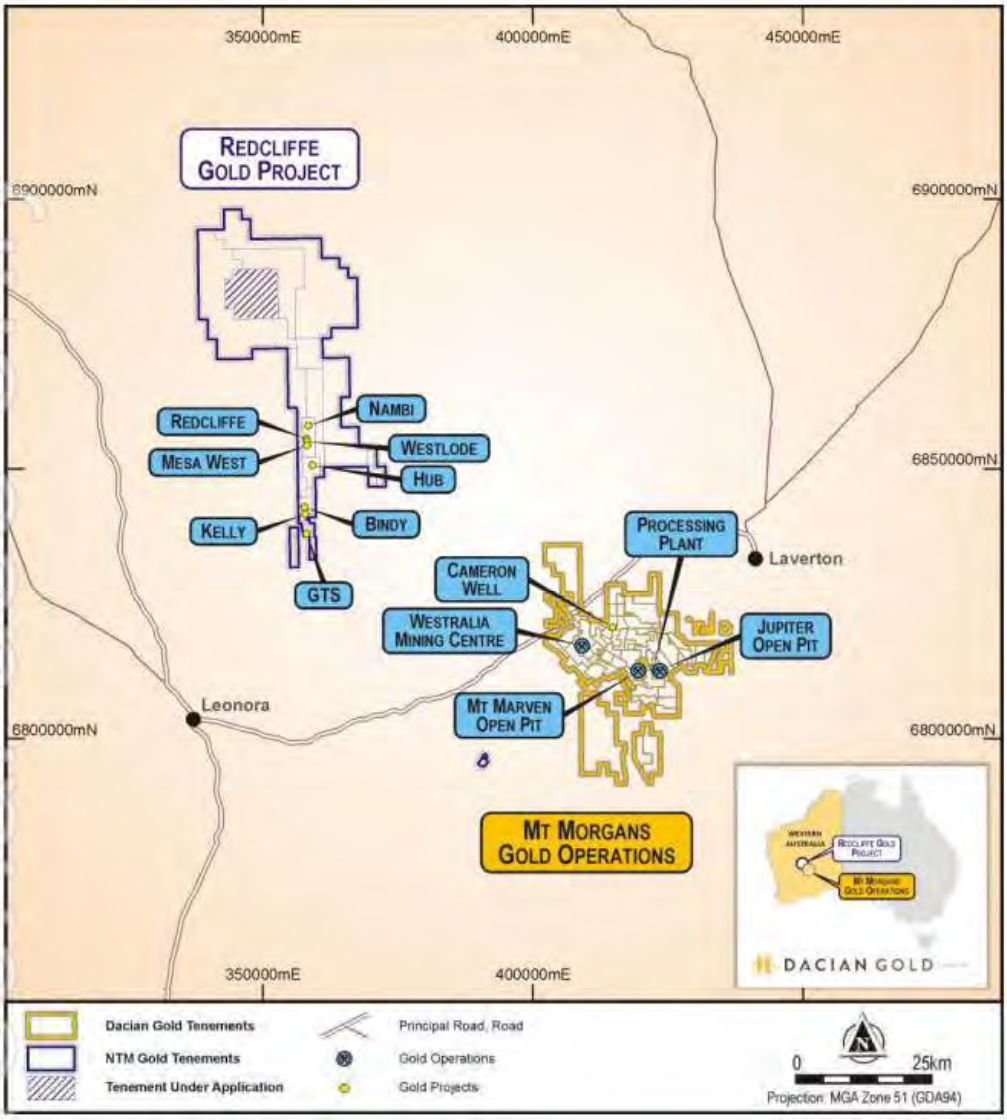


Figure 1-1: Location overview

Source: Dacian – NTM merger announcement dated 16 November 2020

Dacian's Mt Morgans Gold Operations (100.0% ownership) are centred on the Jupiter open pit, along with the Westralia mining centre (currently in study phase), the Mt Marven and Cameron Well gold deposits, and the Mt Morgans processing plant (and associated infrastructure). The Mt Morgans Gold Operations (MMGO) are located approximately 250 km directly northeast of the City of Kalgoorlie Boulder.

NTM's Redcliffe Project (100.0% ownership), which includes the Redcliffe, Hub, GTS, Kelly, Nambi, Bindy, Mesa West and Westlode deposits. The Redcliffe tenements are situated approximately 45 km to 60 km northeast of Leonora and 50 km northwest of Dacian's MMGO.

Under our instructed scope of work as provided by BDO, SRK is to provide an independent opinion on the market valuation of the following assets:

NTM

Valuation of all material resources and exploration assets prior to the Proposed Scheme, including but not limited to the Hub, GTS, Kelly, Nambi, Redcliffe and Mesa/West Lode deposits.

Proposed Merged Entity

A Valuation of any of Dacian's residual resource that is not included in the life-of-mine (LOM) or any conversion factors of the resource that is included in the LOM.

A valuation of the material resources and exploration assets currently owned by NTM, that will not be included in the discounted cash flow (DCF) model for the Proposed Merged Entity.

A valuation of the following Dacian assets (if considered material to the overall portfolio of assets): Westralia, Phoenix Ridge, Transvaaal, Craic, Jupiter, Doublejay, Mt Marven, Cameron Well, Mt McKenzie, Mt Marven South and any other exploration assets considered likely to have material value.

As agreed with BDO, SRK has reviewed the technical project assumptions and provided BDO with an assessment on the reasonableness of the techno-economic assumptions used in Dacian's cashflow model (the Model) which considers the LOM plans relating to the MMGO, including the Mineral Resource and Ore Reserve estimates, the mining physicals, the processing physicals, the production and operating costs, the capital expenditure and any other relevant technical assumptions not specified. SRK was also requested to comment on the reasonableness of any extensions or additions to the Model which may arise as a result of the merger. Where SRK considered any assumptions in the Model to be unreasonable, it advised BDO and assisted BDO in modification of the Model to reflect SRK's opinion. SRK's scope specifically excluded any work related to the marketing, commodity price and exchange rate assumptions, inflation rates and financial analysis adopted in the Model.

Additionally, SRK has provided an independent opinion on the market value of the stated Mineral Resources not included in the Model (residual resources), and Dacian's exploration portfolio not associated with the operating mineral assets.

Furthermore, SRK has also considered the market value of NTM's stated Mineral Resources and exploration potential of the associated mineral tenure comprising the Redcliffe Project.

SRK's ISR has been prepared in accordance with the guidelines outlined in the Australasian Code for the Public Reporting of Technical Assessment and Valuation of Mineral Assets (VALMIN Code, 2015), which incorporates the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012). As defined in the VALMIN Code (2015), mineral assets comprise all property including (but not limited to) tangible property, intellectual property, mining and exploration tenure and other rights held or acquired in relation to the exploration, development of, and production from, those tenures. This may include plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals relating to that tenure.

For this valuation, the Mineral Assets were classified in accordance with the categories outlined in the VALMIN Code (2015), these being:

- **Early Stage Exploration Projects** – Tenure holdings where mineralisation may or may not have been identified, but where Mineral Resources have not been identified.
- **Advanced Exploration Projects** – Tenure holdings where considerable exploration has been undertaken and specific targets have been identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Mineral Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralisation present and encouragement that further work will elevate one or more of the prospects to the Mineral Resources category.
- **Pre-Development Projects** – Tenure holdings where Mineral Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Mineral Resources have been identified, even if no further work is being undertaken.
- **Development Projects** – Tenure holdings for which a decision has been made to proceed with construction or production or both, but which are not yet commissioned or operating at design levels. Economic viability of Development Projects will be proven by at least a pre-feasibility study (PFS).
- **Production Projects** – Tenure holdings – particularly mines, borefields and processing plants that have been commissioned and are in production.

Based on its review of the Mineral Assets, SRK has classified Dacian's MMGO as a Production Project with associated Pre-Development and Advanced Exploration tenure. NTM's Redcliffe Project is classified as Early to Advanced Exploration tenure.

1.1 Reporting standard

This Report has been prepared to the standard of, and is considered by SRK to be a Technical Assessment and Valuation Report under the guidelines of the VALMIN Code (2015). The authors of this Report are Members or Fellows of either the Australasian Institute of Mining and Metallurgy (AusIMM) or the Australian Institute of Geoscientists (AIG) and, as such, are bound by both the VALMIN and JORC Codes. For the avoidance of doubt, this report has been prepared according to:

- The 2015 edition of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (VALMIN Code)
- The 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

As per the VALMIN Code (2015), a first draft of the report was supplied to Dacian and NTM to check for material error, factual accuracy and omissions before the final report was issued.

For the purposes of this Report, value is defined as 'market value', being the amount of money (or the cash equivalent or some other consideration) for which a mineral asset should change hands on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing, wherein the parties each acted knowledgeably, prudently and without compulsion.

As part of its interactions with both Dacian and NTM throughout this process, SRK has been advised that both parties are aware of the issues raised by SRK in this report (particularly with reference to the processing sections), have agreed that more work is required and have incorporated mitigation measures as part of their respective internal investigations. Both parties have agreed that these issues are not value drivers for the proposed transaction.

SRK notes that in line with the requirements of the VALMIN Code and the associated 'market value' concept, its considerations have been based on those of a typical market participant. As such, it has not considered the specific measures undertaken by either Dacian or NTM as any such consideration of a specific buyer / seller would constitute 'investment value', which is not aligned to our mandate.

SRK's Report does not comment on the 'fairness and reasonableness' of any transaction between NTM and Dacian or NTM and any other parties.

All monetary figures used in this report are expressed in either United States (US$) or Australian dollar (A$). The final valuation is presented in A$. All costs referred to are on a real basis.

1.2 Work program

This assignment commenced in November 2020, with a review of publicly available data and other information sourced by SRK from literature, as well as subscription databases such as S&P Global Market Intelligence database services. NTM and Dacian also provided SRK with access to virtual data rooms pertaining to their respective mineral assets as well as their technical personnel.

In accordance with Section 11.1 of the VALMIN Code (2015), a site inspection was made to MMGO by SRK's representative Mr Simon Walsh on 26 November 2020 and Ms Karen Lloyd attended by video-link.

SRK notes that a site inspection to NTM's Redcliffe Project was not completed as, in SRK's opinion, any such inspection was not likely to reveal additional information material to this Report. The Redcliffe Project is an early to advanced staged exploration project. SRK's consultants involved in the preparation of this Report have previous working experience in the vicinity to NTM's tenures and have a reasonable understanding of the likely site conditions.

1.3 Legal matters

SRK has not been engaged to comment on any legal matters. SRK notes that it is not qualified to make legal representations as to the ownership and legal standing of the mineral tenements that are the subject of this valuation. SRK has not attempted to confirm the legal status of the tenements with respect to joint venture agreements, local heritage or potential environmental or land access restrictions.

1.4 Valuation Date and Effective Date

The Valuation Date and the Effective Date of this Report is 16 November 2020 (Date of ASX Announcement regarding the Proposed Scheme).

1.5 Project team

This Report has been prepared by a team of consultants from SRK's offices in Australia. Details of the qualifications and experience of the consultants who have carried out the work in this Report, who have extensive experience in the mining industry and are members in good standing of appropriate professional institutions, are set out below and in Table 1-1.

Shaun Barry, BSc Hons (Geology), MSc Eng (Mineral Economics), MAusIMM(CP), RICS – Principal Consultant

Shaun has a commercial and geological background with more than 28 years of experience in mining, exploration and quarry valuations, mineral economics, minerals marketing and geology. In corporate advisory and business development, Shaun has provided independent expert reviews, valuations, due diligence and optimisation mine studies. Shaun has also worked as a Mining Equity Analyst on the Johannesburg Securities Exchange, Mineral Economist and Mine Geologist in South Africa.

Shaun is a Member of the AusIMM. He has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

Karen Lloyd, Associate Principal Consultant (Project Evaluation), MBA, BSc (Hons), FAusIMM

Karen has 25 years international resource industry experience gained with some of the major mining, consulting and investment houses globally. She specialises in independent reporting, mineral asset valuation, project due diligence, and corporate advisory services. Karen has worked in funds management and analysis for debt, mezzanine and equity financing and provides consulting and advisory in support of project finance. She has been responsible for multi-disciplinary teams covering precious metals, base metals, industrial minerals and bulk commodities in Australia, Asia, Africa, the Americas and Europe.

Karen is a Fellow of the AusIMM and has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

Mark Noppé, Corporate Consultant and Managing Director, MSc, BSc (Hons), FAusIMM (CP), MGAA, MAICD

Mark has over 30 years of experience applying geoscience knowledge in the assessment of developing resource projects and operating mines. He is a leader and consultant in geosciences and the mining industry, providing advice, training and mentoring in all aspects of orebody knowledge, from exploration reporting, resource definition and reporting, mine geology and grade control through to inputs to reserving. Since graduating as a geologist in 1983, Mark has worked in South Africa, Western Australia and Queensland in exploration, mining geology, practical geostatistics applications, resource estimation and reporting, grade control, mine reconciliation, technical reviews and auditing, and professional training and mentoring. A consultant since 1997, his technical experience covers a wide range of projects, commodities, geological and mining environments.

Mark is a Fellow of the AusIMM. He has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

Mathew Davies, Senior Consultant (Geology), BSc (Hons), MAusIMM

Mathew is a geologist with nine experience in the Australian mining industry. His experience includes over nine years' experience working as a consultant for SRK and three years' working as an exploration geologist. Mathew's multi-commodity experience includes coal and mineral exploration, with technical competency in exploration management and planning; drill rig supervision; core logging and sampling; regional- to prospect-scale geological mapping; target generation; prospectivity analysis; legislative compliance and reporting. Mathew is also competent in the development of geological models using Leapfrog and Minex, supported by a high level of competence in spatial packages such as ArcGIS and MapInfo. Mathew has been developing his skills in project valuation and has experience in valuation for a broad range of commodities and geological settings, including

coal, iron ore, copper, gold, lead, zinc, silver, tin, nickel, molybdenum, heavy mineral sands, niobium, tantalum and graphite.

Mathew is a Member of the AusIMM. He has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

Simon Walsh, Associate Principal Consultant (Process Engineering), BSc, MBA (Hons) GAICD, MAusIMM(CP)

Simon has 24 years design and operational expertise across a range of mineral processing and hydrometallurgical processes. His broad range of experience covers both management, supervisory and technical roles in plant operations, commissioning, process simulation, project studies, detailed engineering design, metallurgical testwork management and competent person reporting.

Simon is a Member of the AusIMM. He has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

Lisa Chandler, Associate Principal Consultant (Environment and Permitting), M Eng (Civil Engineering), BSc (Physical Geography), Diplôme de Linguistique, Université de Paris MNELA, MEIANZ, MAusIMM, AMANCOLD, MSER

Lisa is an experienced scientist and engineer, with over 25 years of experience in environmental management, permitting, risk assessment and assurance matters (due diligence, data and report verification, audits), for the Australian resources sector.

Lisa is a Member of the AusIMM. She has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

Jeames McKibben, Principal Consultant (Project Evaluation), MBA, BSc (Hons), FAusIMM (CP), MAIG, MRICS, SME.

Jeames is an experienced international mining professional having operated in a variety of roles including consultant, project manager, geologist and analyst over more than 25 years. He has a strong record in mineral asset valuation, project due diligence, independent technical review and deposit evaluation. As a consultant, he specialises in mineral asset valuations and Independent Technical Reports for equity transactions and in support of project finance. Jeames has been responsible for multi-disciplinary teams covering precious metals, base metals, bulk commodities (ferrous and energy), industrial minerals and other minerals in Australia, Asia, Africa, North and South America and Europe. He has assisted numerous mineral companies, financial, accounting and legal institutions and has been actively involved in arbitration and litigation proceedings. Jeames has experience in the geological evaluation and valuation of mineral projects worldwide.

Jeames is a Fellow of the AusIMM, a Member of the AIG, and a Member of the Royal Institution of Chartered Surveyors. He has the appropriate relevant qualifications, experience, competence and independence to be considered a 'Specialist' and 'Competent Person' under the VALMIN (2015) and JORC (2012) Codes, respectively.

Table 1-1: Details of the qualifications and experience of the consultants

Specialist	Position/Company	Responsibility	Length and type of experience	Site inspection	Professional designation
Shaun Barry	Principal Consultant/SRK Consulting (Australasia) Pty Ltd	Valuation	28 years; 10 years consulting, 9 years marketing, 7 years analyst, 2 years mining	None	MSc (MinEcon), BSc(Hons) Geology
Karen Lloyd	Associate Principal Consultant/SRK Consulting (Australasia) Pty Ltd	Mining	25 years; 7 years in consulting and advisory; 3 years in funds management; 7 years in strategic planning and 8 years in operations	None	MBA, BSc (Hons), FAusIMM
Mat Davies	Senior Consultant/SRK Consulting (Australasia) Pty Ltd	Comparable Market Transaction analysis Valuation	9 years; 3 as an exploration geologist and 6 working in geology and valuation	None	BSc (Hons) Geology
Mark Noppé	Managing Director and Corporate Consultant/SRK Consulting (Australasia) Pty Ltd	Resources Reconciliation	+30 years; 23 years in consulting and 14 in exploration and mining	None	MSc, BSc(Hons), FAusIMM(CP), MGAA, MAICD
Simon Walsh	Associate Principal Consultant/SRK Consulting (Australasia) Pty Ltd	Processing	24 years; 10 years in operations, 14 years in engineering design, consulting and metallurgical laboratory management; independent technical reviews during the last 13 years	26/10/20 MMGO	MBA, BSc (Extractive Metallurgy & Chemistry), MAusIMM (CP), GAICD
Lisa Chandler	Associate Principal Consultant/SRK Consulting (Australasia) Pty Ltd	Approvals and Permitting	25+ years; 3 years in operations; 5 years as government regulator; 20 years as environmental consultant to the resources sector.	None	MEng (Civil) BSc (Physical Geography) MAusIMM Member NELA
Jeames McKibben	Principal Consultant/SRK Consulting (Australasia) Pty Ltd	Project management/peer review	+25 years; 15 years in valuation and corporate advisory, 2 years as an analyst,10 years in exploration and project management	None	MBA, BSc (Hons) FAusIMM (CP), MAIG, MRICS

1.6 Limitations, Independence and Indemnities and Fees

1.6.1 Limitations

SRK's opinion contained herein is based on information provided to SRK by Dacian and NTM throughout the course of SRK's investigations as described in this Report, which in turn reflects various technical and economic conditions at the time of writing. Such technical information as provided by Dacian and NTM was taken in good faith by SRK. SRK has not independently verified the Mineral Resources or Ore Reserve estimates by means of recalculation.

As far as SRK has been able to ascertain, the information provided by Dacian and NTM was complete and not incorrect, misleading or irrelevant in any material aspect. NTM has confirmed in writing to SRK that full disclosure has been made of all material information and that to the best of its knowledge and understanding, the information provided by Dacian and NTM was complete, accurate and true and not incorrect, misleading or irrelevant in any material aspect.

SRK has no reason to believe that any material facts have been withheld.

The Report includes technical information, which requires subsequent calculations to derive subtotals, totals, averages and weighted averages. Such calculations may involve a degree of rounding. Where such rounding occurs, SRK does not consider them to be material.

1.6.2 Statement of SRK independence

Neither SRK, nor any of the authors of this Report, has any material present or contingent interest in the outcome of this Report, nor any pecuniary or other interest that could be reasonably regarded as capable of affecting their independence or that of SRK.

SRK has no beneficial interest in the outcome of this Report capable of affecting its independence.

1.6.3 Indemnities

As recommended by the VALMIN Code (2015), NTM has provided SRK with an indemnity under which SRK is to be compensated for any liability and/or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Dacian and NTM or Dacian and NTM not providing material information; or
- which relates to any consequential extension workload through queries, questions or public hearings arising from this Report.

1.6.4 Consulting fees

SRK's estimated fee for completing this Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and availability of data. The fee payable to SRK for this engagement is estimated at approximately A$77,000. The payment of this professional fee is not contingent upon the findings of this Report, success or failure of the Proposed Scheme, time or cost restrictions or the extent of detail required to duly inform shareholders.

1.7 Consents

1.7.1 SRK Consent

SRK consents to this Report being included, in full, in BDO's documents in the form and context in which it is provided, and not for any other purpose. SRK provides this consent on the basis that the technical assessment and valuation expressed in the Executive Summary and in the individual sections of this Report is considered with, and not independently of, the information set out in the complete Report.

1.7.2 Practitioner Consent

The information in this report that relates to Technical Assessment and Valuation of the Mineral Assets is based on and fairly reflects information compiled and conclusions derived by Mr Jeames McKibben, who is a Competent Person and Fellow of the AusIMM. Mr McKibben is employed by SRK, an independent mining consultancy. Mr McKibben has sufficient experience that is relevant to the Technical Assessment and Valuation of the Mineral Assets under consideration, the style of mineralisation and the types of deposit under consideration and to the activity being undertaken to qualify as Practitioners as defined in the 2015 edition of the "Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets", and as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McKibben consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

2 Location, Access and Climate

Dacian and NTM's mineral asset portfolio is located in the Leonora-Laverton region of the Eastern Goldfields of Western Australia (Figure 2-1).

Figure 2-1: Location overview

Source: SRK

Dacian's MMGO is located approximately 30 km southwest of Laverton, and some 700 km northeast of Perth. Access to the site is via the sealed public Laverton-Leonora Road and the unsealed public Korong-Mt Morgans Road. The nearest community to MMGO is the Mt Margaret Aboriginal Community, located about 2 km northwest of the Jupiter mining complex and less than 1 km from the nearest point of approach of the tailings storage facility (TSF).

NTM holds a 100.0% interest in the Redcliffe Gold Project located 45 km to 60 km northeast of Leonora. The Project is accessed via the unsealed Leonora-Nambi Road and lies within 100 km radius from Dacian's MMGO tenures.

Collectively, Dacian and NTM's tenements are located within the Eastern Goldfields Province of the Archaean Yilgarn Craton. Both are well located with respect to existing regional infrastructure including the sealed Leonora to Laverton road which passes between Dacian's and NTM's Project tenements.

In addition to Dacian's MMGO, there are currently several operating gold mills in the region including the 1.2 Mtpa Gwalia (owned by St Barbara Limited), 2.5 Mtpa Thunderbox (owned by Saracen Mineral Holdings Limited), 1.1 Mtpa Darlot (owned by Red 5 Limited), 1 Mtpa Barnicoat Mill (held by Focus Minerals Limited), 4 Mtpa Granny Smith Mill (owned by Goldfields) and 3.6 Mtpa Sunrise Mill (owned by Anglogold Ashanti Australia Limited). Furthermore, the Murrin Murrin nickel-cobalt laterite mine and processing plant is located in close proximity to Dacian and NTM's tenures.

The Goldfields-Esperance region experiences two main seasons: hot and dry in summer and cool and dry in winter. During the summer, temperatures of 40°C degrees can occur frequently, but the average summer temperature is around 33°C. Over the winter, average maximum temperatures are around 16°C and the lowest around 5°C occasionally falling below freezing at night. Rainfall is fairly evenly distributed throughout the year and averages about 260 mm per annum. The most reliable rains occur in winter and June is typically the wettest month with approximately 32 mm. Summer rainfall occurs usually during thunderstorms and also, but rarely, through decaying tropical cyclones from the northwest. At such times, annual rainfall can exceed 500 mm. Evapotranspiration is high, particularly in summer from November to April (Source: Bureau of Meteorology).

MMGO is located within the internally draining Lake Carey catchment which has a catchment area in the order of 113,900 km^2. Lake Carey lies approximately 2.5 km to the south of the Jupiter complex and about 8 km south-east of the Westralia operations area. There are no major river systems in the vicinity of the project, but there are several ephemeral creeks which drain in a south eastly direction towards Lake Carey. During occasional intense rainfall events playa lakes along the Carey palaeodrainage system may fill, and in very rare events some may overflow and discharge on to the Nullarbor Plain through Ponton Creek.

The topography of the region is characterised by gently undulating relief, with elevations ranging between 360 and 400 m above Australian Height Datum (mAHD). Greenstone belts (mafic basement rocks) form prominent hills. Broad valleys are occupied by saline playa lakes, with some connectivity to paleochannels (buried former river channels present during the Tertiary when climate conditions were wetter). Current surface drainage is poorly defined by ephemeral flood ways, with no permanently flowing drainage channels. It is common for these flood ways to have no flow for several concurrent years.

The Westralia mining area is located in a local high point at an elevation of around 460 mAHD (Figure 2-2). To the west of the divide, surface drainage flows in a southwesterly direction towards a large wash approximately 5 km away, which then flows southeast into Lake Carey. To the east of the divide, surface drainage flows north-east for about 10 km to a watercourse containing minor salt lakes, ultimately discharging to the south towards Lake Carey.

The Jupiter operations area is situated on an upstream tributary to Lake Carey. A BIF ridge rising up to about 80 m separates the mining area from the Lake Carey playa. To the west of Jupiter, undulating hills ranging in height between 425 mAHD to 444 mAHD (about 20 to 45 m above the height of the playa lake surface) run in a northeast – southwest direction.

Other than the summer thunderstorms, mining and exploration activities in the region are largely unimpeded by climate and topography year-round.

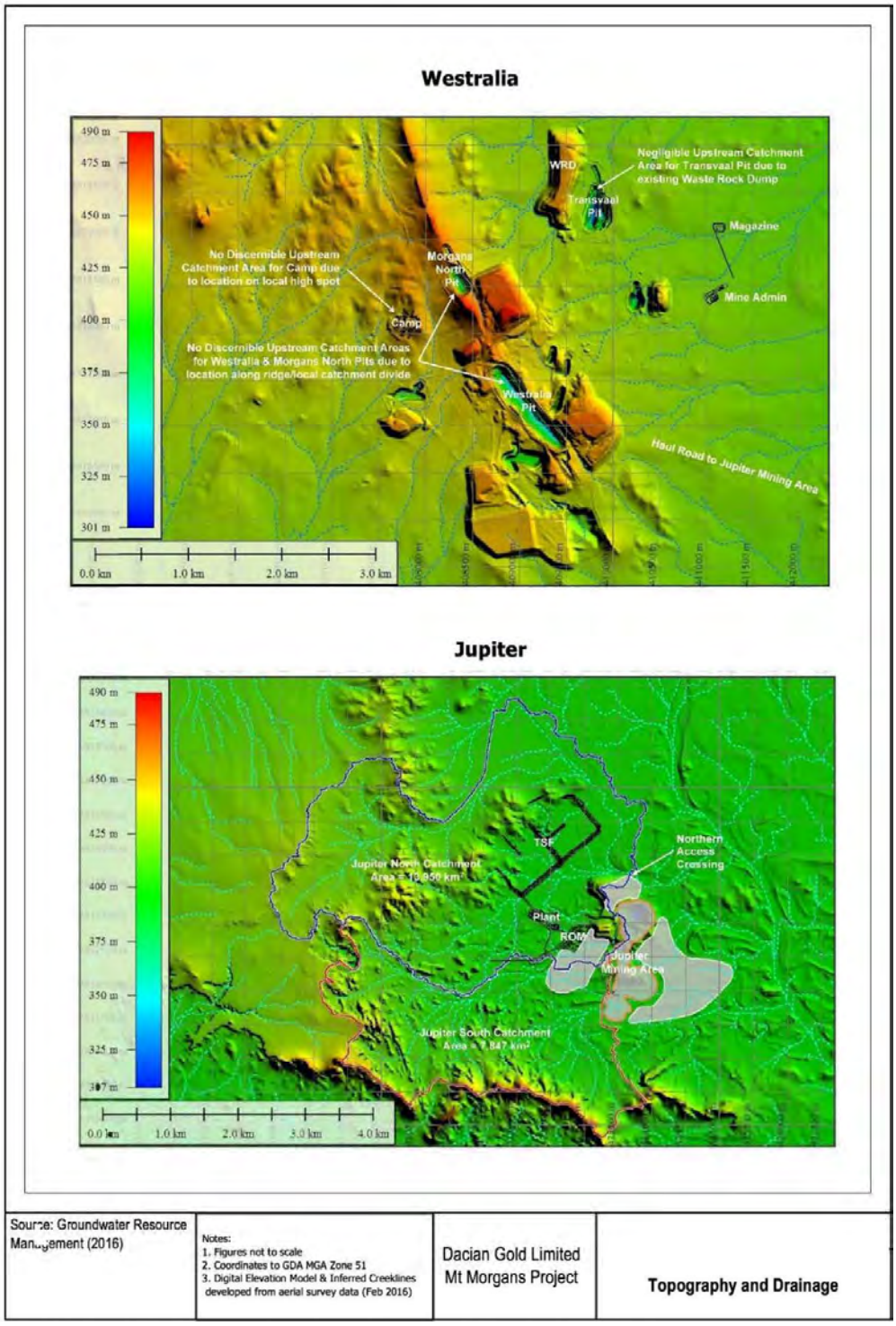


Figure 2-2: MMGO – topography and drainage

3 Regional Setting and Gold Mineralisation

From a geological standpoint, both Dacian and NTM's tenures are located within the Eastern Goldfields Superterrane (EGS) of the Yilgarn Craton. The Yilgarn Craton consists of a series of accretionary terranes, where continental collision has added to, or thickened, continental crust. Gold mineralisation forms at all stages of orogenic evolution and, as a result, evolving metamorphic belts typically contain a diverse range of gold deposit types that may be juxtaposed or overprint each other (Goldfarb et al., 2005).

Most of the Archean gold deposits in the Yilgarn Craton belong to a group of structurally controlled orogenic gold deposits. These Neoarchean-aged orogenic gold deposits are the predominant style of gold mineralisation throughout the Yilgarn Craton.

At the regional scale, most of the Yilgarn's orogenic gold deposits are spatially associated with regional scale shear zones. Within greenstone belts of the EGS, significant vein-hosted gold deposits are typically distributed along specific regional structures formed under compressional to transpressional regimes. Due to their association with regional structures, such gold prospects are typically located at the boundaries of contrasting lithologies or age domains within the greenstone belts. Within these prospects, the gold deposits commonly cluster along structures where they are localised at bends or at the intersection of two or more faults (Goldfarb et al., 2005; Robert et al., 2005). The EGS is divided, from west to east, into the Kalgoorlie, Kurnapli and Burtville terranes. In turn, these terranes are divided into a number of fault-bounded geologically continuous domains (Figure 3-1).

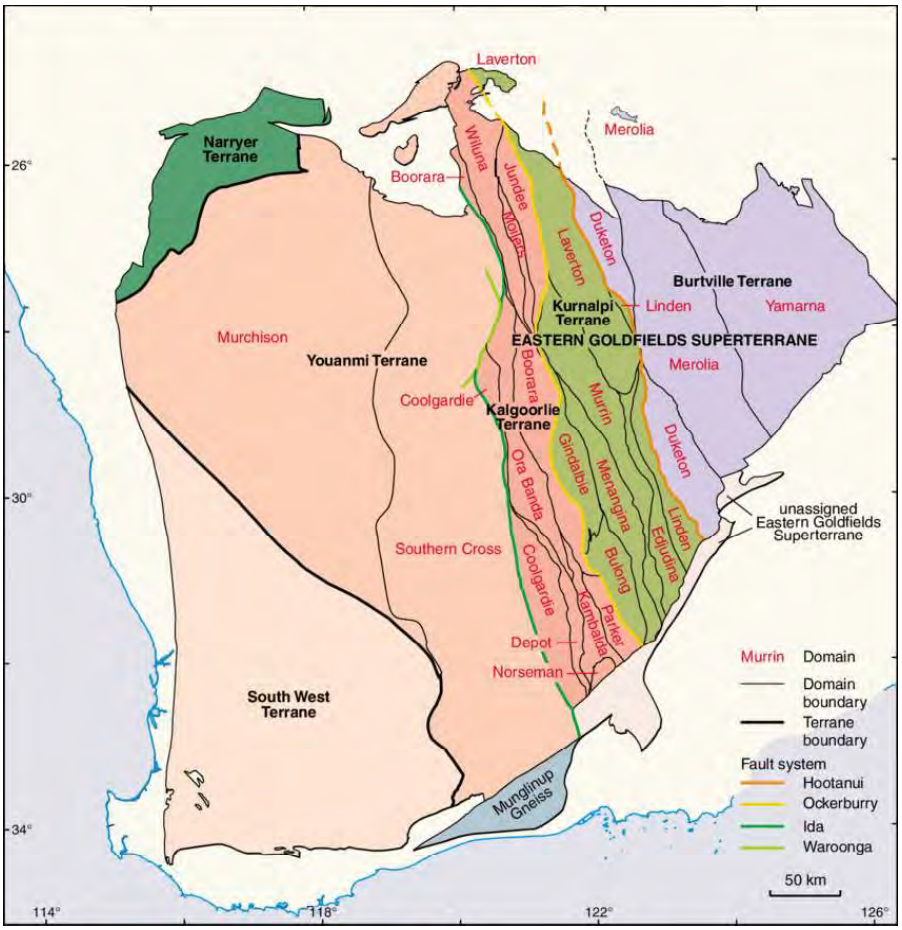


Figure 3-1: Regional setting

Source: Modified from Cassidy et al. (2006)

Dacian's MMGO assets are situated along the overturned western limb of the Mt Margaret Anticline and in proximity to the Celia Tectonic Zone which represents the boundary between the Laverton Domain and the Kurnalpi Terrane. The Kurnalpi Terrane (host to Dacian's MMGO interests) lies immediately adjacent and to the east of the Kalgoorlie Terrane. Like the Kalgoorlie Terrane, it forms a north-northwest trending strip ranging from 50 to 150 km in width and is sporadically exposed over a 650 km strike length. It is bound to the west by the east-dipping Ockerburry Fault and to the east by the Hootanui Fault. The terrane is composed of seven internal structural domains (Laverton, Murrin. Gindalbie, Bulong, Menangina, Edjudina and Linden). It comprises several calc-alkaline volcanic centres and associated sedimentary sequences, primarily divided into the Laverton (mafic volcanic), Kurnalpi (calc-alkaline volcanic and volcaniclastic sedimentary), Minerie (mafic volcanic) and Basinal (siliciclastic) sequences.

Further information on the local geology and gold mineralisation at the MMGO is provided in Chapter 4.8 of this Report.

NTM's Redcliffe Project is located within the Kalgoorlie Terrane, which is westernmost tectonic element of the EGS and forms a north-northwest trending strip that is exposed over a width of some 50 to 120 km and length of approximately 500 km. It is bound to the west by the Ida Fault, a regionally significant, east dipping fault and to the east by the Ockerburry Fault. The terrane comprises a collage of 10 structural domains (Wiluna, Moilors, Jundee, Boorara, Ora Banda, Coolgardie, Depot, Kambalda, Parker and Norseman) containing metamorphosed and dismembered units of the dominantly mafic-ultramafic volcanic Kambalda Sequence, the volcaniclastic Kalgoorlie Sequence and siliciclastic sedimentary rocks of the Kurrawang and Merougil Sequences (Vielreicher et al, 2016).

Further information on the local geology and gold mineralisation at the Redcliffe Project is provided in Chapter 5.7 of this Report.

4 Dacian's Mt Morgans Gold Operations

4.1 Overview

Dacian holds a 100.0% interest in the MMGO through a combination of wholly owned tenure and those held by its wholly owned subsidiary, Mt Morgans WA Mining Pty Ltd (MMWAM). In addition, Dacian holds a 100.0% interest in another subsidiary company, Dacian Gold Mining Pty Ltd (DGM).

Dacian acquired the original assets comprising MMGO in 2012 from Range River Gold Limited (RNG) (Administrators Appointed) and commenced commercial production in 2019.

The MMGO assets include a 616 km^2 landholding comprising predominantly granted mining leases and encompassing the Jupiter (including the Jenny, Joanne (collectively known as Doublejay), the Mt Marven (within M39/1129, M39/36 and M39/1107) and Potato Patch open pits (within M39/236), as well as the Westralia mining centre (comprising the Westralia (Beresford and Allanson) and Ramornie deposits, which have been mined by open pit and underground methods within M39/18 and are currently the focus of ongoing technical studies). The Cameron Well (within M39/1122, M39/287, M39/441 and M39/306) and Maxwells (within M39/1120) deposits are currently being evaluated by Dacian.

MMGO was initially developed in the 1980s, based on low grade, bulk tonnage, open pit potential of a deposit which in the past was mined underground for its narrow high-grade lodes. The MMGO landholding covers the structures associated with the Laverton and Celia Tectonic Zones, two highly prospective regional-scale structures within the Laverton gold district to the northeast of Kalgoorlie. The near environs to Dacian's tenures incorporate several world-class gold mines and deposits including the third-party held Sunrise Dam, Granny Smith and Wallaby mines.

The MMGO is primarily composed of the operational Jupiter (that includes the Heffernans and Doublejay sub-pits) and Mt Marven open pits, while technical studies are ongoing at the Westralia underground mine that includes the Beresford and Allanson deposits. Development is supported by a processing plant and associated infrastructure within a tenement package encompassing predominantly granted mining leases.

Dacian Gold completed its first full-year of production in FY2019, producing 138,911 ounces of gold from open pit and underground operations.

The treatment plant processed over 2.5 Mt at a head grade of 1.7 g/t gold (Au) with average recoveries of 95.0%.

SRK has received representation from Dacian that the tenement schedules presented in Table 4-1 and Appendix A are to be relied upon and used for the purpose of this Report. SRK has made all reasonable enquires into the status of this tenure as at 16 November 2020 (date of merger announcement).

Table 4-1: MMGO – summary tenement schedule*

Type	Number	Area (km^2)	Area (ha)
Prospecting Licence (PL)	14	9.18	918.22
PL application	3	0.69	68.88
Exploration Licence (EL)	13	294.67	29,467.09
Mining Lease (ML)	55	299.67	29,967.47
Miscellaneous Licence (L)	4	10.89	1,088.95
Total	**89**	**616.19**	**61,619.19**

4.2 Infrastructure

Key infrastructure at Mt Morgans includes the Jupiter mining area (comprising the Heffernans, Doublejay (Jenny and Joanne pits) and Ganymede open pits) and the Westralia mining area (comprising the Beresford underground, Allanson underground, Morgans North open pit cutback and Transvaal underground). The processing plant is positioned to the west of the Jupiter Pit complex and a 2-cell TSF is located to the north of the processing plant (Figure 4-1). Associated infrastructure includes run-of-mine (ROM) pads, a 19.5 MW gas-fired power station, water storage dams, workshops, administration offices, an accommodation village, wastewater treatment plants, reverse osmosis plants, pipelines, powerlines and roads.

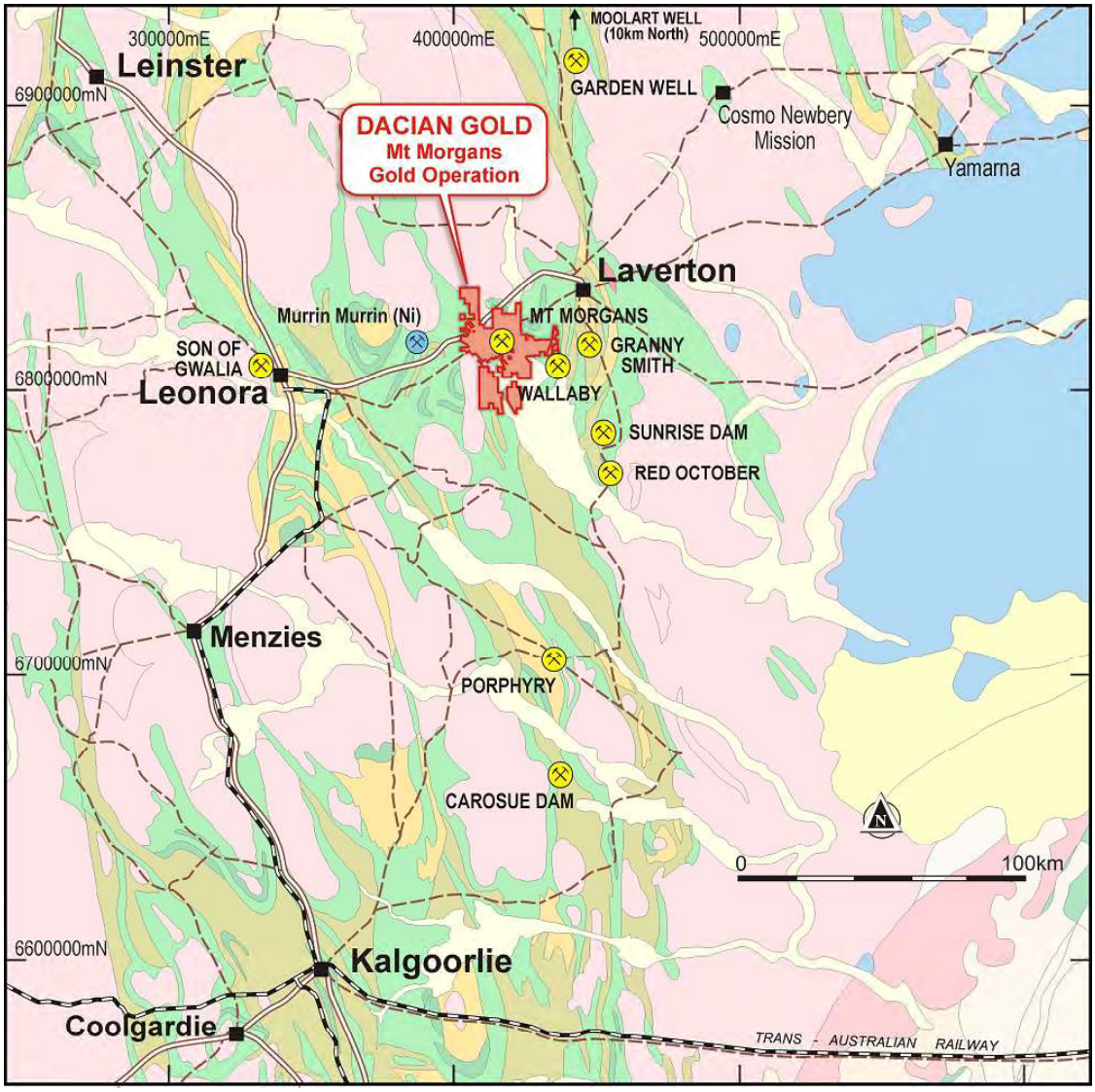


Figure 4-1: MMGO overview

Source: Dacian website

4.3 History

The following section is largely derived from Coffey (2012).

Gold was first discovered in the Mt Morgans area in 1896, and the "Lily of the Valley" mine was the established. Production peaked in about 1905, but there was a rapid decline thereafter until 1914, when mining ceased. By this time, Mt Morgans had produced approximately 0.59 Mt averaging 15 g/t Au for some 288,000 oz of Au from underground mining at Westralia and Transvaal.

There was a brief resurgence from the 1930s to 1973 with total lode and alluvial gold recovered from the Mt Morgans Mining Camp recorded at 370,972 oz Au and 5,132 oz Ag. To 1976, the Mt Margaret camp yielded an additional 5,563 oz Au and 11.5 oz (0.356 kg) of silver (Gower, 1976).

The first modern gold discoveries of any significance in the region was at Granny Smith in 1979, followed by Sunrise Dam in 1991 and Wallaby in 1997. During the late 1980s and early 1990s, numerous smaller discoveries were made including Jupiter, Red October, Keringal and the Chatterbox group.

The revitalisation of the Mt Morgans area commenced in March 1988, when Dominion Mining Limited, through its subsidiary, Austwhim Resources Limited (Austwhim), entered into a Joint Venture arrangement with Coolawin Resources to develop a gold mining and processing operation at Mt Morgans. Dominion consequently acquired a controlling interest in Austwhim, and was subsequently bought by Plutonic Resources Limited in 1995. Plutonic was then acquired by Homestake Gold Australia Limited (Homestake) in early 1998.

The larger of the historical Mt Morgans workings were first developed as the Westralia open cut, followed by other pits at Transvaal, Back O' Beyond, Recreation Reserve, King Street, Ramornie, and Morgans North, as well as the Mt Marven and Jupiter pits, about 15 km east-southeast of Westralia.

Mine closure reports dated May 1998 documents mining from several pits within the Jupiter complex between January 1994 and October 1996. Total open pit production at Jupiter was estimated at 1.134 Mt averaging 2.58 g/t Au for approximately 86,459 oz Au and 36,134 oz Au from a low-grade dump leach for total of 122,593 oz Au. Open pit mining ceased prior to 1996, but the underground operations in the Westralia and Transvaal orebodies continued until early 1998.

Westralia underground production from October 1994 to January 1998 from 7 levels down to 220 mRL (Westralia and Guest shoots) and south of 10904N (Strong shoot, Lily shoot and Millionaires shoot) was recorded as 711,940 t averaging 3.7g/t Au for 77,178 oz (Homestake Mine Closure Report, 1998). Production records show the average grade increased from 2.94 g/t Au in 1994 to 4.1 g/t Au in the last full year of underground operations (1997). The Transvaal underground recorded production at 578,695 t averaging 4.10 g/t Au for 69,319 oz between 1996 and 1998. The deposit was mined on six ~25 m levels and the decline finished below the 195 mRL. Only three stopes were mined on the lowest (195 m) level and these produced 63,315 t at 4.54 g/t Au.

By the 1990s, three small open pits 20 m deep were also being mined at Mt Marven. Total production for historic and modern mining was estimated at 442,110 t averaging 2.14 g/t Au for 34,323 oz (Twomey, 2000).

Milling of stockpiled ore was completed in early 1999 and the total production from 1988 to 1999 was 8.99 Mt averaging 3.17g/t Au for 917,000 oz Au. All processing was completed on site in a dedicated processing plant near the Westralia Pit. Dominion also commenced dump leaching producing some 3.5 Mt at 0.83 g/t Au at Jupiter in 1997 but recovering only part of the contained gold before the operation was closed. Total gold production from the MMMC and Mt Margaret Camps (Jupiter) between 1896 and the end of 1999 was reportedly 1.29 Moz.

Ownership of the Mt Morgans tenements passed to Barrick Gold Corporation following the merger of Homestake with Barrick in December 2001. In February 2008, Barrick commenced a divestment process and ultimately divested the Mt Morgan's tenements. There was no recorded production from the area during this period, although exploration activities continued.

RNG acquired the Mt Morgans tenements in May 2009 and recommenced open pit mining six months later. Three new pits were developed at Craic (centred on the historical Sons of Gowrie Mine), Sarah and Ramornie North. First ore was delivered to the Barrick Gold Granny Smith mill for processing in February 2010. Open pit mining was completed at the start of April 2011, with total production of 18,284 oz Au. The Craic decline commenced from the 365 mRL in the pit in October 2010 and the first stope was mined in April 2011 (315 m - 335 mRL). The Transvaal portal was exposed (dewatered) in December 2010 and the decline rehabilitated down to the 253 mRL. The Craic underground mine ultimately produced 14,021 t averaging 4.91 g/t Au for 2,214 oz and there was minor development ore produced from the Transvaal underground mine (1,338 t at 2.51 g/t Au for 108 oz).

On 21 April 2011, RNG went into voluntary administration after rain in February and equipment delays in March impaired production. RNG's financial position had already been weakened by a reduced capital raising in late 2010.

In 2012, Dacian acquired the MMGO. The operation remained under care and maintenance between 2011 and 2017. Dewatering of the Westralia open pit recommenced in early 2017 to allow access to the underground decline. Mining recommenced at the Jupiter mining area in late 2017 and processing of ore restarted in early 2018. Construction of Cell 2 of the two cell TSF was completed in late 2019.

Associated with the modern mining history of the field, significant exploration was completed by various operators, mostly associated with the definition of resources and reserves around the known deposits. Away from these, exploration relied on surface geochemical sampling, largely shallow geochemical drilling and targeting based on magnetic geophysical interpretations of lithology and structures.

4.4 Permitting and Compliance

Mining and mineral processing activities at the MMGO are principally regulated under mining proposals and associated mine closure plans approved under the *Mining Act 1978* (Table 4-2).

Table 4-2: MMGO – approved mining proposals and mine closure plans

Registration ID	Registration Title	Date approved
82192	Mine Closure Plan - Mt Morgans Gold Operation V3.1 - J00256	09/01/20
80491	Mining proposal amendment to MP 60641 AND 61287 Mt Marven Pit Cutbacks Dewatering Discharge to Lake Carey Dust Suppression Turkeys Nest Mt Morgans Gold Operations (Revised) Version 6 - J00256	05/11/19
69020	Mining Proposal Amendment to MP 60641 - Mt Morgans Gold Project - Gas Pipeline	06/11/17
68995	Mining Proposal - Amendment to the Process Borefield - Mt Morgans Gold Project	01/09/17
66280	Mining Proposal - Amendment to MP60641 and MP61287 - Westralia Infrastructure - Mt Morgans Project	15/06/17
64505	Amendment to MP60641 Jupiter Infrastructure Mt Morgans Gold Project - Version 2	18/05/17
61287	Mining Proposal - Infrastructure Corridors - Mt Morgans Gold Project	24/01/17
60641	Mining Proposal Application, (Revised, Version 2), Mt Morgans Gold Project	23/12/16

Registration ID	Registration Title	Date approved
60031	Mt Morgans Gold Project Revised Mining Proposal to Support Mining Lease Application M39/1107 Version 2	08/12/16
17872	Kambalda - St Ives - Mt Morgans Pipeline Diversion on L15/250	27/01/04
16406	Mt Morgans: Westralia Tailings Solution Disposal	17/02/99
16184	Mt Morgans: Transvaal Dryblowing Project	15/05/98
16087	Mt Morgans: Back of Beyond Addendum	09/02/98
15557	Mt Morgans: Mt Marven Alterations	19/03/96
15553	Mt Morgans: Westralia Tailings Disposal	27/03/96
15477	Mt Morgans: Tailings Disposal Back of Beyond	10/09/97
15409	Mt Morgans Tailings Facility North of No 2	10/10/95
15282	Mt Morgans Transvaal Dryblowing: Jupiter Project (M39/236)	20/02/95
15260	Mt Morgans:No. 2 Tailings Raise and Rehabilitation	18/05/95
15224	Mt Morgans:Transvaal Pit Expansion	18/01/95
15171	Mt Morgans Transvaal Underground	22/12/94
15120	Mt Morgans: Westralia (Interim Approval) Underground	25/08/94
15113	Mt Morgans: Mt Marven Amendment	05/12/94
15028	Mt Morgans: Westralia Underground	29/08/94
14936	Mt Morgans: Amendment to Back of Beyond	15/02/94
14808	Mt Morgans: Back of Beyond	04/11/93
14743	Mt Morgans: Cameron Well Pit	25/10/93
14472	Mt Morgans: Mt Korong Dryblowing; M39/70; M39/251 and P39/	16/09/92
14414	Mt Morgans: Recreation; King St; Ramornie and Morgans NT	25/06/92
14383	Mt Morgans Transvaal Pit Expansion	30/04/92
14361	Mt Morgans: Road Diversion	25/02/92
14210	Mt Morgans Transvaal Pit; M39:228	15/08/91
14088	Mt Morgans: Transvaal Dryblowing Site	06/02/91
13513	Mt Morgans Gold	02/03/88

Note: Table includes mining proposals lodged by previous tenement holders. Environmental obligations transfer to successive tenement holders under the Mining Act 1978

No Ministerial Statements have been issued for the project under Part IV of the *Environmental Protection Act 1986* (EP Act), presumably because the project has not triggered environmental significance criteria that would necessitate formal assessment by the WA Environmental Protection Authority (EPA) under Part IV of the EP Act. Similarly, the project has never been assessed under the federal *Environment Protection and Biodiversity Conservation Act 1999.*

SRK notes that as required under the Equator Principles (2020), projects which emit >100,000 t CO_2/year are expected to consider climate transition risks and to conduct an alternatives analysis. Dacian currently buys carbon credits over and above the 100,000 t at an estimated cost of A$75 k given its reported 'Scope 1' greenhouse gas emissions in the 2018-2019 reporting period exceeded 100,000 t CO_{2eq} (Clean Energy Regulator, NGERS database, 2020). Under current EPA guidelines, this rate of greenhouse gas emissions would be regarded as 'significant' and would generally trigger a requirement for the proponent to prepare and implement a Greenhouse Gas Management Plan.

The MMGO is currently licensed (L9010/2016) to conduct prescribed activities (ore processing, mine dewatering, operation of a landfill, sewage treatment) under Part V of the EP Act. The current Part V licence allows ore processing to a maximum of 3.5 Mtpa and provides for storage of up to 17.6 Mt of tailings at TSF Cells 1 and 2. A works approval (W6008/2016/1) was approved in February 2017 in connection with works that were subsequently carried forward into the Part V operating licence.

Most water from mine dewatering is currently used for dust suppression and other mining purposes; excess from the Jupiter pit complex is discharged to the Doublejay pits. The current Part V licence authorises discharge of up to 1.2 Mtpa of mine dewatering water into pit voids. In its annual compliance report for the period February 2019 to February 2020, Dacian reported that it had discharged 790,594 kL of groundwater into pit voids at the Jupiter operation during the reporting period.

It is SRK's understanding that Dacian is currently seeking an amendment of its works approval and/or licence to allow discharge of water from dewatering of the Jupiter pit to Lake Carey. As at 25 November 2020, the works approval amendment had not yet been approved, although a mining proposal in which discharge of up to 1,127,000 kL per year of groundwater from the Jupiter pit to Lake Carey (Reg ID 80491) was approved in November 2019. Dacian will not be able to discharge water to Lake Carey until the works approval and/or licence amendment has been approved.

Dacian holds two groundwater licences under the *Rights in Water and Irrigation Act 1914* (Table 4-3). Two native vegetation clearing permits (CPS7408 and CPS7428) are current for the project. The permits are valid to 31 December 2024 and allow for clearing of up to 740 ha (CPS7408) and 63 ha (CPS7428) of native vegetation within specified parts of the project tenements.

Table 4-3: MMGO – approved water licences

Licence No	Water allocation (kL/year)	Location of water source	Approved purposes	Licence expiry date
GWL169901	1,400,000	M39/236, M39/19, M39/228, M39/248, M39/261, L39/57, M39/282, M39/264, M39/273, M 39/304, M39/36	• Mine dewatering • Dust suppression • Earthworks and construction • Camp purposes • Potable water supply • Exploration drilling	11 September 2027
GWL183915	3,500,000	M39/513	• Dust suppression • Ore processing and other mining purposes • Vehicle and equipment washdown • Camp purposes	12 September 2027

Source: Dacian Gold Limited

4.5 Native Title

The MMGO tenements intersect parts of the overlapping Maduwongga (WC2017/001, WAD186/2017) and Nyalpa Pirniku (WC2019/002, WAD91/2019) native title claims. Both claims have been accepted for registration by the National Native Title Tribunal, but neither claim has been determined. The registered native title claims do not compromise the validity of any mining tenure granted prior to the lodgement of the claims, but the claims may be relevant in future, (i.e. should Dacian seek to convert exploration tenements to some other form of tenure). There are established processes for engaging with native title claimants / holders should the need arise in future.

4.6 Pastoral Tenure

Parts of the project tenements intersect the Mt Weld and Glenorn pastoral stations. The Jupiter mining operations area is partially located within the Mt Weld Pastoral Station. The Craic open pit, magazine compound, a section of the TSF and the production borefield are located on Glenorn station, an active pastoral station running sheep and beef. Glenorn station is owned by Minara Resources Limited.

4.7 Royalties

State royalties will be distributed to the Western Australian Government at the rate of 2.5% of the royalty value of any gold produced from the Project. This rate is the ad valorem rate that applies to gold metal as defined under the Mining Regulations 1981.

Additional private royalties are payable on certain tenements presented in Table 4-4. It should be noted that these royalties pertain to tenures and deposit areas which are either not currently considered in the LOM schedule or SRK has recommended be excluded from consideration in the LOM model as they remain to be adequately assessed.

Table 4-4: MMGO third party royalties

Royalty	Rate	Tenements	Deposit(s)
Richmond royalty	A$1.00 for every tonne of ore subject to CPI after 4 years	M39/442	
Smith royalty	A$1,500 per quarter until commencement of production. During production A$0.75 for every tonne of ore mined, or A$1,500 per quarter whichever is greater.	M39/208	Mt McKenzie
Technomin NPI	10.0% of Quarterly Net Profit on fine gold produced up to 25,000oz 12.5% of QNP on fine gold produced between 25,000 and 50,000 oz 15.0% of QNP on fine gold produced above 50,000 oz	M 39/240	Phoenix Ridge

Source: Contracts within Dacian dataroom

Technomin Royalty Agreement

By deed dated 31 January 2012 between RNG (Administrators appointed), the Company and Technomin Australia Pty Ltd, the Company agreed to assume the obligations to pay a royalty to Technomin Australia Pty Ltd with effect from 31 January 2012. The material terms of the royalty arrangement are:

1) on and from the commencement of mining, carting, treating and selling gold or gold concentrates produced from M39/240, the Company will pay Technomin Australia Pty Ltd a royalty of:
   a) 10.0% of the quarterly net profit earned by the Company from the sale of the first 25,000 oz of fine gold produced from M39/240
   b) 12.5% of the quarterly net profit earned by the Company from the sale of the second 25,000 oz of fine gold produced from M39/240, and
   c) 15.0% of the quarterly net profit earned by the Company from the sale of fine gold produced from M39/240 that exceeds $50,000 oz, and
2) the Company may not assign, transfer or encumber M39/240 unless the assignee first agrees to be bound by the terms of the royalty arrangement.

Richmond Royalty Agreement

By deed dated 31 January 2012 between RNG (Administrators appointed), the Company and William Robert Richmond, the Company agreed to assume the obligations to pay a royalty to Mr Richmond with effect from 31 January 2012.

The material terms of the royalty arrangement are:

1) The Company will pay Mr Richmond a royalty of A$1.00 for every t of ore produced from M39/442 and treated for the recovery of gold, silver or other saleable commodities in the first four years of commercial production in respect of M39/442
2) At the end of the first four years of commercial production, the Company will pay Mr Richmond A$1.00 (adjusted for movements in the consumer price index) for every t of ore produced from M39/442 and treated for the recovery of gold, silver or other saleable commodities, and
3) The royalty arrangement may only be assigned provided the assignee first agrees to be bound by the terms of the royalty arrangement.

Smith Royalty Agreement

By deed dated 31 January 2012 between RNG (Administrators appointed), the Company and Raymond Lincoln Smith, the Company agreed to assume the obligations to pay a royalty to Mr Smith with effect from 31 January 2012.

The material terms of the royalty arrangement are:

1) Until the commencement of commercial mining operations on M39/208, the Company will pay Mr Smith a royalty of $1,500 per quarter, and
2) After the commencement of commercial mining operations on M39/208, the Company will pay Mr Smith a royalty of $0.75 for every t of ore mined from M39/208 or $1,500 per quarter (whichever is greater).

Extinguished royalties

SRK understands that royalties previously payable to Sirius and Macquarie Bank were acquired in transactions reported to the Australian Securities Exchange (ASX) in 2018 and 2017, respectively.

4.8 Site inspection

In accordance with Section 11.1 of the VALMIN Code (2015), a site inspection was made to MMGO by SRK representative, Mr Simon Walsh on 26 November 2020. The site inspection included a meeting with key site personnel to discuss the operating performance, key risks and opportunities and a site tour.

4.9 Geology, Mineral Resource Estimates and Prospectivity

4.9.1 Regional Geology

Dacian's MMGO is located within the Eastern Goldfields of the Archaean Yilgarn Craton and covers a portion of the highly gold prospective Laverton Tectonic Zone (LTZ). Within the LTZ, the Laverton Greenstone Belt (LGB) is bounded by the granitoids of the Laverton Dome to the northwest and the Kirgella Dome to the southeast and by the north-northwest trending Mt Celia and Burtville Faults. The geology of the LGB is generally poorly exposed, deeply weathered and extensively covered by Tertiary laterite. Recent sediments are extensive, particularly adjacent to the Lake Carey salt-lake system, which is situated to immediately south of the MMGO.

The LGB can be subdivided into three north-south trending litho-tectonic domains, which control the distribution of the Archaean sequences. The main gold mineralisation in the region is associated with these domain bounding structures and associated second or third order subsidiary structures. Multiple styles of gold mineralisation exist within the region, typical of mesothermal lode gold provinces globally. In the immediate vicinity of the Project, major gold deposits include Sunrise Dam (total endowment >10 Moz), Wallaby (> 7.5 Moz), Granny Smith (>2 Moz) and Lancefield (>2 Moz).

The LGB hosts a number of unusual intrusions including layered noritic complexes, porphyritic syenites, carbonatites tonalites, and lamprophyres. Small "internal" intrusive bodies are closely associated with, or host gold mineralisation at Granny Smith, Jupiter, Wallaby, Lancefield, Burtville and Sunrise Dam (Figure 4-2).

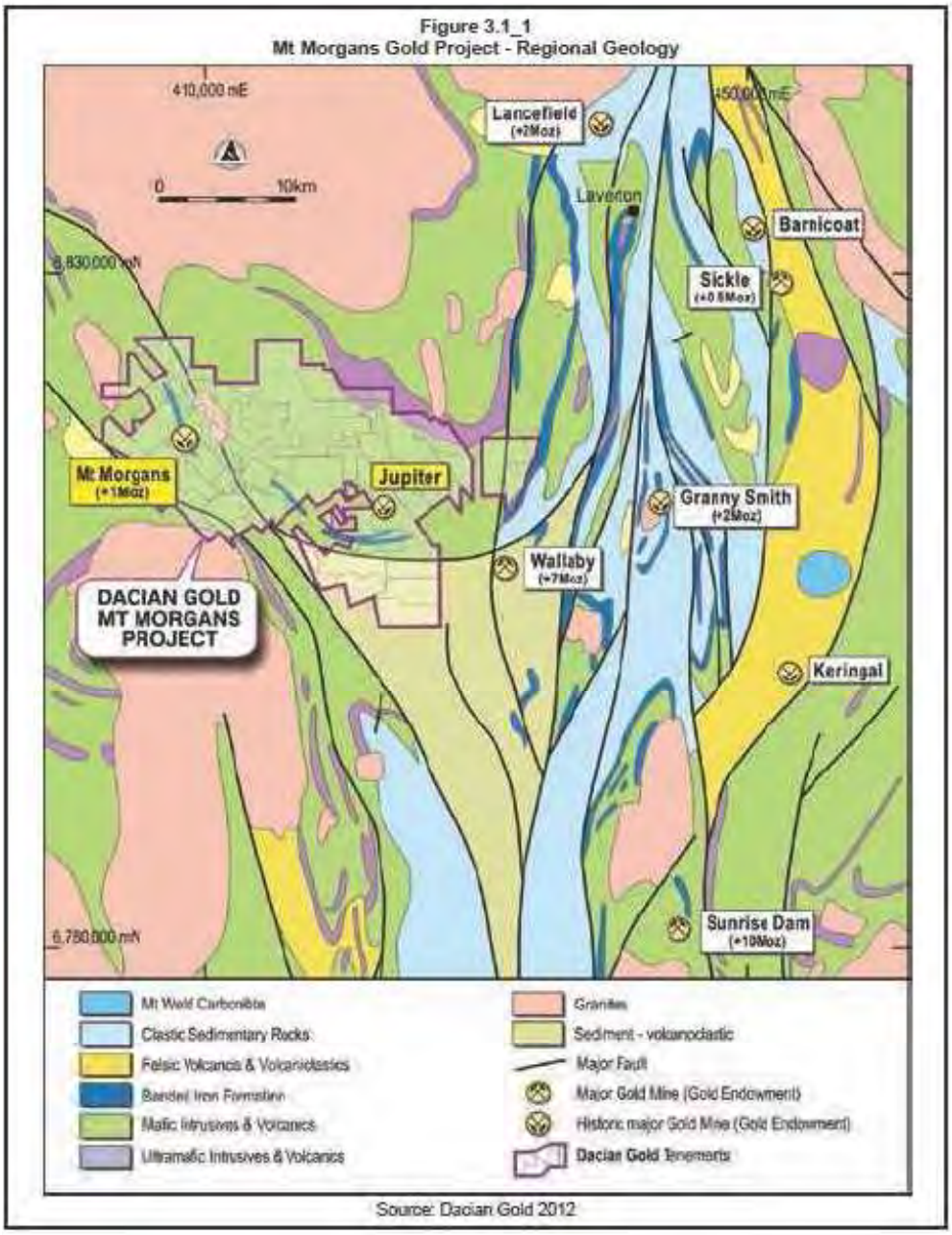


Figure 4-2: Geological setting and mining centres in proximity to Dacian's MMGO

Source: Dacian Gold Limited, 2012

4.9.2 Local Geology and Mineralisation

The stratigraphy of the MMGO (Figure 4-3) is dominated by mafic volcanic (mostly massive tholeiitic basalt), mafic intrusive, minor ultramafic and metasedimentary units, as well as a narrow band (width <80 m) of regionally continuous Banded Iron Formation (BIF). This package has been intruded by concordant and discordant felsic porphyritic dykes and sills. All lithologies were subject to regional scale greenschist facies metamorphism.

The MMGO is located immediately north of the Mt Celia Tectonic Zone (CTZ) which forms the boundary between the Laverton and Kurnalpi Terranes. The CTZ varies from several hundred metres to several kilometres in width and comprises three main first order shear zones designated; Celia West Shear, Celia Main Break (the terrane boundary) and Celia East Shear. A number of these sub-parallel to oblique secondary splays off the CTZ are interpreted to play a significant role in the localisation of the regions known gold mineralisation, including the Westralia, Phoenix Ridge, Transvaal, Ramornie, Craic, Jupiter, Mt Marven, Morgan's North, and Cameron Well deposits. These deposits geology and mineralisation are discussed in greater detail in Table 4-5.

The MMGO lies in the overturned western limb of the Mt Margaret anticline which plunges moderately to the south and has a north-northwest trending fold axis.

There are a number of mineralisation styles identified at Mt Morgan, including:

- BIF hosted deposits characterised by large tonnage, moderate-high grade such as Westralia and Morgans North have yielded the bulk of the gold won from the camp. The sulphide replacements occur both sub-parallel to BIF layering and also in en-echelon tensional veins oblique to layering
- Syenite hosted/associated deposits - large tonnage, moderate to high grade such as Jupiter Cameron Well and the third party owned Wallaby deposit
- Mafic hosted deposits and exploration targets - characterised by narrow high-grade veins and vein arrays such as at Transvaal, Ramornie, and Craic. The lodes may be stacked across strike, such as at Transvaal. Alteration comprises sericite-ankerite-pyrite with local biotite in well-foliated zones. Veins are quartz-dominated and contain carbonate and pyrite with trace sphalerite, chalcopyrite and galena. Vein style varies from brecciated to weakly laminated
- Exploration Targets associated with late Archaean basin sediments.

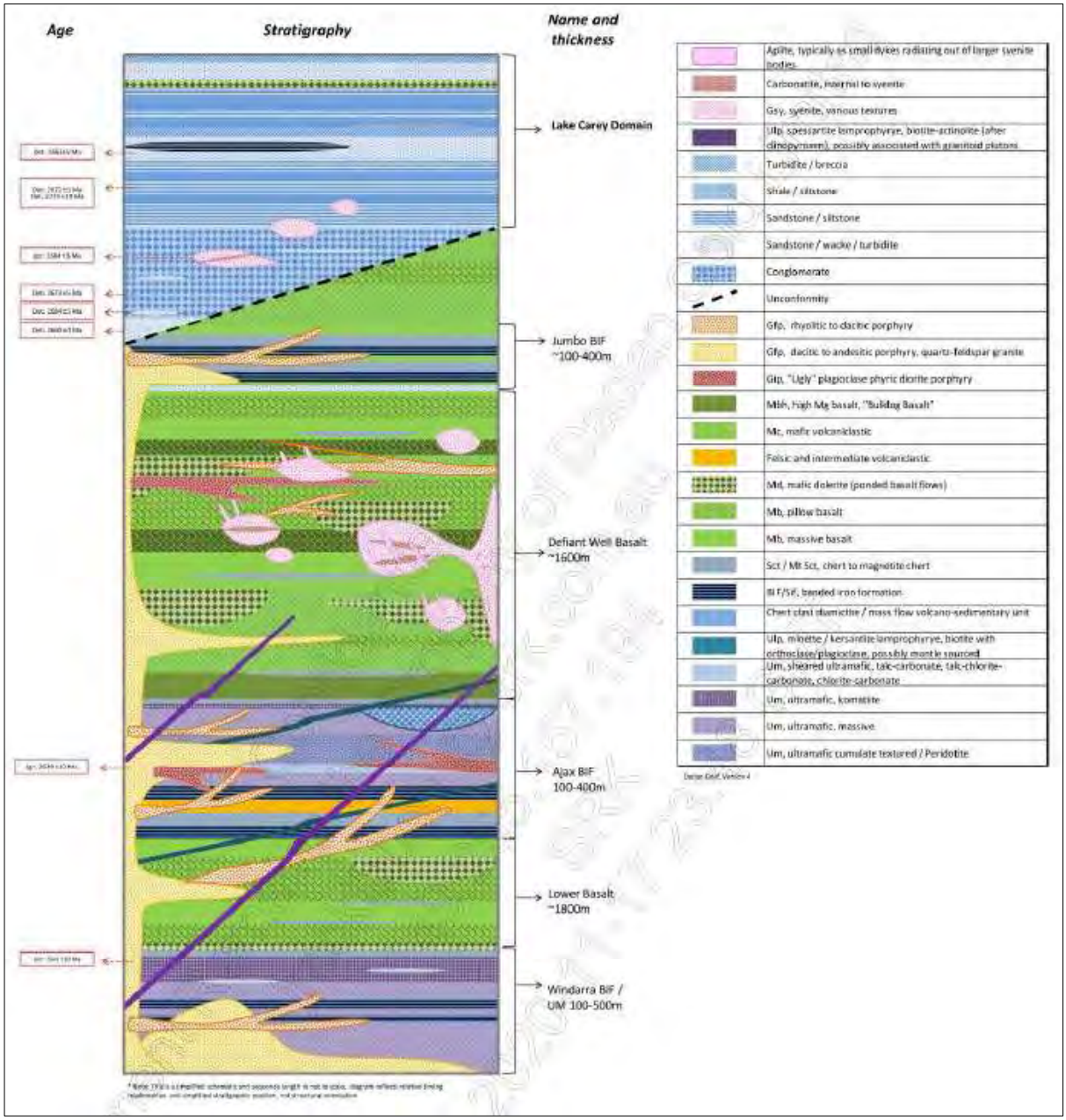


Figure 4-3: Stratigraphy of the MMGO

Source: Dacian Gold Beresford Mineral Resource Estimate – 31 December 2019

4.9.3 Main deposits

Table 4-5 summarises the key characteristics associated with the main gold deposits at Dacian's MMGO.

Table 4-5: Summary of the main deposits at MMGO

Prospect	Geological Overview
Westralia	The Westralia gold deposits (Beresford, Allanson, Millionaires and Morgans North) lie on the overturned western limb of the south plunging Mt Margaret Anticline. Westralia is divided into three components extending over a 3 km of strike, the Beresford Underground located under the Westralia and Millionaires open pit, the Allanson Underground lying between the Westralia and Morgans North open pits and the Morgans North open pit. Gold mineralisation is hosted within laterally continuous BIF (with lesser mineralised basalt, porphyry and ultramafic units), within a mine sequence comprising BIF, intermediate to mafic volcanics and ultramafic flows. The deposit consists of sub-vertical to steeply dipping stratigraphically continuous BIF with parallel and cross-cutting shear zones. Mineralisation is mostly confined to microscopic quartz-carbonate veinlets within the BIFs in area influenced by shearing. Gold occurred as free fine grains in; quartz-Fe-carbonate veins; along fractures in and between magnetite grains; as inclusions and late fracture fill in pyrite; attached to or as inclusions in chalcopyrite; and as inclusions in sphalerite. The Westralia resource area extends over a southeast-northwest strike length of 2.2 km, has a maximum width of 130 m and to a 1,280 m depth.
Phoenix Ridge	Phoenix Ridge is a BIF hosted underground deposit located to north-northwest of the Westralia Open-cut within the same stratigraphic sequence as the Beresford and Allanson underground deposits. The deposit consists of sub-vertical to steeply south dipping BIF units within a shear zone. Mineralisation is characterised by pyrite and/or pyrrhotite replacement of magnetite within the BIF host while high grade mineralisation is structurally controlled by the interaction of both steep east-south-east dipping and shallow east dipping shears and faults.
Ramornie - Transvaal	The Ramornie-Transvaal deposits occur primarily within meta-basalt host rocks intruded by meta-quartz feldspar porphyry dykes. Gold mineralisation is hosted within north-northeast trending shear-hosted lodes, which form the extension of the Ramornie Transvaal Shear Zone. The mineralisation is contained mostly within meta-basalt, with some gold mineralisation transgressing into the porphyries. The major structures at Transvaal consist of the north-northeast, steeply east dipping mineralised shears and a northerly dipping, post-ore thrust fault the Johannesburg Fault. The Johannesburg Fault dips at 30° to the north and displaces both the porphyry dykes and the mineralisation sinistrally. Quartz-rich veins are commonly associated with high grade mineralisation and are parallel with foliation, with some visible gold observed. The strike length of the major individual lodes averages 230 m and the strike length of the entire deposit is approximately 830 m.
Morgans North	The deposit consists of sub-vertical to steeply south dipping BIF units within a shear zone. Mineralisation is mostly confined to the BIF units. The Mineral Resource area extends over an east-west strike length of 640 m, has a maximum width of 40 m and spans a vertical extent of 200 m from 450 mRL to 250 mRL.
Jupiter	A structurally controlled mesothermal gold deposit related to sub-vertical syenite intrusions with cross-cutting, east and north dipping lodes within altered basalt and dolerites. Similar to the nearby third party owned Wallaby deposit but comprises three main syenite intrusive bodies, from south to north known as Ganymede, Heffernans and Doublejay lying within the Jupiter Corridor, defined by a 2 km long north-south trend. Most mineralisation is associated with shallow east-dipping shears as they cross-cut the syenite intrusions or altered basalts in proximity to these intrusions. Small number of variably oriented shears, faults and veins. The Mineral Resource area extends over a 2,080 m strike length and includes the 800 m vertical from 500 mRL to -300 mRL.
Mt Marven	Mt Marven comprises a series of lodes striking north and dipping moderately (60˚ to 75˚) along the Mt Margaret Shear. Mineralisation is associated with haematite alteration, vein quartz, silica and coarse pyrite in a sinistral jog in the Mt Marven shear. Contacts between basalt and porphyry intrusive often mineralised. The Mineral Resource area extends over a 750 strike length and includes the 275 vertical from 475 mRL to 200 mRL.
Cameron Well	Structurally controlled mesothermal gold mineralisation in proximity to syenite intrusions within altered basalts. The deposit consists of predominantly flat-lying to sub-horizontal supergene mineralisation within a deeply weathered oxide profile (i.e. alluvial, oxide, saprolite and saprock material), transitioning into sheared, biotite altered basalt host rock. Mineralised structures in the fresh rock are mainly oriented north-south and northwest striking with a mixture of shallow

Prospect	Geological Overview
	to steep dips. The Mineral Resource area measured 3,430 m in strike and includes 310 m vertical extent from 310 m to 100 mRL.
Craic	Craic consists of a shear zone hosted high grade lode characterised by silicification and gold-bearing quartz veins. Primary lithologies are sheared and altered metabasalts with the style of mineralisation similar to that at Transvaal. The deposit is crosscut at an oblique angle by numerous moderate dipping quartz-feldspar porphyries. The thicker porphyries are barren, however the thinner porphyries may be sheared and mineralised. The stratigraphy is also cut by narrow, high grade sub-vertical lodes plunging to the north.
Maxwells	Gold mineralisation occurs within sub-vertical to steeply south dipping BIF units within a shear zone extending over a mineralised strike length of 1 km. Gold is restricted to the BIF in particular those within the regolith profile (however bedrock mineralisation is also developed). Thicker, higher grade zones occur at intersection of high strain zones with BIF and within associated quartz veins. Anomalous assays associated with unaltered BIF, Carbonate or haematite altered bands, low sulphides (<25.0% pyrite replacement), regularly banded and strongly fractured BIF. The Mineral Resource area extends over an east-west strike length of 640 m, has a maximum vertical width of 40 m and spans a 200 m vertical extent from 450 mRL to 250 MRL.

Source: Dacian Mineral Resources and Ore Reserve February 2020

4.9.4 Mineral Resource Estimates

The current Mineral Resource estimate for the MMGO as outlined in Dacian's 2020 Annual Report (which was released to the ASX on 29 October 2020) was first reported to the ASX under the title "2019 Mineral Resource and Ore Reserve Update", on 27 February 2020. The Mineral Resource estimate was reported as at 31 December 2019 (Table 4-6 and Figure 4-4). Where Ore Reserves have been reported, the Mineral Resources are reported inclusive of Ore Reserves, namely for the Jupiter and Mt Marven potential open pits, the Westralia and Transvaal potential underground operations and the stockpile material.

SRK notes the named Competent Persons for the Mineral Resources were: Mr Christopher Oorschot (Cameron Well, Morgans North and Maxwells) and Mr Calvin Ferguson (Beresford, Allanson, Jupiter, Mt Marven and Low Grade Stockpiles).

SRK has received representations from Dacian confirming that:

- it is not aware of any new information or data that materially affects the information included in the relevant market announcement.
- in the case of estimates of the stated Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.
- <u>that the form and context in which the Competent Person's findings are presented have not been materially modified</u>

SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) in respect to the Mineral Resource estimates. In SRK's opinion, the Mineral Resource estimates reported for the MMGO are acceptable as a reasonable representation of global grades and tonnages and have been prepared to a sufficient quality standard under the guidelines set out in the JORC Code (2012).

Table 4-6: Total Mineral Resource estimate for MMGO as at 31 December 2019

Deposit	Cut-off grade (Au g/t)	Measured			Indicated			Inferred			Total		
		Tonnes	Grade (g/t Au)	Ounces (oz)	Tonnes	Grade (g/t Au)	Ounces (oz)	Tonnes	Grade (g/t Au)	Ounces (oz)	Tonnes	Grade (g/t Au)	Ounces (oz)
Westralia UG	2.0	303,000	5.5	53,000	1,950,000	6.0	375,000	1,648,000	4.3	227,000	3,902,000	5.2	655,000
Ramonrnie UG	2.0	-	-	-	212,000	3.2	22,000	61,000	3.1	6,000	274,000	3.1	27,000
Transvaal UG	2.0	367,000	5.8	68,000	404,000	5.3	69,000	482,000	4.7	73,000	1,253,000	5.2	210,000
Morgans North	2.0	27,000	3.5**	3,000	174,000	3.2	18,000	306,000	3.5	34,000	507,000	3.4	55,000
Phoenix Ridge UG	2.0	-	-	-	-	-	-	481.000	8.1	125,000	481,000	8.1	125,000
Jupiter UG	2.0	-	-	-	583,000	3.0	57,000	615,000	2.4	47,000	1,197,000	2.7	104,000
Jupiter OP*	0.5	917,000	1.2	35,000	13,891,000	1.3	584,000	1,182,000	1.1	42,000	15,990,000	1.3	661,000
Mt Marven OP*	0.5	-	-	-	469,000	1.8	27,000	42,000	1.5	2,000	511,000	1.8	29,000
Cameron Well OP*	0.5	-	-	-	2,511,000	1.1	89,000	373,000	1.3	16,000	2,884,000	1.1	105,000
Maxwells OP*	0.5	-	-	-	250,000	1.4	11,000	40,000	1.6	2,000	290,000	1.3	12,000
Mine Stockpiles	0.5	241,000	0.6	5,000	-	-	-	-	-	-	241,000	0.6	5,000
LG Stockpiles	0.5	938,000	0.7	22,000	-	-	-	-	-	-	938,000	0.7	22,000
Jupiter LG Stockpiles	0.5	3,494,000	0.5	57,000	-	-	-	-	-	-	3,494,000	0.5	57,000
TOTAL		**6,287,000**	**1.2**	**243,000**	**20,444,000**	**1.9**	**1,252,000**	**5,323,000**	**3.4**	**574,000**	**31,962,000**	**2.0**	**2,067,000**

Notes:

1. Totals may differ due to rounding
2. * Reported within an A$2,400/oz pit optimisation
3. **The Measured Resources grade for Morgans North is actually 3.8 g/t (as reported in the MMGO back up technical reports, and the value of 3.5 g/t is a typographical error in the 2020 public reports)

The Mineral Resources and Ore Reserves Statement as a whole has been approved by Mr Alex Whishaw who is a full-time employee of Dacian and a Member of the AusIMM. Mr Whishaw 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).

The information relating to Mineral Resources for Cameron Well, Morgans North and Maxwells is based on information compiled by Mr Christopher Oorschot, who was a full-time employee of Dacian and a Member of the AusIMM. Mr Oorschot 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).

The information relating to Mineral Resources for Beresford, Allanson, Jupiter, Mt Marven and Low grade Stockpiles is based on information compiled by Mr Calvin Ferguson, who was a full-time employee of Dacian and a Member of the AusIMM. Mr Ferguson 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).

Source: Dacian 2020 Annual Report, released to the ASX on 29 October 2020

The Mineral Resources are reported with reasonable prospects for eventual economic extraction using an A$2,400/oz gold price within an optimised pit shell outline for the open pit Mineral Resources at a 0.5 g/t Au cut-off and mining parameters from the current Jupiter open pit operation (other than for the Morgans North deposit which reported by Dacian as part of the open pit resource inventory at 2 g/t Au cut-off rather than within an optimised pit shell) and at 2 g/t Au cut-off for the underground Mineral Resources, with Dacian selecting the cut-off based on the known underground economic cut-off grade for similar deposits in the region, and for Jupiter, this cut-off is for a potential bulk tonnage underground mining scenario. Measured Mineral Resources within the stockpile categories comprise 84 koz Au or 4.1% of the total Mineral Resources at MMGO. The entire stockpile Mineral Resources are reported as Ore Reserves.

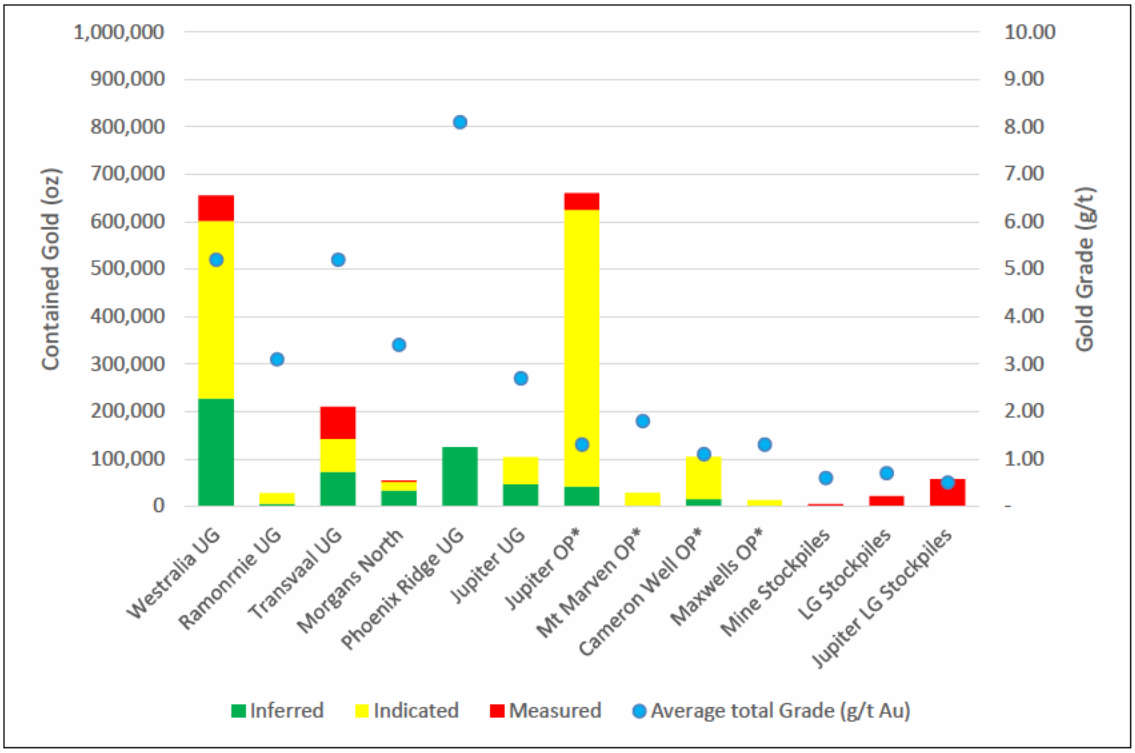


Figure 4-4: MMGO Mineral Resource estimates

Source: SRK based on Dacian's 2020 Annual Report

Data collection

Exploration and mine development activities have occurred in the Mt Morgans area since the 1890s, when the Westralia, Morgans North and Mt Marven deposits commenced production. Since that time, numerous companies have explored the area including Whim Creek Consolidated NL, Dominion Mining, Plutonic Resources, Homestake Gold, Barrick Gold Corporation, Delta Gold and RNG.

More recent activities include regional and near mine drill testing comprising a mix of air core (AC), Reverse Circulation (RC), surface and underground diamond (primarily NQ, with lesser PQ and HQ diameter core sizes) and reverse circulation with diamond tail (RCD) drilling methods.

Data used to support current Mineral Resource estimates includes RC and diamond (drilled from both surface and underground positions), in addition to RC grade control drilling and underground face sampling. Drilling was completed using nominal grids, ranging from grade control grids of between 8 to 20 m by 8 to 20 m (depending on deposit) to drill hole spacings greater than 80 m, which were drilled oblique to the mineralised trend of each deposit. Surface drill holes are variably oriented at

between 50˚ and the vertical (predominantly angled to the west except at Cameron Well, which are drilled to the east, southeast, west and northwest, and Maxwells, which is angled to the north).

QAQC sampling and analyses have been conducted for drill programs from approximately 2006 onwards.

The exploration data to support the Mineral Resources is stored in a Data Shed database and has been, and remains, subject to a variety of validation processes.

The geological and assay datasets and QAQC have been documented. External independent review of RC and diamond sampling and logging has been carried out and determined that these procedures are satisfactory. The commercial laboratories were audited quarterly in 2019 and concluded the sample preparation and assaying processes were satisfactory. Internal reviews have been completed on all deposits with external audits in early 2020 completed on the Beresford, Allanson and Jupiter Mineral Resource estimates. While these audits did not review the data or database, it was understood that sufficient and suitable QAQC and database validation was carried out routinely by Dacian's geologists.

In SRK's opinion, the resource database is suitable for Mineral Resource estimation purposes for the MMGO deposits.

Geological modelling and estimation

MMGO's Mineral Resources total 2,067 koz contained gold ounces, which are dominated by the Jupiter (764 koz or 37.0% of the total) and Westralia deposits (655 koz or 32.0% of the total), followed by the Transvaal deposit (210 koz or 10.0% of the total). Together, these two deposits account for 69.0% of the reported Mineral Resources and are described in further detail below.

Jupiter – open pit and underground

Of the total Mineral Resource for the Jupiter deposit open pit and underground areas of 765 koz of contained gold (37.0% of the MMGO total), the open pit ounces at 661 koz contained gold accounts for 86.0% of the total Jupiter deposit Mineral Resource.

The Jupiter Mineral Resource area extends over a strike length of 2,080 m and includes the 800 m vertical interval from 500 mRL to -300 mRL and is currently being mined by open pit techniques with gold recoveries through the Jupiter Processing Facility achieving overall recoveries of 92.3% for the combined ore feed.

A plan of the 2019 Jupiter Mineral Resource and a cross-section through the deposit is provided in Figure 4-5 and Figure 4-6. The Mineral Resource comprises three deposits, namely the Ganymede, Heffernans and Doubljay deposits from south to north.

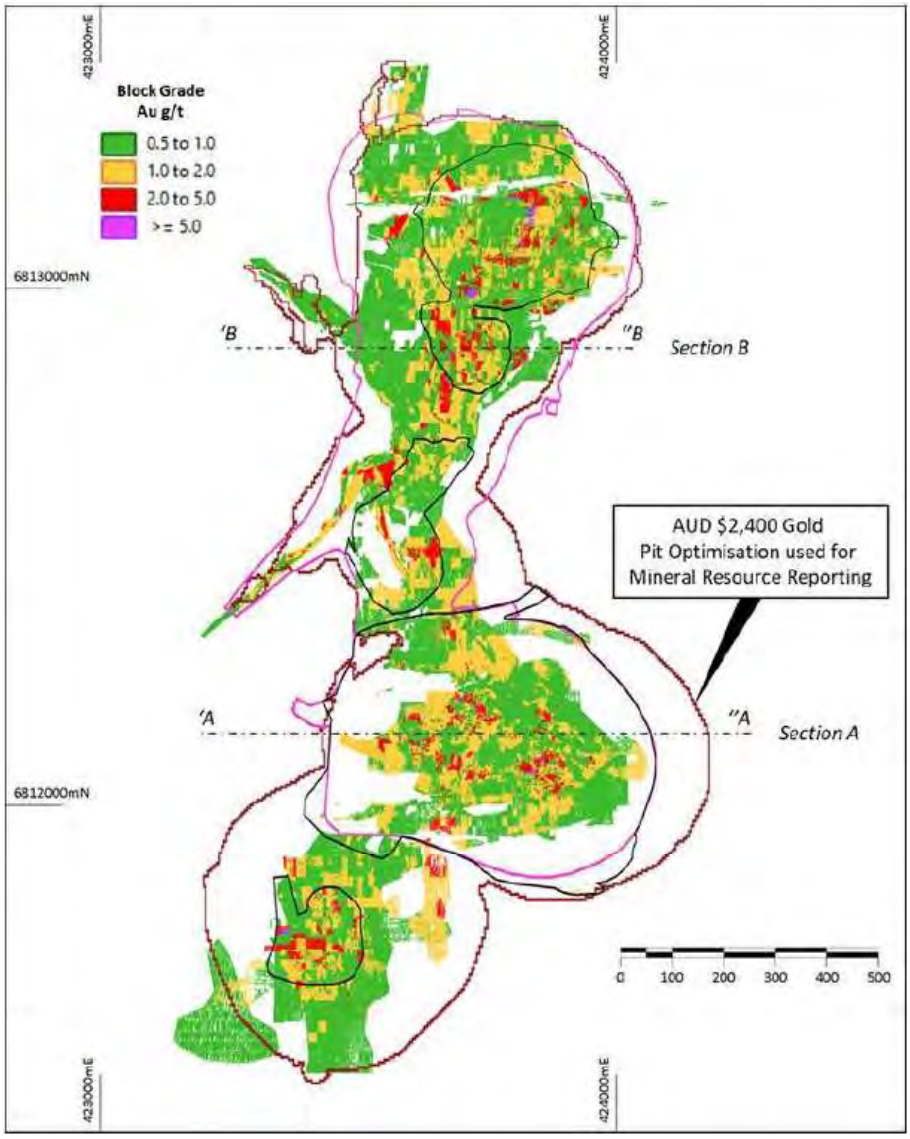


Figure 4-5: Jupiter plan showing the Jupiter Mineral Resource block model and current (black line) and future (magenta) pit designs

Source: Dacian 2020 Mineral Resource and Ore Reserve ASX Announcement

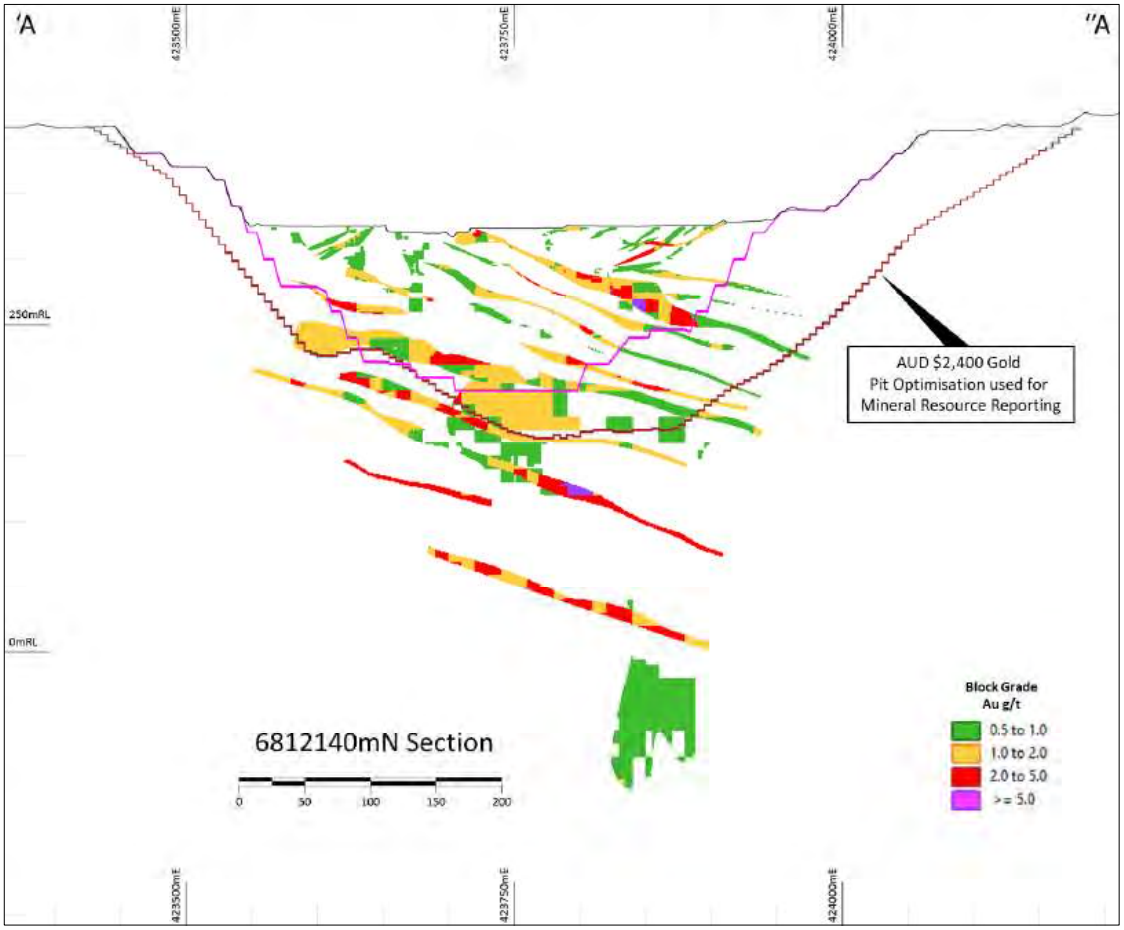


Figure 4-6: Cross-section view of the Jupiter Heffernans deposit Mineral Resource block model and outline of the constraining pit shell for reporting (Section A from the plan view in the above Table)

Source: Dacian ASX Announcement, 27 February 2020

Since mining activities began in 1994, previous Mineral Resource estimates for the Jupiter open pit have performed in line with expectations. The Jupiter 2019 Mineral Resource update has been completed by Dacian's geologists and includes an additional 3,158 RC grade control drill holes (84,238 m drilled) since the previous 2018 estimate. The majority of the new drilling took place within the Heffernans open pit area (Figure 4-5 and Figure 4-6) with the 10 m by 8 m space drilling completed down to the 305 mRL.

The deposit mineralisation wireframes were constrained using 0.3 g/t Au threshold grade. Ordinary kriging was used to estimate average block grades from 1 m composites drill hole sample data and this linear grade estimation technique was deemed suitable for the Jupiter Mineral Resource due to the geological control on mineralisation. Top-cutting of high grades was applied at different levels for each domain from 5 to 55 g/t to control excessive smearing of very high sample grades into the model blocks. A maximum extrapolation of domain wireframes from drilling was 100 m down-dip beyond the last drill holes on section. The model was depleted for mining as of 31 December 2019.

The Mineral Resource was classified as Measured, Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Measured Mineral Resource was classified in areas of RC grade control spaced drilling of 10 m by 8 m. The Indicated Mineral Resource was defined within areas of close spaced diamond and RC drilling of less than 40 m by 40 m, and where

the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 40 m by 40 m and up to a maximum spacing of 100 m; where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones. The Mineral Resource classification and reporting confidence relates to global estimates of tonnes and grade.

Reconciliation for mining conducted to end of December 2019 in the Heffernans open pit showed the estimated undiluted grade for the period of 0.99 g/t Au compares well to the milled grade of 0.85 g/t after allowing for dilution and metallurgical recovery. Validation of the model included the detailed comparison of composite grades and block grades. The Jupiter Mineral Resource model was generated by Dacian geology personnel. An independent external review and audit of the Jupiter Mineral Resource in 2020 verified the estimates to be fair, reasonable and suitable for use in Ore Reserve estimation.

Westralia – underground

The total Mineral Resource for the Westralia deposit underground is 655 koz of contained gold or 32.0% of the total MMGO Mineral Resource inventory and is currently being mined using underground long hole stope mining techniques.

Westralia comprises the Beresford and Allanson deposits with the declared Mineral Resource extending over a SE-NW strike length of 2.2 km, has a maximum width of 130 m and includes the 1,280 m vertical interval from 2,500 mRL to 1,220 mRL. Longitudinal cross-sections of the deposit are shown in Figure 4-7 and Figure 4-8.

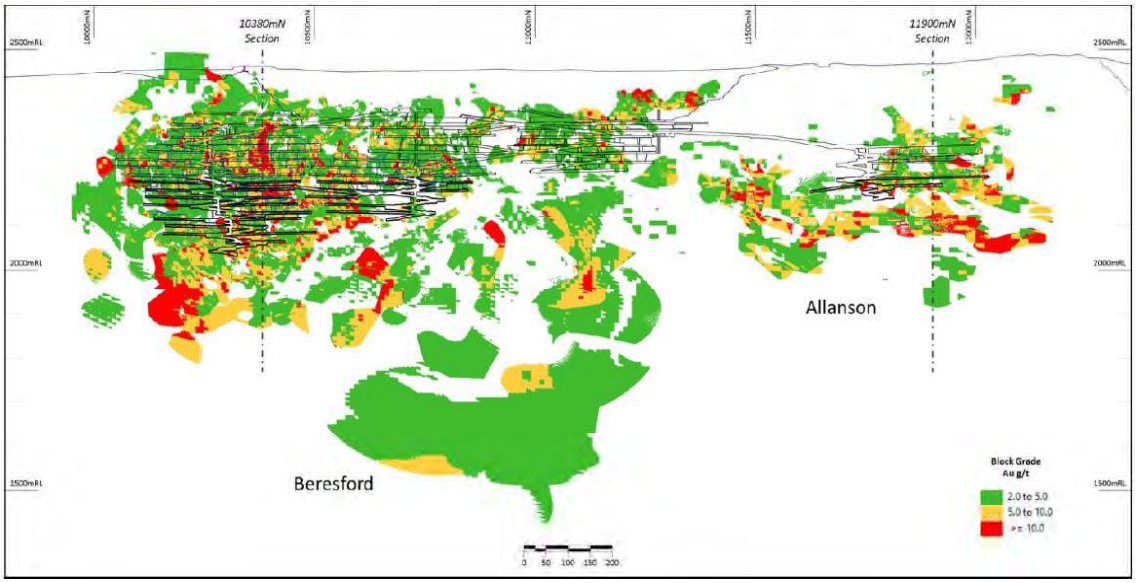


Figure 4-7: Longitudinal section (west facing) of reported Westralia Mineral Resource (2 g/t cut-off grade) block model grade

Source: Dacian ASX Announcement, 27 February 2020

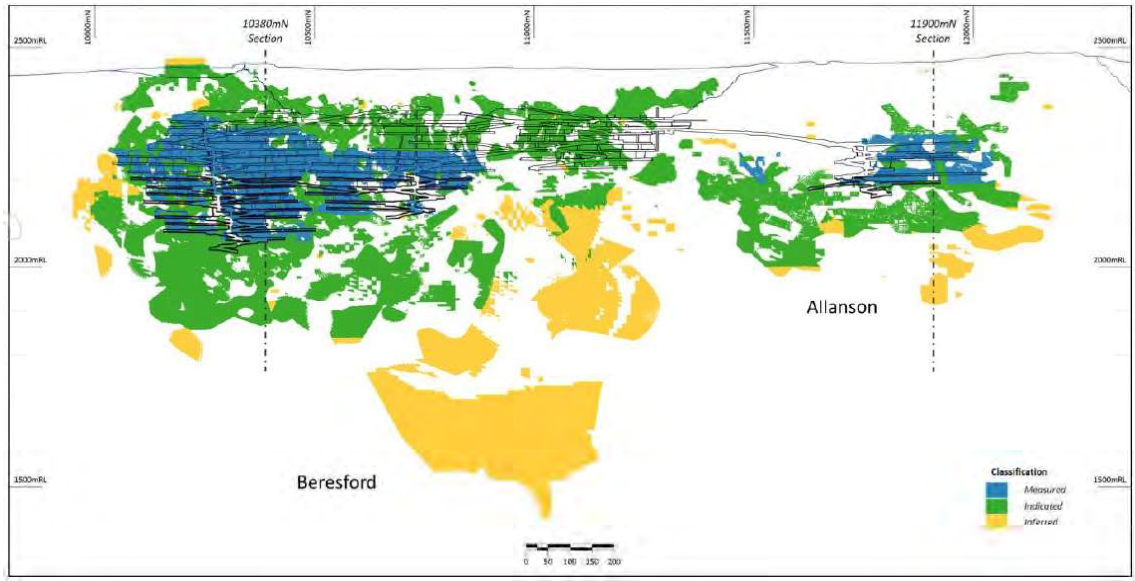


Figure 4-8: Longitudinal cross-sections (west facing) of the reported Westralia Mineral Resource

Source: Dacian ASX Announcement, 27 February 2020

Note: gold grades above and classification below; outlines of development in black and stopes in blue

At Beresford, within the Mineral Resource area, the deposit mineralisation was constrained by wireframes constructed using 0.5 g/t Au threshold grade. Mineralisation wireframes were generally constrained to the BIF units. At Allanson, within the Mineral Resource area, the deposit mineralisation was constrained by stratigraphic wireframes constructed without a cut-off grade. These wireframes were constrained to the BIF units, unless high grade was sitting adjacent to these units. The lode boundaries were treated as hard boundaries in the estimation process. At both Beresford and Allanson, the lode domains were sub-domained into high grade and low-grade zones; the high-grade subdomain generally contained composites greater than 5 g/t Au. In general, there is a clear change in grade to distinguish the high-grade subdomains.

Ordinary kriging from 1 m sample composites was used to estimate average block grades. High grade top cuts were applied to control smearing during estimation with variable high-grade cuts between 5 g/t in some of the low-grade domains and up to 100 g/t Au were applied.

The Mineral Resource has been classified into Indicated and Inferred categories based on drill hole spacing, geological confidence, and grade continuity and estimation quality. The Measured portion of the Beresford deposit was assigned to areas of the deposit that have been developed and grade control drilled to a density of at least 20 mN by 20 mRL. At Allanson, Measured Resources were defined where drill spacing was closer than 10 m by 10 m, or where development had occurred. The Indicated Mineral Resource was defined within areas of drilling of generally closer than 40 m by 40 m, and where the mineralisation and stratigraphy was considered to have good continuity. The Inferred Mineral Resource was assigned to areas of the deposit where drill hole spacing was greater than 40 m by 40 m and not greater than 200 m by 120 m, and where geological continuity could be assumed. The Mineral Resource classification and reporting confidence relates to global estimates of tonnes and grade.

Validation of the model included detailed comparison of composite grades and block grades by northing and elevation and the comparison of input and estimated grades overall. The Mineral Resource estimate was also independently reviewed and audited by in early 2020 and found the estimates to be fair and representative estimations for use in Ore Reserve estimation.

4.9.5 Prospectivity

In addition to its mining operations at MMGO, Dacian maintains a large tenement portfolio associated with, and surrounding its operational areas. These form the basis for Dacian's regional exploration portfolio.

The majority of Dacian's tenure has been converted to mining leases which were granted prior to Native Title claim. This tenure has been grouped for the purposes of reporting into two groups:

- C4/200 (Central tenure); and
- C203/2017 (Lake Carey)

From an exploration perspective, most known major deposits in the region are spatially associated with approximately north-south striking east dipping structural corridors and second/third order structures off terrain bounding faults. Locally, the BIF/sediment/ultramafic/unconformities and intrusive bodies generate rheological contrasts which provide for unique structural settings for mineralisation. The major fluid conduits include the Celia Tectonic Zone, granitic batholiths and the syenite intrusions.

To expedite exploration, Dacian has embarked on an A$15 M multi-level exploration program to expand the Company's currently defined Mineral Resource base. This program is targeting large potential base load ore feed to replace Jupiter at Cameron Well and the Mt Marven Shear Zone, as well as satellite deposits at Mt Marven, Mt McKenzie and McKenzie Well. Following discussions with Dacian's technical staff and review of available information, SRK notes the following with respect to the growth opportunities at MMGO:

- Underground Targets
  - Westralia deposit
  - Phoenix Ridge high grade deposit
  - Transvaal deposit
  - Craic deposit.
- Near term, Near Mine Targets
  - Jupiter extensional drilling
  - Doublejay resource upgrade program
  - Ganymede (at Jupiter) resource upgrade program
  - Mt Marven extensional drilling.
- Drill ready advanced Targets
  - Cameron Well syenite target
  - Mt Mackenzie target
  - McKenzie Well target
  - Mt Marven South shear zone prospect.
- Satellite pits
  - Ramornie

- Ramornie North
- Sarah, Recreation
- King St
- Back o'Beyond.

Outside of the defined mining and associated Mineral Resource areas, assessment predominantly remains at an early to advanced stage of exploration. SRK has sighted a comprehensive listing and ranking assessment of 245 named targets within Dacian's tenure package. A number of the key targets and concepts being advocated by Dacian are discussed briefly below.

Exploration Costs

SRK notes that within the supplied Model, a total of A$19.7 M has been allocated to regional exploration over the LOM. SRK considers this estimate to be reasonable within the context of the targets identified and as discussed further below.

Westralia Extensions

There are large areas which remail just sawn underexplored representing both along strike and at depth extensions to the existing mining areas and defined resources along the Westralia – Phoenix Ridge line.

Mt McKenzie

The Mt McKenzie Prospect lies along strike of Westralia within M39/208. A non-compliant Resource was previously reported at Mt McKenzie in 1993 with little to no follow-up over the subsequent period perhaps due to its location in proximity to a large telecommunications tower.

McKenzie Well

The McKenzie Well Prospect is located further along strike of the Mt McKenzie/Westralia area within M39/1137. Previous drilling encountered a number of high-grade drilling intercepts and rock chips located in a structurally complex area.

Southern BIF

The Southern BIF target covers approximately 7.3 km of variably mineralised BIF within M39/504, M39/745 and M39/1129, where a number of BIF hosted intercepts and an abundance of historic small-scale mining (shafts and adits). Historical and Dacian rock chip geochemical sampling of outcrop and old workings has confirmed a number of prospects which include Rainbow Bore, Lake View, Anaconda, Golden Cliffs and Donaldson's Reward.

Basin Margin prospects

Five mining leases cover the western and northern margins of the Archean Carosue Basin, which are elsewhere associated with large deposits such as at Wallaby and Lancefield. These basinal sediments remain to be adequately tested with exploration to date including only limited shallow AC drilling (but not the more prospective zones at the projected intersection of the Mt Marven and Cornwall Shears).

Jenkinson Well

Dacian has previously acquired a 90.0% interest in E38/3272 and E38/3211 which contain the Jenkinson Well prospect. Jenkinson Well is interpreted to host BIF gold mineralisation proximal to a large north-south trending shear zone but below significant transported cover (>70 m in some areas). Historical drilling has previously encountered narrow zones (5 to 7 m) of modest grade (2 to 2.5 g/t Au) at depths amenable to open pit extractions (60 m to 140 m downhole depth).

Cameron Well Area targets

Previous exploration in proximity to Cameron Well has highlighted a number of prospects including:

Purple Congo – aircore drilling encountered narrow zones (1 to 2 m) of weak patchy anomalism (<0.8 g/t Au) at shallow depths (<60 m) within greenstone rocks on the western limb of the Mt Margaret anticline.

Piccolo Star follow up aircore drilling encountered several intercepts (2 to 8 m) of patchy anomalous to low grade (0.4 to 1.4 g/t Au) gold mineralisation at shallow depths (<80 m) at a basalt-porphyry hosted prospect approximately 1.8 km east of the Cameron Well syenite.

4.10 Metallurgical test work and Processing

4.10.1 Introduction

MMGO is a relatively new operation in an established Western Australian gold precinct. SRK's observations and opinions on the processing flowsheet, metallurgical behaviour and processing costs at MMGO are based on the data provided in the Project data room, a site visit to MMGO and through discussions with technical and project management groups.

4.10.2 Metallurgical Testwork – MMGO

The MMGO processing facility is relatively new, having been operating for under three years. Despite this short operating history, this still provides a reasonable operating base to provide historical data regarding the metallurgical behaviours of the ores processed over this time. This is supplemented by testing done as part of Dacian's feasibility study. In addition, the MMGO has historically been mined and processed by a number of previously operators. This augments the data available for the understanding of the metallurgical behaviours of the Operation's ores. It was used in the development of the feasibility study gold recovery estimates.

In SRK's opinion, the use of historical operating data to forecast future LOM performance is superior to metallurgical testwork when processing similar ores. There is a reasonable understanding of the metallurgical behaviours of the MMGO ores that have been historically processed. This operating history and supplementary testwork programs on new ores provide a degree of confidence in the understanding of the metallurgical behaviours of the ores being processed and forecast to be processed.

The bulk of the current MMGO LOM tonnage is produced from various stages of the Double Jay and Heffernans open pits and the 'Saddle Pit' in-between, all of which are 'sub-pits' of the larger Jupiter Pit. Some supplementary feed is provided by Mt Marven. These deposits have been processed previously and there is good confidence in their behaviours in relation to throughput and metallurgical recovery. The MMGO processing facility has demonstrated its amenability to processing these ores. The key risks will be managing the materials handling characteristics of the oxide ores if they are to make up more of the future blend.

No additional testwork has been provided for review of other new ore types as none are forecast in the current LOM plan. It is standard practice to test these to determine and verify their expected metallurgical behaviours, and ensure their amenability to processing through the Mt Morgans plant. As additional historic pits and previously unmined deposits are introduced into the LOM plan, such as Ganymede, Sarah and Ramornie, confirmatory testing is required to verify the expected performance, even though the bulk have been previously successfully processed.

SRK has confidence in the use of historical processing data in the forecasting of future performance. One risk is the gold recovery applied to the low-grade stockpiles at the end of the LOM, i.e. the gold recovery of 87.5% assigned to feed grades of between 0.51 and 0.60 g/t. While this is based on the feasibility study grade versus recovery curves, SRK recommends some more basic confirmatory bottle roll testing be undertaken to confirm this value remains accurate. In SRK's opinion, modest changes in this value are not material to the LOM net present valuation (NPV).

In summary, at a high level, SRK has reviewed the historical operating data in conjunction with the metallurgical testwork, in respect to metallurgical recovery, throughput and reagent consumption, and considers the application of both to the MMGO LOM metallurgical inputs and modifying factors to be reasonable.

4.10.3 Processing Flowsheet

The MMGO plant is a relatively new operation, being commissioned in the first quarter of 2018 with first gold poured in late March 2018 and commercial production announced in January 2019. The plant was design and constructed by GR Engineering Services (GRES). The plant has operated continuously since that time.

The processing flowsheet is a conventional cyanide leach style circuit typically used to process free milling gold ores. The MMGO plant incorporates primary jaw crushing, with crushed ore reporting to a coarse ore stockpile. Crushed ore is reclaimed from the bin via two apron feeders (and alternatively through an emergency reclaim feeder) which feed to a milling circuit. This is a two-stage grinding circuit comprising a semi-autogenous grind (SAG) milling circuit, incorporating closed circuit pebble crushing, and a secondary ball milling stage in closed circuit with hydrocyclones to classify the milled products according to size. The installed power of this circuit is 8.8 MW. The nameplate capacity of the comminution circuit is nominally 2.5 Mtpa on a predominantly hard, fresh ore feed blend targeting a grind size P_{80} of 106 µm. Throughput can, and has been, increased by coarsening the grind size to 125 µm and by incorporating a soft oxide ore component to the feed blend as is the current practice.

Gold recovery occurs via gravity gold recovery and cyanidation of the gravity tailings, to extract gold from the ores. The gravity circuit incorporates two 48" Knelson (centrifugal style gravity) concentrators and an Acacia (intensive cyanide leach) reactor to leach the gold from the gravity concentrate. The gravity tailings are thickened in a pre-leach thickener and pumped to the cyanide leach circuit, which comprises seven (7) carbon-in-leach (CIL) tanks. The overall leach residence time was designed at 28 hours so is nominally 24 hours at the current throughput rates of 2.9 Mtpa.

Loaded carbon from the CIL circuit is treated through a split Anglo-American Research Laboratory (AARL) process. The circuit has separate nine (9) tonne acid wash and elution columns and only requires three carbon 'strips' per week. The gold, eluted from the activated carbon, is electrowon, calcined and smelted into gold doré. The stripped carbon is reactivated in a gas fired kiln.

Tails from the CIL plant is screened to recover any fugitive carbon, and pumped to a conventional, paddock style TSF incorporating two storage cells. Decant water is returned to the process water pond for further use.

The plant is supported by the standard reagent make up and dosing systems including lime, cyanide, oxygen (through a PSA plant), activated carbon, caustic soda, hydrochloric acid; and utility systems including natural gas, electrical power and low pressure and instrument air, and various water systems.

In SRK's opinion, the MMGO plant (Figure 4-9) is a conventional gold processing operation, ubiquitous to the gold industry. It is a robust design and of a good build quality. In SRK's opinion it is, and will remain, amenable to processing the MMGO LOM ores.

Figure 4-9: MMGO Processing Facility

Source: 22Feb_DCN_BMO Presentation Draft_AM.ppt – February 2018, Dacian Gold

4.10.4 Infrastructure

A high-level assessment of the project infrastructure was undertaken as part of the independent review and site visit. There is substantial infrastructure associated with the MMGO. It has demonstrated it is capable of meeting the requirements of the existing operation.

The infrastructure includes site access from the sealed Goldfields Hwy and Laverton Leonora Road, and internal haul roads and access roads, a new 400 bed accommodation camp including typical kitchen, mess and recreational facilities operated by a catering contractor as is common practice, with another overflow camp of 25 beds. A natural gas power station housing five (5) Jenbacher generators (approximately 3.5 MW of power) and another three black start 1 MW diesel fired generators which provide emergency power, a letdown station for high pressure natural gas from the Goldfields Gas Pipeline as well as diesel storage. Contracts are in place for the power station which is on a build own operate basis with Zenith Energy Ltd, APA Group Ltd for the gas pipeline, and take or pay contracts with Santos Ltd, with supplementary gas at spot prices. The gas generated power cost provides a competitive operating cost advantage.

Water is provided from a shallower calcrete hosted raw water borefield, a deeper, more confined, broken rock aquifer and in pit dewatering with adequate abstraction licensing in place. Dacian holds a combined water allocation of 4.9 GLpa (3.5 GLpa and 1.4 GLpa respectively) between the two licences. The licensing is more than adequate for the forecast LOM plant throughput. There are some concerns over the deteriorating water quality as the plant becomes more reliant on pit dewatering which is hypersaline. This relates to higher lime consumption and increased scaling in the plant. There is a planned groundwater exploration program in place to address this. Risks have been considered and are being appropriately managed and mitigated.

Tailings from the thickened CIL circuit feed are stored in the TSF, which is made up of two (2) cells. The original feasibility study planned for these two cells to have three lifts. This was intended for a longer LOM than is currently modelled. Licensing and works approvals are in place for the first two lifts on both the cells. Cell 1 is at capacity and has been drying out for the last year in preparation for the first lift. This is scheduled in the financial model in May/June/July 2021. The costs need to be updated as they are based on the feasibility study and assume an upstream lift and possibly a higher proportion of fresh material in the plant feed. In SRK's opinion, there is sufficient tailings capacity after the first two lifts to meet the current LOM. Any revised LOM plan incorporating the NTM feed would need to review the updated tailings tonnage to ensure it is capable of storing these tonnes after a third lift. This would need additional approvals. CMW Geosciences are used to undertake annual TSF compliance and other engineering works.

There are other water reticulation systems such as potable, fire water a reverse osmosis system (RO) for potable and elution water, and septic systems. Building infrastructure includes administration offices, electrical, maintenance, light and heavy vehicle workshops, stores warehouse, first aid rooms and emergency response facilities, communications and IT systems and a laboratory. These facilities are new, of good quality construction and are typical of comparable Australian mineral processing plants.

There is a separate above surface infrastructure hub at the Westralia Pit and underground mine including administration buildings workshop, heavy vehicle sheds and power station.

Public airstrips are located at the nearby towns of Laverton and Leonora which have scheduled commercial and private chartered flights daily. These are used for the fly in-fly out (FIFO) requirements. There are several other private airstrips in the area including Murrin Murrin and Granny Smith Operations.

In SRK's opinion, the existing infrastructure does not present any fatal flaw risk to the ongoing viability of the MMGO. The infrastructure is currently operational and meets the demands of the existing operation.

4.10.5 Throughput

The annual plant throughput forecast in the MMGO LOM plan has been reviewed and compared against historical throughput, the best indicator when processing similar ores. There has been no consideration of a future expansion, debottlenecking or upgrade projects, that could benefit throughput or recovery. None are incorporated into the supplied LOM plan.

Some of the fresh ores processed at the MMGO are relatively competent. The feed to the plant in the forward LOM represents all open pit feed sources, however the underground feed from the Westralia mining centre is not included in the plan. The fresh ores are blended with softer oxide ores to achieve the target throughput. Throughput, grinding power and wear are a function of this competency and the blend. With a move towards open pit ores, in SRK's opinion, it is likely there is an opportunity for throughput to creep above the current 2.9 Mtpa being achieved. The key risk to be managed is ensuring the proportion of soft oxide ores does not exceed nominally 25.0% of the overall feed. Above this, the front end of the plant can experience materials handling and slurry rheology issues. Blending to manage this is currently well managed.

The MMGO processing plant was designed to treat 2.5 Mtpa of predominantly hard, fresh (primary) ore. While the operating history is not extensive (having operated for approximately 32 months since first gold was poured in April 2018), it has demonstrated it is capable of achieving and exceeding the design values. The plant throughput ramped up quickly. The annual report shows a 2019FY throughput of 2.665 Mt was achieved, monthly reporting shows that 2.964 Mt were milled in 2020FY and the annualised production rate for 2021FY year to date to September 2020 is annualised at 2.83 Mtpa.

This has been achieved despite relatively low plant uptime of 91.6% in the 2020FY (i.e. plant availability and utilisation). The plant design was also relatively conservative in respect to the installed milling power and through other design factors such as design availability and testwork work indices assumptions. On an hourly rate, the plant, with an oxide component, is capable of 420 t/h, the annualised equivalent of 3.4 Mtpa at the current plant utilisation rates. This should increase as the main downtime drivers are being progressively resolved, including resolution of the VSD cooling, and lifter and liner premature replacement.

The forecast LOM throughput is maintained at 2.9 Mtpa for the remaining LOM, 2021FY to the 2025FY from open pit ores sources, predominantly from the Doublejay, Heffernans and the Saddle, as presented in Figure 4-10. In SRK's opinion, the MMGO throughput assumptions used in the LOM financial model are reasonable for the purposes of the valuation and are supported by historical production data, metallurgical testwork and opportunities for improvements in plant availability and through ongoing plant optimisation, debottlenecking, softer ores in the feed blend and better utilisation of the installed milling power. In SRK's opinion, a conservative approach has been used. As a result, SRK expect there to be potential for further throughput upside.

SRK notes whilst not the norm, contract crushing was being employed for a short duration that during SRK's site visit, while repairs were ongoing to the primary crusher pitman bearing. This is a known problem, and the replacement was a planned exercise with a spare pitman in transit and refurbishment of the original being undertaken to provide redundancy.

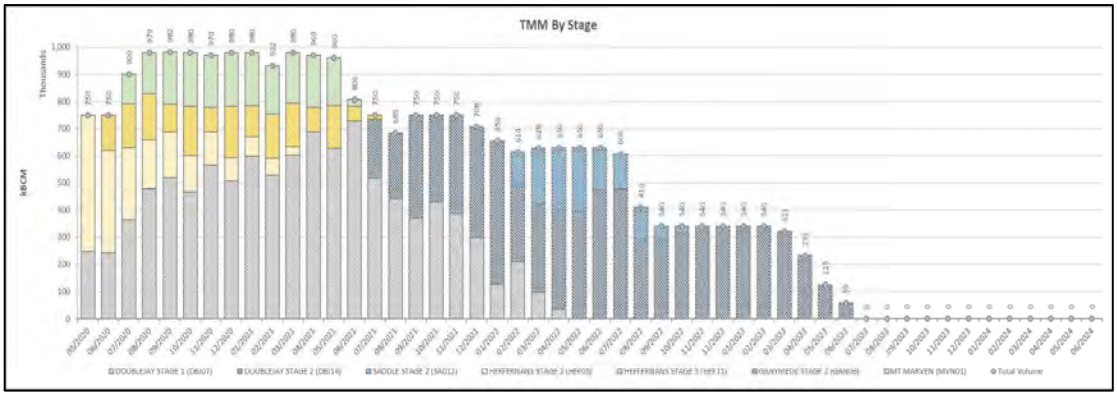


Figure 4-10: MMGO LOM Mine Physicals (feed sources)

Source: Mt Morgans Gold Project 2020 LOM Update', 2020, Dacian Gold

4.10.6 Metallurgical Recovery

The MMGO ore is free milling in both the oxide and fresh feed, with relatively high gold recoveries in the low to mid 'nineties'. The plant ramped up relatively quickly once first gold was poured in late March 2018. The 2019FY gold recovery was 95.1% at a feed grade of 1.71 g/t. The recovery in that financial year was artificially high because at the time, sample assaying relied on the 'PAL' method (intensive cyanide leaching on pulverised samples) which understates recovery, in this case by 2.0 to 3.0%. Assaying reverted to the conventional fire assay method after this. The 2020FY gold recovery was 92.8% at a feed grade of 1.57 g/t Au, using fire assays for grade determination. For the first quarter of the 2021FY (i.e. September 2020), the recovery was 92.2% at a feed grade of 1.57 g/t. The gravity gold recovery component of this was approximately 30.0% (in absolute recovery terms).

The LOM model recovery values are hard inputs. They have been simplified to assume a gold recovery of 92.5% on the typical ROM feed and a lower recovery of 87.5% on the stockpile ores. The proportion of stockpiled ore fed results in the recovery changing on a month to month basis. There were supporting gold grade versus recovery models developed during the original feasibility study, but

Dacian have reverted to using a simple fixed gold recovery based on historic, and current plant performance. The recoveries are not grade reliant or modified for each of the different ore types. While this is simplistic, SRK accept the method given the relatively consistent monthly recovery range and the poor grade versus recovery relationship coefficient when monthly recoveries are plotted. The forecast remaining LOM gold recovery averages 90.2%, but this is biased by lower recoveries in the final 20 months of operation, (i.e. 2024FY and 2025FY when low grade stockpiles are processed ranging from 0.51 to 0.60 g/t Au feed grade). Forecast recoveries are presented in Table 4-7.

The forecast recoveries are generally consistent with those from recent historical production data. In SRK's opinion, the fixed ROM recovery of 92.5% is reasonable. The lowgrade stockpile recovery of 87.5% does not have supporting operating data. The feasibility study grade versus recovery trends indicate it would be of this order, however monthly operating data relates to gold grades well above this. There is the risk that it is moderately overstated. At the typical gold feed grades, the recovery forecasts are better aligned with recovery algorithms. For example, the September 2020 quarter LOM model forecast verses actual feed grades and recoveries match very closely.

Table 4-7: Forecast LOM Gold Recoveries

	2021FY	2022FY	2023FY	2024FY	2025FY	LOM
Gold recovery %	92.4	91.5	91.6	87.5	87.5	90.2
Feed grade (g/t Au)	1.35	1.21	1.22	0.55	0.51	0.98

Source: 'DCN – Summary Financial model – October 2020.xlxs, Dacian Gold Ltd.

In SRK's opinion, the forecast gold metallurgical recovery assumptions used in the MMGO LOM financial model are reasonable for the purposes of the valuation and are supported by historical production data and metallurgical testwork. Additional recovery algorithm data supporting these values would increase the confidence in the recovery, but the values are not fatally flawed. SRK recommend modelling a downside metallurgical recovery case to demonstrate the model's robustness to modest decreases in gold recovery. The associated grade versus recovery algorithm is presented below in Figure 4-11.

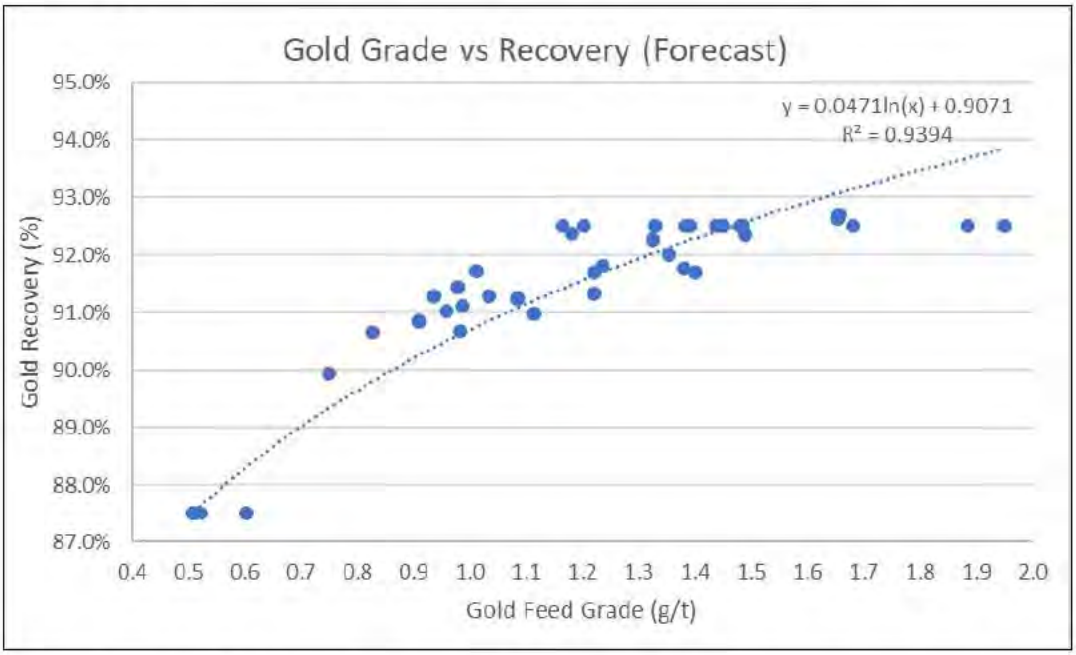


Figure 4-11: Gold Grade vs. Recovery Relationship (Forecast)

Source: 'DCN – Summary Financial model – October 2020.xlxs, Dacian Gold Ltd.

4.10.7 Processing Costs

The annual and average processing cost forecast in the MMGO LOM plan have been reviewed and compared against historical operating costs, the best indicator of likely future costs when processing similar ores. They have also been benchmarked against peer operations of comparable size, processing a predominantly fresh ore feed blend.

The actual 2020FY costs were A$17/t feed at a feed rate of 2.96 Mtpa and was A$17.15/t in the September 2020 quarter, (i.e. Q1 2021FY at an annualised throughput of 2.8 Mtpa). Costs are sensitive to the throughput and maintenance costs, particularly the mill and crusher relines. The impact of the COVID-19 pandemic on processing costs does not appear to be significant.

When these costs are benchmarked against SRK's throughput versus processing cost relationship developed from a database of operating gold plants and projects processing a predominantly fresh ore feed, the values are at the low end of the typical range. They benefit from gas fired power and relatively low reagent consumptions, as well as a component of softer oxide ores in the blend.

The forecast LOM processing cost is A$16.94/t, at a throughput of 2.9 Mtpa. It is higher in 2021FY (A$18.17/t) then slowly tapers down presumably with reduced reagent and maintenance costs and a leaner operation to offset the lower feed grades at the end of the mine life when stockpiles are processed (Table 4-8). No other potential cost savings enablers have been factored into this estimate, however there is potential upside in improved uptime, increased throughput and reduced maintenance costs.

SRK notes that during its site inspection, contract crushing was being employed for a short duration while repairs were being made to the primary crusher pitman bearing. This will result in a short increase in processing costs over this period but is not expected by SRK to be incurred on an ongoing basis.

Table 4-8: Forecast LOM Processing and General and Administrative Costs

Variable	2021FY	2022FY	2023FY	2024FY	2025FY	LOM
Processing Cost (A$/t)	18.17	17.67	17.47	15.73	15.39	16.94
G&A Cost (A$/t)	3.29	3.42	3.45	3.18	2.89	3.27
Throughput (Mtpa)	2.9	2.9	2.9	2.9	1.8	2.9*
Feed Grade (g/t Au)	1.35	1.21	1.22	0.55	0.51	0.98

Source: Dacian Management Information

Note: * Annualised tonnage rate, not full year or LOM tonnage

In SRK's opinion, the forecast processing costs used for the MMGO LOM financial model are reasonable and are supported by historical costs. Based on historical values, the estimated 2021 and 2022 financial year processing costs may be marginally high but the final years processing low grade stockpiles offset this as these estimates are potentially marginally too low. With the introduction of more oxide ores into the blend, there is likely to be a modest reduction in processing cost, this would offset any creep in costs such as additional lime consumption if the raw water salinity remains high.

SRK considers the gold doré transport and refining costs used in the financial model to be reasonable. They reflect the current costs incurred by Dacian and benchmark well against industry peer benchmarks.

4.10.8 General and Administrative Costs

The annual and average general and administrative (G&A) costs (also referred to as business services) forecast in the MMGO LOM plan have been reviewed and compared against historical operating costs, the best indicator of likely future costs. They have also been benchmarked against peer operations of comparable size.

The actual 2020FY costs were A$2.42/t feed at a feed rate of 2.96 Mtpa and was A$2.29/t in the September 2020 quarter, i.e. Q1 2021FY at an annualised throughput of 2.8 Mtpa. These costs are largely fixed so are particularly sensitive to the throughput. When benchmarked against SRK's database of operating gold plants and projects, these costs are at the low end of the typical range.

The MMGO LOM financial model forecasts a business services cost of A$3.27/t. Values are provided in Table 4-8. This appears to be high compared to historic values, providing some conservatism in the estimate. In SRK's opinion, the forecast G&A costs used in the MMGO LOM financial model are reasonable for use in the LOM modelling.

If there is further production creep above 2.9 Mtpa, in SRK's opinion there is a reasonable prospect that there could be a further modest G&A cost decrease.

4.10.9 Sustaining and Development Capital Costs

The MMGO processing facility is relatively new, having been constructed in the second half of 2017 and first half of 2018. It is in a good condition as should be expected for an operation of its age. While a detailed plant condition audit was not undertaken by SRK, based on the general site inspection, visually the plant is in good condition. No notable flaws were noted in the civils, concrete, structural steel audit, piping, mechanical equipment and electricals, which seem to be maintained well, even with the high salinity water that is used on site. No general plant integrity reporting (concrete, structural steel and/or electrical) or specific mechanical equipment condition reporting (e.g. mills and crushers) was provided for review to verify this observation.

Some anecdotal evidence in terms of equipment reliability and unplanned failures or risks of failure are evident in the monthly reporting. Some of these issues can be attributed to 'plant optimisation and start-up 'teething' problems. Some of the more significant concerns are the relatively low plant uptime of 91.6% in 2020FY, which is well below peer operations. The historic and ongoing downtime has been associated with excessive relining of the primary crusher and mills, crusher pitman bearing failure, and failure of the SAG mill pinion and metal (brass) filings in the SAG mill feed end bearings, failures of both mill motors (internal winding failure). Several of these are unexpected for a plant of this age. Conditioning monitoring is ongoing, with close attention to the mills including remote vibration sensing on mill bearings. The critical items and the all steel lining systems have now been replaced with poly-met (rubber and steel) system to improve life and increase uptime. SRK expect improvements in availability and throughput as these issues are worked through and rectified.

Most of the critical (insurance) spares are now carried on site to rectify any of the failures that have been identified as a risk. This includes parts for the primary crusher including a new pitman bearing and a refurbished spare. The SAG and ball mill require common spares. As such, a single spare is required for each, including a spare motor and pinion bearing. A spare SAG mill and ball mill girth gear has been ordered and is currently being manufactured. The non-sustaining capital estimate has an insurance spares value of A$0.3 M incurred in April 2021. This allows for these additional spares.

The plant benefits from being of a robust, good quality design even with the high-saline water used for processing. Once the issues are resolved, in SRK's opinion, the plant condition can continue to be supported by appropriate planned and preventative maintenance and appropriate levels of sustaining capital expenditure.

A maintenance sustaining capital allowance of A$5.2 M has been made in the MMGO LOM financial model. This is spread more evenly over the LOM. In total, A$4.7 M is forecast to be spent until the end of FY2023. It is then curtailed in the last 20 months of operation on the low-grade ores, when A$0.5 M is spent in total. It is not unusual for plants to ramp down forecast expenditure in financial models at the end of the LOM and SRK accepts this tapering.

A process sustaining capital allowance of A$8.2 M has been made in the Mt Morgan LOM financial model. Incorporated into the process sustaining capital is three large tranches of capital totalling A$7.86 M, i.e., the majority of this allowance. This is for tailings storage facility lifts. Based on the Model, this provides an allowance of approximately A$0.76/t ore processed including the current capacity and the timing of first cell lift in the months of May, June and July 2020. SRK understands this is for an upstream lift assuming a predominantly fresh feed and local fill. More oxides are being processed so the settled density will be moderately lower (volume is higher) and if there was the need to change to a downstream lift, this allowance is likely to be at the low end of the likely range. It leaves approximately A$0.5 M of processing sustaining capital for minor miscellaneous costs. In SRK's opinion, this is reasonable but low when considered with the maintenance sustaining capital allowance.

In SRK's opinion, the combined maintenance, processing (excluding TSF lifts) and business services sustaining capital of under A$2.0 M/year over the next three years is reasonable, but low, when benchmarked against comparable peer projects and when applying industry heuristics. SRK notes that it roughly reflects the actual 2020FY and 2021FY year to date spend.

4.10.10 Processing Opportunities

SRK considers there to be a number of opportunities to the processing assumptions presented in the MMGO LOM model. In SRK's opinion, there is a reasonable likelihood that additional benefits will be realised from these opportunities. This presents potential upside to the LOM plan. A number are listed below with some summary justification. The list is not exhaustive:

- Increased throughput through the processing facility, (i.e. above the target 2.9 Mtpa modelled). The plant remains somewhat in a 'ramp-up period', with various bottleneck and operational issues being rectified through continuous improvement initiatives. Either through higher instantaneous rate when processing a blend with a higher proportion of softer oxide ores and/or through higher plant availability and utilisation and potentially through further coarsening of the grind size. SRK considers there to be a strong likelihood of this occurring in the medium term.
- A modest reduction in the processing costs as a result of the increased throughput. While the financial model processing cost decreases with increasing throughput, SRK consider this to be a conservative saving, and it there could be additional, albeit modest, savings.
- Similarly, there is the potential for a modest reduction in the G&A costs. The model values appear to be conservative compared to the historic values (but aligned with benchmarks). If there is further production creep above 2.9 Mtpa there is likely to be a further fall in these unit costs.

4.10.11 Processing Risks

SRK consider there to be some minor risks to the processing assumptions presented in the MMGO LOM model. This presents potential downside to the LOM plan. A number are listed below with some summary justification. The list is not exhaustive:

- General risks included a major change to the hardness or the recoverability of the gold due to a change in lithology. Historical recoveries, metallurgical testwork on new ores, and discussions with the Dacian technical team suggest this is unlikely.

- There is limited information relating to the metallurgical behaviour of the NTM ores, specifically the GTS and Hub deposits. The throughput and more likely, the gold recovery assumptions could be moderately overstated.

4.11 Ore Reserves and Mine Planning

4.11.1 Ore Reserve Estimates

The current Ore Reserve estimates for MMGO were prepared by Dacian with an effective date of 1 January 2020 and reported to the ASX on 27 February 2020. The Ore Reserve estimates consider material extracted by open-pit methods at Jupiter and Mt Marvin, and underground methods at Westralia and Transvaal for a total Ore Reserve estimate of 16.87 Mt at 1.4 g/t Au for 754,000 oz Au at a cut-off grade of 0.5 g/t for the open pits, a 2.2 g/t stope cut-off grade for Westralia and a cut-off grade of 1.4 g/t Au for Transvaal (Table 4-9).

Table 4-9: MMGO Ore Reserve estimates – 1 January 2020

Deposit	Mine Type	Proved Reserves			Probable Reserves			Total Ore Reserves		
		kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Jupiter	OP	956	1.0	32	8,754	1.3	358	9,711	1.3	390
Mt Marven	OP	-	-	-	460	1.4	20	460	1.4	20
Westralia	UG	172	3.6	20	1,332	4.1	175	1,504	4.0	195
Transvaal	UG	193	4.7	29	325	3.4	36	518	3.9	65
Mine Stockpiles	S	241	0.6	5	-	-	-	241	0.6	5
Historical LG Stockpiles	S	938	0.7	22	-	-	-	938	0.7	22
Jupiter LG Stockpiles	S	3,494	0.5	57	-	-	-	3,494	0.5	57
Total Ore Reserve		**5,994**	**0.9**	**165**	**10,871**	**1.7**	**589**	**16,866**	**1.4**	**754**

Source: Dacian ASX announcement dated 27 February 2020

SRK notes disclosure pertaining to Dacian's Ore Reserves at MMGO are contained with the Company's ASX Announcment titled '2019 Mineral Resource and Ore Reserve Update" dated 27 February 2021. The named Competent Persons for the Ore Reserves were: Mr Mathew Lovelock (open pit Reserves), Dr Kelly Fleetwood (Westeralia Underground) and Mr Matthew Keenan and Mr Shane McLaey (Transvaal Underground).

SRK has received representations from Dacian confirming that:

- it is not aware of any new information or data that materially affects the information included in the relevant market announcement.
- In the case of estimates of the stated Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.
- <u>that the form and context in which the Competent Person's findings are presented have not been materially modified</u>

In SRK's opinion, the Ore Reserve estimates have been prepared to a sufficient quality standard under JORC Code (2012) guidelines and are considered to be reasonable estimates. SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) in respect to the Ore Reserve estimates which are summarised in Table 4-9.

As at the Effective Date of this Report, underground mining at MMGO was on care and maintenance, with open pit mining from the Jupiter mining centre providing mill feed to supply the 2.5 Mtpa processing facility.

4.12 Jupiter Ore Reserves

The Jupiter Ore Reserve estimates (Table 4-10) were based on the Mineral Resource estimates which were prepared with an effective date of 31 December 2019 and include depletion of approximately 13.1 M bank cubic metres (bcm) which was mined in the 18-month period since mining operations commenced at the Jupiter mining centre.

Table 4-10: Jupiter Ore Reserve estimates – 1 January 2020

Deposit	Mine Type	Proved Reserves			Probable Reserves			Total Ore Reserves		
		kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Jupiter	OP	956	1.0	32	8,754	1.3	358	9,711	1.3	390

Source: Dacian ASX Announcement dated 27 February 2020

4.12.1 Equipment and Productivity Assumptions

The mining equipment and scheduled productivity assumptions are based on the development of a multi-stage open pit using a contractor mining model and traditional drill and blast, truck and excavator methods (Table 4-11 and Figure 4-12).

Table 4-11: Jupiter Ore Reserve Mining Equipment and Scheduled Productivity Assumptions

Mining Assumptions	Bench height	5 m
	Flitch height	2.5 m (in-situ)
	Powder factor	
	Oxide/Transitional	0.35 – 0.47
	Fresh	0.68 – 0.89
	Drill Spacing	
	Oxide	4.0m x 4.6 m
	Transitional	3.3m x 3.8 m
	Fresh	2.9m x 3.3 m
	Drill Diameter	102-115 mm
	Blast hole sub drill	0.7 m
	Pre-split spacing	1.5 m
Schedule Productivity Assumptions	Mining Rate - Waste	800 bcm/hr
	Mining Rate - Ore	400 bcm/hr
	Only 2 of 3 excavators utilised at any one time. Digger proximity restrictions apply. Fleet consists of 2 x Hitachi EX2600, 1 x Hitachi EX1200, Caterpillar 785 dump trucks	
	Upper limit of 750 kBCM per month applied to TMM	
	Vertical Advance rate (VAR) restricted to 10m (2 x 5 m benches) per month	
	Production Drilling Pen. Rate	
	Oxide	35m/hr
	Transitional	30m/hr
	Fresh	24m/hr
	Production drilling fleet consists of Atlas Copco T50 drill rigs	
	Grade Control	140 m/shift

Source: Dacian Management Information

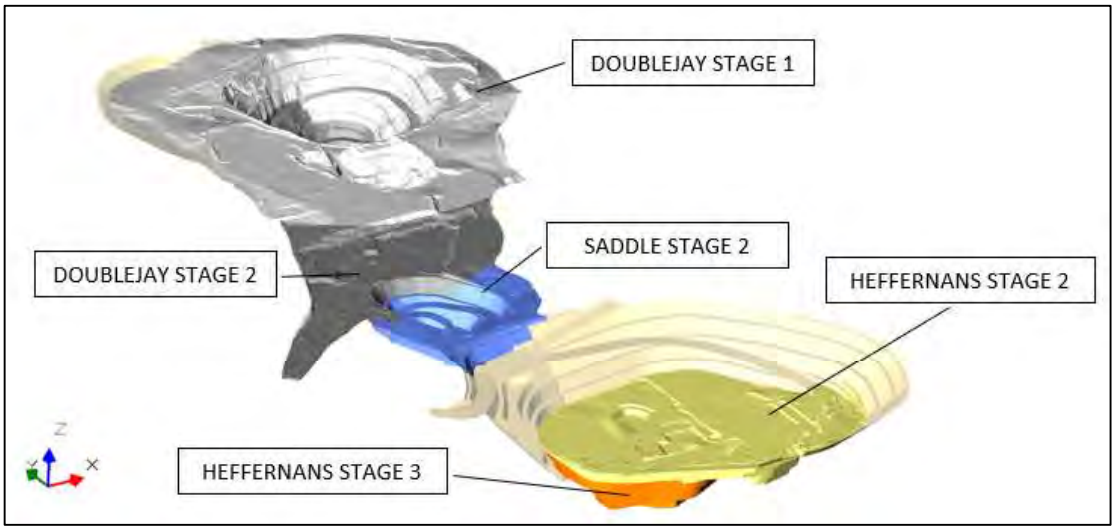


Figure 4-12: Jupiter Mining Centre, Staged Approach

Source: Dacian ASX Announcement dated 12 March 2020

An upper limit of 750,000 bcm per month was applied to the Total Material Movement (TMM) from the Jupiter open pit. This scheduled rate was based on the average monthly TMM achieved in the period between March 2018 and January 2020 (Figure 4-13).

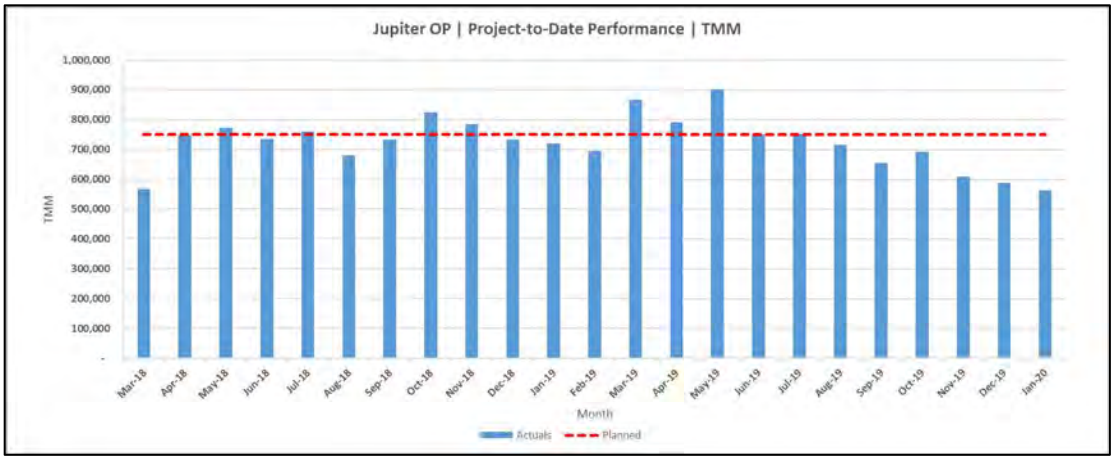


Figure 4-13: Jupiter Total Material Movement March 2018 to January 2020

To achieve the scheduled mining rate of 750,000 bcm per month an average dig rate of 679 bcm/hour is required (this assumes an availability of 87.0%, use of availability of 87.0% and overall utilisation of 76.0%) which is reasonable.

4.12.2 Mining Loss and Dilution

The Ore Reserve estimate assumes that mining will be undertaken using a mixed-mobile fleet including a Hitachi EX2600 (250 t class excavator) matched with Caterpillar 785 (130 t payload) trucks for bulk-waste and large ore blocks and a Hitachi EX1200 (120 t class excavator) matched with Caterpillar 785 (130 t payload) trucks for selective mining.

Ore loss and mining dilution was modelled through the conversion of the resource model to a regular Mining Model based on a Selected Mining Unit (SMU) of 5 m by 5 m by 2.5 m. The SMU selection was based on the capabilities of the selected mining equipment, a production bench height of 5 m and a flitch height of 2.5 m, the average width and dip of the ore blocks, the inclusion of dilutent material from boundary cells and the loss of ore at ore block boundaries which is reasonable.

The modelled ore loss and dilution estimates for the Jupiter mining centre are 6.0% and 12.0% respectively on a global basis.

4.12.3 Optimisation

Table 4-12 summarises the key input parameters (Modifying Factors) informing the pit optimisation for the Jupiter mining centre.

Table 4-12: Summary of Modifying Factors: Jupiter Optimisation

Revenue	Commodity	Gold	
	Currency Unit	A$	
	Selling Price	1,750	A$/oz
	Refining Cost	0.25	A$/oz
	State Royalty	2.5%	
	Net Price	1,707	A$/oz
Mining	Mining Dilution	12.0%	Regularisation to 5x5x2.5 SMU
	Ore Loss	6.0%	Regularisation to 5x5x2.5 SMU
Geotechnical	Geotechnical Assessment Jupiter Prospect Open Pit Mining – Heffernans, Doublejay & Ganymede Deposits, Peter O'Bryan & Associates, October 2016 Ground Control Management Plan Open Pit, Heffernans, Doublejay & Ganymede Deposits, Dacian Gold Ltd., June 2019 Heffernans Pit Inspections, Peter O'Bryan & Associates, July 2018, February 2019, July 2019, September 2019		
Mining Costs	MMGP-02-007, Open Pit Mining Services Contract (MMWA and Macmahon), December 2017		
	Diesel price	0.85	A$/litre
Mine Overheads &Supervision	OP Geology & GC	$2.15	/t ore
	Mine Owner Costs	$1.89	/t ore
Processing	Processing Cost	$16.15	/t ore - FY20 FYTD Performance
	Metallurgical Recovery	92.3%	FY20 FYTD Performance
Cut-off-Grade (COG)	Break-even COG	0.4	g/t Au
	Applied Ore/Waste COG	0.5	g/t Au

Dacian calculated its break-even cut-off grade as:

$$Break\ Even\ CutoffGrade = \frac{Total\ Processing\ Cost}{Metallurigcal\ Recovery\ \times Net\ Sale\ Price}$$

Table 4-13 presents the detailed break-even cut-off grade calculation.

Table 4-13: Break-even cut-off grade calculation

Item	Unit	Value
Total Processing Cost	$/t ore	20.19
Metallurgical Recovery	%	92.3
Gold Price	A$/oz	1,750
Refining Cost	A$/oz	0.25
WA State Royalty	%	2.5
Net Gold Price	A$/oz	1,707
Net Gold Price	A$/g	54.87
Break-even cut-off-grade	g/t	0.4
Applied ore/waste cut-off-grade (allowing for operating margin)	g/t	0.5

Deswik's open pit optimisation tools were used to complete the pit optimisation process. Deswik's open pit optimisation tools uses the Pseudoflow (PF) algorithm. Whilst the mining industry's most accepted pit optimisation process uses Whittle™ software based on the Lerchs-Grossman (L-G) algorithm, both the PF and L-G algorithms are variations of network flow algorithms. In SRK's opinion the use of PF instead of L-G is a reasonable approach.

In SRK's opinion the Modifying Factors used in the Jupiter optimisation are reasonable. The physical assumptions are supported by historical production data and supporting mining and geotechnical studies. The cost assumptions are based on a fixed and variable rates schedule which forms part of an open pit mining services contract between MMWA, MacMahon Holdings Limited and Dacian (Mining Contract). The Mining Contract supports mining activities to the end of the mining schedule which is detailed in Section 4.14 (Open Pit Mining Schedule) of this Report.

4.13 Mt Marven Ore Reserves

The Mt Marven Ore Reserve estimates (Table 4-14) were based on the Mineral Resource estimates which were prepared with an effective date of 31 December 2019. The Ore Reserve estimate was supported by a pre-feasibility study, which identified an economic cut-back to a historical open pit.

Table 4-14: Mt Marven Ore Reserve estimates – 1 January 2020

Deposit	Mine Type	Proved Reserves			Probable Reserves			Total Ore Reserves		
		kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Mt Marven	OP	-	-	-	460	1.4	20	460	1.4	20

Source: Dacian ASX Announcement dated 27 February 2020

4.13.1 Equipment and Productivity Assumptions

The mining equipment and scheduled productivity assumptions are based on the development of a cut-back to historical open pit using a contractor mining model and traditional drill and blast, truck and excavator methods. The Ore Reserve estimate assumes that mining will be undertaken using a mixed-mobile fleet including a Hitachi EX1200 (120 t class excavator) matched with Caterpillar 785 (130 t payload) trucks given that the Mt Marven lodes require selective mining.

The same productivity assumptions as those used to inform the Jupiter Ore Reserve estimate were used, other than the VAR, which was limited to 3 by 5 m benches per month.

4.13.2 Mining Loss and Dilution

Ore loss and mining dilution was modelled through the conversion of the resource model to a regular Mining Model based on a SMU of 5 m by 5 m by 2.5 m. The SMU selection was based on the capabilities of the selected mining equipment, a production bench height of 5 m and a flitch height of 2.5 m, the average width and dip of the ore blocks, the inclusion of dilutent material from boundary cells and the loss of ore at ore block boundaries.

The modelled ore loss and dilution estimates for the Mt Marven are presented in Table 4-15.

Table 4-15: Mt Marven - Ore Loss and Dilution modelling

Stage	Ore Loss	Mining Dilution
Mt Marven Open Pit	19.6%	31.6%

Source: Dacian Management Information

The ore loss and dilution estimates are notably high and are likely to be due to the excavation of multiple parallel lodes and narrow working widths.

4.13.3 Optimisation

Table 4-16 summarises the key input parameters (Modifying Factors) informing the pit optimisation for Mt Marven.

Table 4-16: Summary of Modifying Factors: Mt Marven Optimisation

Revenue	Commodity	Gold	
	Currency Unit	A$	
	Selling Price	1,750	A$/oz
	Refining Cost	0.25	A$/oz
	State Royalty	2.5%	
	Net Price	1,707	A$/oz
Mining	Mining Dilution	19.6%	Regularisation to 5 x 5 x 2.5 SMU
	Ore Loss	31.6%	Regularisation to 5 x 5 x 2.5 SMU
Geotechnical	Geotechnical Assessment Mt Marven Prospect Open Pit Mining – Peter O'Bryan & Associates, October 2019		
Mining Costs	MMGP-02-007, Open Pit Mining Services Contract (MMWA and Macmahon), December 2017		
	Diesel price	0.85	A$/litre
Mine Overheads &Supervision	OP Geology & GC	$2.23	/t ore
	Ore Haulage	$1.65	/t ore – 3 km to Jupiter Mining Centre
Processing	Processing Cost	$24.60	/t ore - FY20 FYTD Performance
	Metallurgical Recovery	92.3%	FY20 FYTD Performance
Cut-off-Grade (COG)	Break-even COG	0.4	g/t Au
	Applied Ore/Waste COG	0.5	g/t Au

Table 4-17 presents the detailed break-even cut-off grade calculation for Mt Marven.

Table 4-17: Mt Marven - Break-even cut-off grade calculation

Item	Unit	Value
Total Processing Cost	$/t ore	24.61
Metallurgical Recovery	%	92.3
Gold Price	A$/oz	1,750
Refining Cost	A$/oz	0.25
WA State Royalty	%	2.5
Net Gold Price	A$/oz	1,707
Net Gold Price	A$/g	54.87
Break-even cut-off-grade	g/t	0.49
Applied ore/waste cut-off-grade (allowing for operating margin)	g/t	0.50

Deswik's open pit optimisation tools were used to complete the pit optimisation process. In SRK's opinion, the Modifying Factors used in the Mt Marven optimisation are reasonable, however the selected mining fleet and resultant mining dilution estimates suggest that a significant in-pit ore control effort will be required.

The cost assumptions are based on a fixed and variable rates schedule which forms part of an open pit mining services contract between MMWA, MacMahon Holdings Limited and Dacian (Mining Contract). The Mining Contract supports mining activities to the end of the mining schedule which is detailed in Section 4.14 (Open Pit Mining Schedule) of this Report.

4.14 Open Pit Mining Schedule and Cost Estimates

The open pit mining schedule was completed by Dacian using Deswik mining planning software (Deswik.CAD, Deswik. Sched, Deswik.IS) and considers ore and waste removal from the Jupiter mining centre and the Mt Marvin open pit (Table 4-18). No material classified as Inferred Mineral Resource was included in the schedule. The open pit mining schedule reflected in the Model is based on the pit design shells which were developed as part of the feasibility study Ore Reserve estimates which have now been superceded by the Ore Reserve estimates presented in Sections 4.12 and 4.13 of the Report. Notably, these pit design shells were optimised at a A$1,600/gold ounce revenue factor.

A summary of the scheduled mining physicals reflected in the Model by calendar year from 1 October 2020 is presented in Table 4-18.

Table 4-18: Open Pit Mining Physicals by Calendar Year (from 1 October 2020)

	2021	2022	2022	2023
Ore Mined (kt)	951	3,037	2,402	1,518
Grade (g/t)	1.14	1.09	1.01	1.23
Mined Waste (kt)	6,919	26,135	15,275	2,393

Source: Dacian Management Information

An average A$21.10 per LOM Ore tonne is reflected in the Model. This assumes the continuity of the contractor model and that the waste overburden for the staged Jupiter open pit is capitalised. In SRK's opinion, this is a reasonable estimate.

Dacian has elected to treat the costs attributable to the waste overburden stripping prior to commercial production at Jupiter and Mt Marvin (A$61.8 M) as growth capital rather than as an operating expense. This is a reasonable approach.

4.14.1 Operating Practices and Reconciliation

SRK has reviewed monthly mine reconciliation data over the period February 2018 to September 2020, which showed that there has been a consistent trend in the Reconciled Actual Mined (RAM) tonnes being higher and the grade being lower than the resource and grade control models due to dilution during the mining process, as expected. SRK understand that Dacian has implemented several operational initiatives in recent months to improve this reconciliation, including:

- The introduction of the F1, F2, F3 classification system to allow model to mine to mill reconciliation rather than the use of a mine call factor system which was likely masking inherent reconciliation issues
- The use of Blast Movement Monitors (BMM's) to better assess movement of ore blocks caused by blasting
- Updated ore spotting, GPS digging and floor control procedures to give better in-pit governance
- Undertaking rip-line mapping and sampling to support ore block design in targeted areas
- Investigations into the possible use of a regularised block model for ore block design
- The use of litho-structural domaining rather than grade strings for ore blocking.

4.14.2 Opportunities and Risks

In SRK's opinion, two significant open pit mining opportunities are available to Dacian. An opportunity exists to either re-optimise the Ore reserve estimates for the Jupiter mining centre using a contemporary gold price or select optimised pit shells which reflect the current price environment in their revenue factors. This would likely increase the ore tonnes and gold ounces that could be recovered for minimal incremental cost. Secondly, and as noted as an opportunity by Dacian, the use of a regularised block model for ore block design would likely allow more optimal estimates of dilution to be made at the local level, thereby improving mining reconciliation.

Based on discussions with onsite personnel, SRK was advised that operational risks include a reliance on a single reverse circulation rig to undertake in-pit grade control and the reliance on excellent in-pit governance rather than design for grade control.

4.15 Underground Ore Reserve estimates

Underground Ore Reserve estimates (Table 4-19) were based on the Mineral Resource estimates which were prepared with an effective date of 31 December 2019.

Table 4-19: Underground Ore Reserve estimates – 1 January 2020

Deposit	Mine Type	Proved Reserves			Probable Reserves			Total Ore Reserves		
		kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Westralia	UG	172	3.6	20	1,332	4.1	175	1,504	4.0	195
Transvaal	UG	193	4.7	29	325	3.4	36	518	3.9	65

Source: Dacian Management Information

Mining from Westralia ceased in August 2020. Dacian is currently evaluating a revised operating strategy for its underground mining areas and intends to complete an underground scoping study in the first quarter 2021. On this basis, SRK recommended BDO remove the cashflow's attributable to the underground Ore Reserve estimates from the Model.

4.16 Environment and Mine Closure

4.16.1 Environmental considerations

Aboriginal Heritage

A number of Aboriginal heritage surveys have been completed at MMGO, most recently in 2018 and dating back as far as the 1980s. Up to approximately 27 registered Aboriginal heritage sites may lie wholly or partly within Dacian's tenement areas, according to information available through the WA Department of Planning Land and Heritage Aboriginal Heritage Inquiry System. These include artefact scatters, quarry sites, camp sites, and various ceremonial or mythological sites.

SRK is not aware of whether future developments for the project will require access to or disturbance of Aboriginal heritage sites, but notes that proposed changes to the *Aboriginal Heritage Act 1972*, which are due to be introduced in 2021, will most likely make gaining such consents considerably more difficult in future.

Groundwater

The Project is located in the Goldfields Groundwater Area. Groundwater in the region typically occurs in the following units (from shallowest to deepest):

Surficial deposits: Groundwater occurrences are found in surficial sediments, including lacustrine sediments, alluvial/colluvial deposits and calcrete. Lacustrine.sediments are generally fine grained and provide low yields. Alluvium occurs as channel fill deposits associated with palaeodrainage systems and minor colluvium deposits sometimes occur along the flanks of greenstone rides. The shallow, unconfined alluvial aquifers generally have a low hydraulic conductivity, but higher yields of up to 4 to 5 L/s may occur locally in areas where sand and gravel horizons are present. However, long-term abstraction from the alluvial aquifers is not always sustainable, because of the aquifers' limited extent.

Calcrete aquifers typically occur along drainage lines and are relatively thin, rarely exceeding a saturated thickness of about 10 m. However, the calcrete aquifers have relatively high permeability and often receive direct rainfall recharge and so can provide modest long-term supplies of brackish water.

Tertiary palaeochannel sands: Typically occur as infill within palaeochannel channels incised into the surrounding country rock. The palaeochannel sands form a major aquifer in the region. The sands tend to have high permeability, but limited storage. Most of the groundwater stored in the palaeochannel sands is hypersaline.

Fresh and weathered Archaean basement fractured rock aquifers: Groundwater in the basement greenstones, granitoids and associated minor intrusives is typically associated with secondary porosity, with flow along fractures, faults and shear zones. The fractured rock aquifers are recharged infrequently.

Flora, vegetation and fauna

A number of flora and fauna surveys have been conducted in the project area, most recently in March 2019. A total of 195 flora taxa were recorded during the most recent flora and vegetation survey, which was conducted in the Jupiter operations area. No Threatened Ecological Communities have

previously been recorded within or in close proximity to the application area and none were found during the survey. All vegetation units identified during surveys conducted in 2016 and 2019 are reported to be well represented in the broader project area and region (Native Vegetation Solutions, 2016; 2019 – cited in DWER decision report for CPS7408, May 2020).

The production borefield serving the project lies within a Priority 1 Ecological Community (PEC) – the "Mt Morgans calcrete groundwater assemblage type on Carey palaeodrainage on Mt Weld Station" – is reported within nominal 2,800 ha area to the northeast of the Jupiter operational area. The PEC has been identified as having a unique assemblage of invertebrates in the groundwater calcretes. Potential impacts to stygofauna are reportedly being managed through via a Stygofauna Management Plan (DWER decision report for CPS7408, May 2020). SRK has not been provided with a copy of the Level 2 subterranean fauna assessment conducted for the project in 2016 (Bennelongia, 2016) and accordingly can only note that any future increases in project water demands (or increased requirements for mine dewatering) may be constrained by the need to protect subterranean fauna habitats. In fact, it would appear – based on information provided in MMGO monthly reports – that water abstraction from the borefield already exceeds regulatory 'trigger values' established to protect subterranean fauna and that groundwater levels in about half of the environmental monitoring/compliance bores are approaching (but have not exceeded) threshold values that may require reduction in water abstraction. This is notwithstanding that current groundwater use is well within licence allocations. It is SRK's understanding that Dacian proposes to seek a relaxation of the threshold drawdown values, in consultation with relevant regulators. The company has also advised that it is using supplementary water sources (the Jupiter pit) to reduce borefield water demand. Dacian advises that it has commenced a preliminary exploration programme to identify an area for another borefield.

The project area does not appear to have been subject to detailed terrestrial fauna surveys. A Level 1 reconnaissance fauna survey was conducted in parts of the project area in March 2016 (Western Wildlife, 2016). The desktop survey identified 279 native fauna species with the potential to occur within the general survey area, including 10 frogs, 82 reptiles, 141 birds and 32 mammal species. The field survey recorded 80 native fauna species and six introduced fauna species. The fauna assemblage within the survey area was reported to be typical of the region and MMGO has concluded that few conservation significant fauna species are likely to be present (MMGO Mining Proposal 60641).

Mine waste

SRK has not been provided with primary information on tailings or mine waste geochemistry. Summary information is available in various mining proposals produced for the project. The mining proposals prepared by Dacian generally conclude "…the bulk of waste rock produced is non-acid forming (NAF), with low concentration of metals and metalloids in leachate...", while conceding that a "..localised portion of mafic basalt (pyritic) and to a lesser degree, intermediate quartz porphyry at Jupiter may be potentially acid forming…". Tailings geochemical properties are reported to vary depending upon ore lithology and tailings salinity is dependent upon the salinity of water used in ore processing. In the absence of primary data, SRK Is unable to express a view on the representativeness or adequacy of summary information contained in the MMGO mining proposals.

Limited information is available to characterise the physical properties of mine wastes. Mining proposal Reg ID 60641 reports that approximately 50.0% of waste rock from the Jupiter open pit complex is fresh, competent rock, while clay-rich oxide waste rock from Jupiter (comprising approximately 20.0% of the waste rock) is predicted to be sodic and dispersive. Dacian's management strategy proposes to encapsulate dispersive materials within fresh, competent rock.

A high-level materials balance (for landforms established after 2016) is provided in the October 2019 mine closure plan.

Stakeholder engagement

SRK is unaware of Dacian's recent stakeholder engagement activities, if any. The most recent mining proposal (dated 1 November 2019) states that a meeting was held with leading members from Mt Margaret community on 10 June 2019 to discuss proposed mining at Mt Marven. Otherwise, the mining proposal merely refers to past consultation activities detailed in mining proposals Reg ID 60641 and 61287 (submitted to the Department of Mines, Industry Regulation and Safety (DMIRS) in November and December 2016, respectively). A stakeholder engagement register attached to the most recent mine closure plan (29 October 2019), lists consultation relevant to mine rehabilitation and closure during the period from July 2012 to June 2019 (meeting with Mt Margaret community) and includes a total of three meetings from 2017 onwards.

Environmental compliance

Dacian is required to lodge annual compliance reports to the DWER, as a condition of its Part V operating licence. The company reported two non-compliance matters in its most recent annual compliance report for the period February 2019 to February 2020, which was dated 10 April 2020. The two non-compliances were:

- Discharging septic effluent to a sprayfield smaller than that specified in its licence (2.6 ha, rather than 3.6 ha), and
- Processing 2.9 Mt of ore during the reporting period, rather than the maximum 2.5 Mtpa allowed for under the licence that was current at the time.

Dacian has committed to increasing the size of its sprayfield and has amended its operating licence to allow greater throughput at the plant. Subsequent to the lodgement of the most recent Part V compliance report, DWER has raised concerns with Dacian about apparent seepage from the TSF, which is resulting in groundwater mounding and ponding of water adjacent to the TSF (Dacian monthly report, June 2020). A range of studies and intervention actions have been implemented to address the seepage concerned raised by DWER.

Dacian submits annual environmental reports to DMIRS. The reports are presented in the format required by DMIRS and generally indicate compliance with tenement conditions. SRK notes that DMIRS issued Dacian with an 'improvement notice' following a site inspection in July 2020. The notice related to the absence of a documented procedure for monitoring TSF wall stability. Dacian has since submitted a procedure to the Department.

Annual monitoring summary reports are also required in connection with Dacian's water abstraction licences (GWL183915 and GWL169901). The monitoring summary submitted to DWER for the reporting period April 2018 to April 2019 says that all licence requirements were complied with and notes that during the reporting period the amount of groundwater abstracted was 145,318 kL, or about 49.3% of the licence allocation. The report includes the results of stygofauna monitoring conducted in July 2018.

In July 2019, Dacian prepared a triennial aquifer review report for the period July 2016 to June 2019, as required by its licence GWL169901. Dacian reported that 1,372,839 kL of groundwater was abstracted during the reporting period, of which 878,997 kL was attributable to dewatering of the Westralia open pit and underground mine. Overall, the report confirms compliance with licence requirements.

Groundwater quality monitoring data presented in the report show clear responses to project activities at some locations (for example, increasing salinities at the Sarah, Ramornie and Mt Marven pits). These changes and occasional high selenium readings at some locations may attract a degree of regulatory scrutiny in future.

As part of its assessment, SRK has considered these factors and concluded that the Dacian cashflows do not require adjustment to reflect these environmental considerations.

4.16.2 Mine Closure Plan

The most recent mine closure plan approved for MMGO (Version 3.1) was submitted to DMIRS on 29 October 2019 and approved on 9 January 2020. The plan pre-dates the most recent DMIRS mine closure guidelines (3 March 2020) and in some respects does not therefore strictly adhere to the Department's current preferred format for such documents. Some elements of the closure plan – for example, some of the proposed closure/rehabilitation completion criteria – are unlikely to satisfy contemporary regulatory expectations and will most likely have to be revised when the plan is next reviewed (in August 2022). Any future refinement of the closure completion criteria should take into account DMIRS's current position that failure to achieve completion criteria may be treated as a breach of tenement conditions.

The MMGO mine closure plan includes a brief summary of mine closure cost estimation methods and states that a 10.0% contingency allowance has been applied to the closure cost estimate. The closure plan does not provide any specific information on the quantum of estimated rehabilitation and closure costs (neither is it required to do so under current DMIRS guidelines).

The Model includes only a single line item relating to rehabilitation provisioning (A$18 M). It is SRK's view that a positive salvage value for the assets should not be allocated in BDO's modelling: standard industry practice in Australia is to not include an offset value from the resale of assets or scrap and this is the approach that has been adopted in the closure cost estimate completed for the Mt Morgans project in 2020 (MineEarth).

More detailed closure cost estimation information is available in an Excel spreadsheet prepared by MineEarth in July 2020. MineEarth estimates a preliminary closure liability of approximately A$18.8 M and recommends a 30.0% contingency allowance. The closure cost estimate includes a range of assumptions, including but not limited to:

- It is assumed that all waste rock dumps (WRD) and other landforms will not require the import of armouring materials[1]
- No earthworks are required at Recreation WRD, Westralia North West, Millionaires WRD, Westralia South, Mt Marven WRD and dump leach pad, Westralia TSF, King Street WRD, Transvaal WRD (historic section), Jupiter WRD (historic section) and Jupiter Dump leach pad
- No contaminated sites require treatment at closure, it has been assumed that these will have been identified and remediated adequately prior to commencement of closure works
- No allowance has been included for undertaking remediation works post-closure
- No cost offset has been assumed for the resale of any assets or scrap.

[1] It is unclear to SRK whether MineEarth's allowance for armouring of waste rock landforms is adequate and consistent with advice provided to Dacian by Landloch in 2016.

SRK generally considers that the MineEarth cost estimate and its recommended 30.0% contingency amount provides a sufficient basis for a preliminary estimate of closure liability, noting however that the estimate excludes any costs potentially arising from changes in closure obligations. Such changes may well arise when Dacian next revises its mine closure plan: the completion criteria in the current closure plan are unlikely to be sufficiently measurable and specific to satisfy DMIRS in future.

5 NTM's Redcliffe Project

5.1 Overview

NTM holds a 100.0% interest in the Redcliffe Project covering a combined area of some 873.7 km^2 (Table 5-1). The primary focus of gold exploration within the tenements is along the Mertondale Shear Zone (MSZ), a regionally important mineralised structure.

The Redcliffe Project is situated in close proximity to existing infrastructure and a number of producing gold mines including those at MMGO, Sons of Gwalia (St Barbara Ltd), Thunderbox (Saracen Mineral Holdings Ltd) and Darlot (Red 5 Limited) - (Figure 5-1).

In 1898, with the discovery of gold in the area the township of Mertondale was gazetted in 1899, but as the gold ran out, it was almost deserted by 1910. The historic Mertondale 5 open pit is located to the south of the Golden Terrace South (GTS) tenement boundary on M37/1276.

NTM (and its predecessor Pacrim) has assembled a prospective tenure portfolio along extensions to the Mertondale Shear Zone (MSZ) and defined a number of shallow, modest to high grade gold deposits at GTS, Bindy, Hub, Redcliffe and Nambi, which remain to be closed off through ongoing exploration activities. Additionally, the recent acquisition of the Wells Group tenures to the north of NTM's tenures provides greenfields exposure to a lightly explored area which is crosscut by multiple structures including the northern extensions of the MSZ.

SRK has received representation from NTM that the tenement schedules presented in Table 5-1 and Appendix B are to be relied upon and used for the purpose of this Report. SRK has made all reasonable enquires into the status of this tenure as at 16 November 2020, date of the announcement of the merger.

Table 5-1: NTM - Summary tenement schedule*

Type	Number	Area (ha)
Redcliffe Project		
Exploration Licence (EL)	10	74,371
Exploration Licence Applications (ELA)	1	8,462
Mining Lease (ML)	4	4,538
Mining Lease Applications (MLA)	1	1,476*
Total	**16**	**87,371***

Notes: NTM Gold Limited

*MLA covers an existing EL, E37/1205

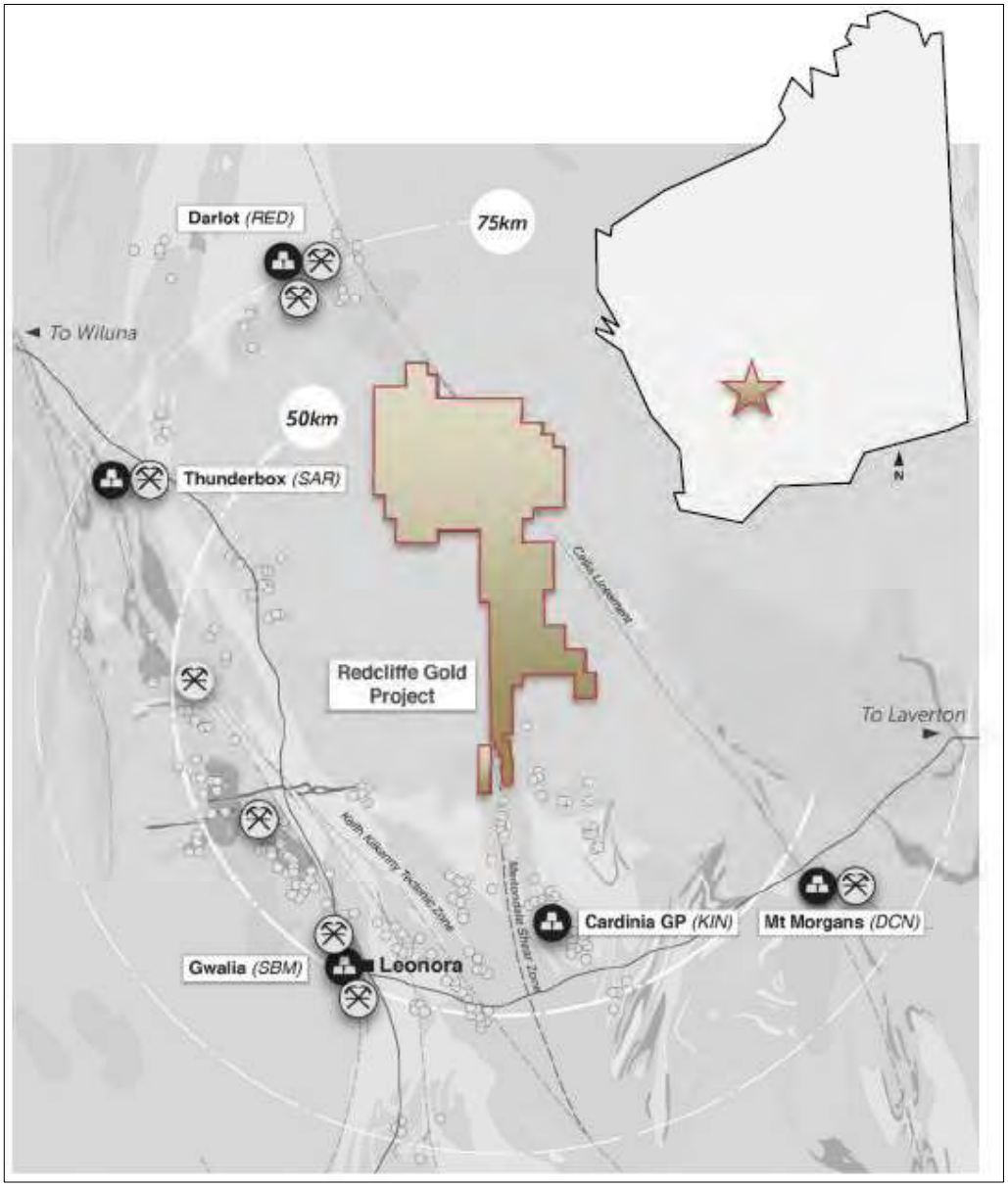


Figure 5-1: Redcliffe Project overview

Source: NTM Management Information

5.2 Infrastructure

There is no mining infrastructure within the Redcliffe Project area, however derelict fence lines and minor tracks remain from pastoral and exploration activities.

The Leonora-Nambi Road, maintained by the Shire of Leonora, runs north through M37/1276 and other Redcliffe tenements. This road and other minor tracks could be upgraded and used for ore haulage from the Redcliffe area to MMGO.

5.3 History

Gold was first discovered by prospectors along the MSZ some 5 km south of the current Redcliffe area in 1899 at the Mertondale Mining Centre. Between 1899 and 1911, official production from the Mertondale area amounted to some 60,177 ounces of gold (from 87,680 t of ore at an average grade of approximately 21 g/t Au) which was predominantly mined from the Mertondale's Reward lease and adjoining claims.

Southern Goldfields Limited acquired tenure around the historical Redcliffe workings in 1980 and completed initial ground reconnaissance prior to drill tested. In 1981, Southern Goldfields reported an Indicated Resource of 300,000 t averaging 4 g/t Au. Tenure then passed through Newmont and Todd Corporation to eventually become owned by Dominion Mining Limited, through its subsidiary Austwhim Resources N.L.

By August 1990, Dominion Mining Limited had outlined 1.0 Mt at 1.72 g/t Au (56,000 oz) and lodged a Notice of Intent (NOI) of approval to mine two small high-grade zones, namely the South Mesa (22,000 t averaging 6 g/t Au above 40 m) and East Lode (67,000 t averaging 3.1 g/t Au above 40 m) deposits by open pit methods. The ore was to be trucked the 60 km into Leonora to be treated at the Tower Hill gold plant.

During mining, Dominion identified two small near surface mineralised zones which were subsequently mined. A total of 17,000 t at 3.2 g/t Au were extracted in two shallow pits known as the West Lode pits to a maximum depth of 15 m.

In 1987, the Nambi deposit (then called 'Redcliffe North') was discovered by CRA through rock and soil geochemical sampling techniques. A 250 m by 80 m geochemical anomaly of +100ppb Au was determined by follow up sampling. During the 1989-1990 year, CRA completed 12 RC drill holes (RERC05-09 and RERC14-16) and 2 diamond holes (90REDD01 and 90REDD02). CRA entered into a Joint Venture with Ashton Gold Limited, during February 1991, over the Mt Redcliffe Project.

In 1991, Ashton Gold completed three RC drilling programs (RERC29-95), a single rotary air blast (RAB) program (RR830-836) and an additional two diamond holes (REDD03-04). Ashton Gold subsequently estimated a resource of 210,000 t at 4.6 g/t Au (31,061 oz), which was mined in the early 1990s. No detailed geological records were kept during the life of the mine, and a close out report was not completed, however the submitted NOI called for the removal of approximately 100,000 t of ore from a pit 320 m long and 65 m deep varying in width from 15 m to 120 m. It is estimated that 32,000 ounces of gold was produced from the Nambi pit.

Whilst mining the Nambi deposit, a small resource lying 500 m south of Nambi was exploited – Nambi South. Again, no resource figures were disclosed, however the NOI requested the removal of approximately 12,000 t of ore from a pit measuring 100 m in length and 20 m in depth. It is estimated that some 2,500 ounces of gold was produced from the Nambi South pit.

Exploration carried out by Ashton Gold in 1992/1993 outlined new prospects Gully and Gully South. This work included rock geochemical sampling and limited shallow drilling.

During 1993, Ashton Gold transferred its holdings in the Mertondale Project to Aurora Gold (WA) Ltd. MPI Limited then entered into a joint venture with Aurora Gold to manage exploration and ultimately earned a 70.0% interest in the project over a three-year period.

In 1995, MPI conducted a detailed soil geochemical sampling program along strike from the Nambi pit, while Ashton Gold completed 130 shallow RAB holes to test the interface between transported material and the underlying saprolite.

In 1996, Sons of Gwalia Limited (SOG) took over management of the project and drilled 67 RAB holes in that year. SOG opted out of the Joint Venture with Aurora Gold in October 1997.

In 2005, Pacrim Energy Limited (Pacrim) commenced exploration in the area that included data compilation, RC drilling at the Nambi and Redcliffe pits, detailed geophysical imagery acquisition and interpretation, soil, rock and channel geochemical sampling and detailed geological mapping.

In 2010, Pacrim completed a feasibility study of GTS deposit based on an open pit resource of 264.5 kt at 2.89 g/t Au for envisaged gold production of 22,067 ounces, based on an average recovery of 90.0%. The proposal was based on an 8-month mining schedule.

In August 2012, Pacrim was renamed to Redcliffe Resources Limited. In 2013, exploration was completed over E39/697 and M37/1286, which resulted in the declaration of the Redcliffe Mineral Resource estimate, under JORC 2004 guidelines.

Several resource updates followed before Redcliffe Resources Limited merged with Northern Manganese Limited to become NTM in 2016.

Since 2015, NTM has undertaken several drilling programs including AC, RC and diamond drilling. AC drilling led to the discovery of the Bindy deposit in early 2017. The RC and diamond drilling programs were aimed at infilling and extending the known deposits of GTS, Nambi and Kelly, and the drill out of Bindy.

In June 2020, NTM completed a desktop techno-economic study of the Hub and GTS deposits to assess the economic potential of two open pit gold mines. The outcome of the study suggested positive economic returns.

5.4 Native Title

There are currently no registered Native Title Claims in place over NTM's Redcliffe tenements. SRK notes there have been multiple claims lodged – most recently under Federal Court number WAD142/2018, but so far none has been accepted for registration. The most recent refusal to accept a claim for registration was on 21 Oct 2020.

A search on the Department of Indigenous Affairs website indicated there was a single site of cultural significance at the Mt Redcliffe area – Site W01667. The site is a 'closed access site' and restricted to male access only. The area affected includes the Nambi South, Gully and Gully South prospects.

5.5 Pastoral Tenure

The Redcliffe tenements are situated over parts of Crown Land and the Nambi (L PL N049822 and Mertondale (L PL N049506) pastoral leases.

5.6 Royalties

No State Royalties are currently payable as the Redcliffe Project is not in production. Any future State royalties will be distributed to the Western Australian Government at the rate of 2.5% of the royalty value of any gold produced from the Project. This rate is the ad valorem rate that applies to gold metal as defined under the Mining Regulations 1981.

Having requested such information from NTM, SRK is not aware of any additional private royalties.

5.7 Geology, Mineral Resource Estimates and Prospectivity

5.7.1 Regional Geology

NTM's Redcliffe project covers a substantial strike length of the MSZ, a north-south trending structure that is interpreted to represent a link structure connecting the northwest-southeast trending Keith-Kilkenny and CTZ. The MSZ also represents the contact between Archaean felsic volcanoclastic and

sedimentary sequences to the west and Archaean, predominantly mafic, volcanic units (comprising basalt, dolerite and minor komatiites) to the east. Archaean felsic porphyries and Proterozoic dolerite dykes have intruded the MSZ. A strong north trending foliation is present, approximately parallel to lithological contacts. A regional geology map is presented as Figure 5-2.

The MSZ is bounded by two confining fault systems, the Mertondale Fault to the east and Great Western Fault system to the west, both of which are strongly altered and mineralised. A thick layer (up to 35 m thick) of Permian tillite obscures much of the MSZ south of the tenure.

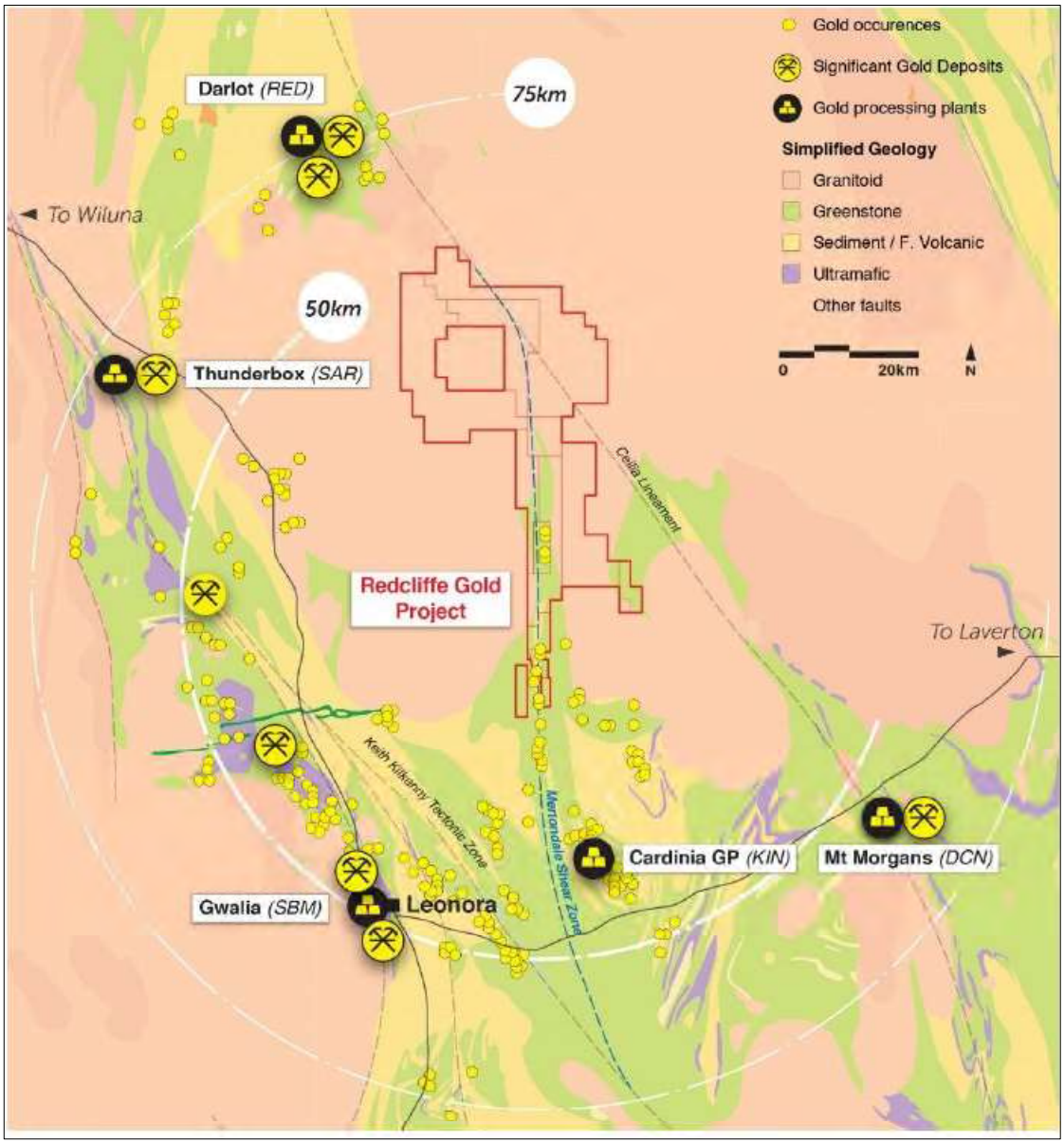


Figure 5-2: Geological setting of the Redcliffe area showing key domains

Source: Redcliffe Resources Exploration Report (2013)

5.7.2 Local Geology and Mineralisation

The Redcliffe area is situated along the northern extension of a narrow greenstone belt, dominated by basalt and dolerite, along with thin bands of ultramafic rocks. The north-south trending greenstone sequence is bounded by granites to the east and west. Large boudin-like blocks of weakly foliated

greenstones appear to be surrounded by highly sheared, often mylonitic rocks of unknown origin. Some of these rocks have been interpreted to be tuffs and sediments. It appears that the principal control on gold mineralisation is a shear set trending 160° magnetic.

Mineralisation at Redcliffe is predominantly hosted within Archaean mafic schist and volcano-sedimentary units (including chert, black shale which is graphitic in part) and intermediate mafic rocks. A mylonitic fabric is evident throughout the stratigraphic package. Gold mineralisation generally occurs in northerly striking, sub-vertical to steeply dipping zones associated with silica-sulphide-mica alteration and veining. Late stage dykes intrude the sequence and offset and disrupt the mineralisation in places. The depth of oxidation is generally down to 100 m (as evident at Hub).

There are several deposits situated along the Mertondale Shear Zone as illustrated in Figure 5-3.

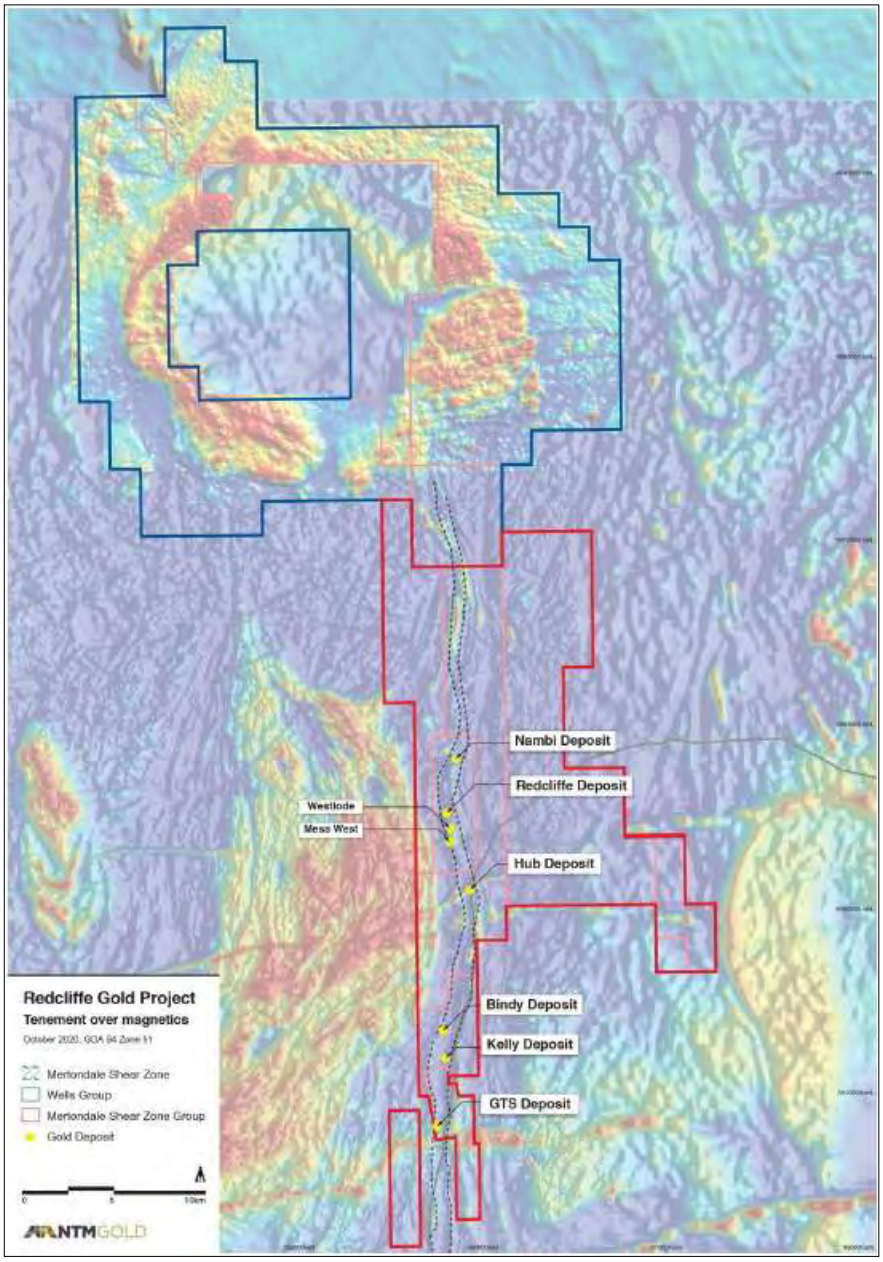


Figure 5-3: Redcliffe Project gold deposits locations

Source: NTM Gold Quarterly Report (June 2020)

Table 5-2 summarises the main gold deposits within NTM's Redcliffe portfolio.

Table 5-2: Summary of Redcliffe deposits supporting the stated gold Mineral Resources

Prospect	Geological Overview
Hub	The mineralisation is hosted in a fine-grained chlorite (mafic) schist with interbedded shale units. Silicification is pervasive and is associated with the mineralisation. The higher-grade zones are defined by quartz veining with 5.0 to 10.0% sulphide (pyrite +/- pyrrhotite). The mineralisation is discreet, with only modest lower level Au as a halo around the high grade, mineralised shear. The broader high-grade zones intercepted in the early shallow AC drilling are interpreted to reflect both supergene processes and drill direction.
GTS	The mineralisation at GTS is hosted within highly sheared, weathered and altered felsic schist and metasediments associated with graphitic-sulphidic shale that lies close to a felsic-mafic contact. A highly altered doleritic or intermediate unit occurs to the west of the mineralisation and is currently used as a broad "marker unit". All have been metamorphosed to upper greenschist-lower amphibolite facies, which lead to the development quartz-mica and quartz-chlorite-mica schist, from tuffs and sediments, and fine grained amphibolites from basaltic volcanics. Mineralisation occurs in quartz-mica or quartz-sericite schist and also graphitic schists underlain or enveloped by iron rich chlorite schist. Gold generally occurs in narrow ferruginous quartz veinlets and blebby stringers. The quartz-sericite schists are believed to be the result of either hydrothermal leaching or silicification, while the chorite schists is believed to have originates from a mafic tuffaceous unit. Mineralisation is developed within a stratabound envelope and is partly controlled by localised quartz veinlets which generally occur in the sericite schists. Mineralisation also occur as sulphidic veinlets and blebs in the chlorite schist.
Redcliffe / Westlode / Mesa West	Redcliffe (formaly known as (Nambi South) was situated within a tightly folded sequence of felsic and mafic volcanic rocks, characterised by a moderate to tightly folded quartz sericite mylonite adjacent to a mafic-felsic contact.
Nambi	The Nambi open cut deposits is located in highly sheared and altered mafic volcanics within a sequence of intercalated mafic volcanics, felsic volcanoclastics and metasedimentary rocks. The Nambi deposit is hosted by a near vertical north-northeast trending sericite biotite silica pyrite–pyrrhotite altered mylonitised mafic volcanic ± thin interflow graphitic schists. Quartz feldspar dykes intrude the sequence. The foot and hanging wall rocks are mafic volcanics which have been metamorphosed to lower to middle amphibolite facies and are comprised of amphibole and plagioclase. Alteration of these rocks is confined to thin bands of biotite, saussurite, +silica and accessory pyrite–pyrrhotite. Quartz veins, some grey or blue, occur in the mineralised mylonite zone.
Bindy	The Bindi mineralisation is hosted with a northerly striking, steeply dipping package of mafic-intermediate schists, felsic schist, black shales and cherty sediments. Mineralisation generally straddles the sheared contact between mafic-intermediate and felsic schists. Oxidation extends down to approximately 100m.
Kelly	Gold mineralisation is hosted within a deformed, mineralised and altered porphyritic felsic rock.

5.7.3 Mineral Resource Estimates

The current Mineral Resource estimate for the Redcliffe Project was reported to the ASX on 13 June 2018 and then updated with the addition of the Hub deposit Mineral Resource on 12 May 2020 as summarised in Table 5-3. No Ore Reserves have been reported for the Hub or other Redcliffe Project deposits and therefore the Mineral Resources are reported as the total Mineral Resources and not additional to any Ore Reserves.

SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) in respect to the Mineral Resource estimate. The named Competent Person taking responsibility for the Mineral Resource estimate for the Hub and Redcliffe Project is Mr Andrew Bewsher, who is a full-time employee of BM Geological Services Pty Ltd (BMGS) and a Member of the AIG.

In the case of the Redcliffe Project, the Exploration Results (JORC Code (2012) Table 1 Sections 1 and 2) the named Competent Persons are Mr Rodney Foster (for period 2007-2017) and Mr Lyle Thorne (for period 2018) who are Members of the AusIMM, Mr Foster a Director and Mr Thorne a full-time employee of NTM.

SRK has received representations from NTM confirming that:

- it is not aware of any new information or data that materially affects the information included in the relevant market announcement.
- in the case of estimates of the stated Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.
- that the form and context in which the Competent Person's findings are presented have not been materially modified

SRK notes that it has not performed the role, nor does it accept the responsibilities, of a Competent Person as defined by the JORC Code (2012) in respect to the Mineral Resource estimates. In SRK's opinion, the Mineral Resource estimates reported for the Redcliffe Project are acceptable as a reasonable representation of global grades and tonnages at the classification categories reported and have been prepared to a sufficient quality standard under the guidelines set out in the JORC Code (2012).

Table 5-3: Redcliffe Project – Mineral Resources as at 30 October 2020, cut-off 0.5 g/t

Deposit	Indicated									Inferred									Total		
	Oxide			Transition			Fresh			Oxide			Transition			Fresh			Combined		
	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Hub										201.8	6.6	42.9	133.1	4.1	17.7	555.4	4.5	80.2	890.3	4.9	140.8
GTS	363.3	2.2	25.5	356.9	2.1	23.6	330.5	1.5	16.2	93.6	2.1	6.2	95.5	1.2	3.8	1,596.5	1.2	63.1	2,836.3	1.5	138.4
Kelly										1,943.5	0.9	53.7	1,093.9	0.8	28.5	28.5	0.6	0.5	3,065.9	0.8	82.8
Nambi	40.0	1.6	2.1	22.0	1.5	1.1	640.6	2.8	57.3	22.4	2.3	1.6	14.8	2.0	0.9	829.4	2.8	74.7	1,569.2	2.7	137.7
Bindy										0.9	0.8	-	1,018.7	1.0	33.1	1,720.1	1.2	66.4	2,739.7	1.1	99.5
Redcliffe										16.4	0.9	0.4	770.2	1.2	29.2	469.0	1.0	14.5	1,255.6	1.1	44.1
Mesa/Westlode										271.7	1.0	8.4	429.5	1.1	15.2	357.5	1.0	11.8	1,058.7	1.0	35.4
Total	**403.3**	**2.1**	**27.6**	**378.9**	**2.0**	**24.7**	**971.1**	**2.4**	**73.5**	**2,550.3**	**1.4**	**113.2**	**3,555.7**	**1.1**	**128.4**	**5,556.4**	**1.7**	**311.2**	**13,415.7**	**1.6**	**678.7**

Notes:

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

2. The Statement of estimates of Mineral Resource estimates 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. Hub Mineral Resource estimate figures reported in the tables above represent estimates at 5th May 2020. All other Mineral Resource estimate 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 Resource Estimates are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

Source: NTM ASX Press Release, June Quarterly Report 30 October 2020

The total Mineral Resources for the Redcliffe Project comprises seven deposits each with individual Mineral Resource estimates. The key deposits contributing to the Mineral Resources are the Hub, Nambi and GTS deposits, which together contribute 416.9 koz (or 61.0%) to the total 678.7 koz of gold reported for the total Mineral Resource, graphically illustrated in Figure 5-4. Having been prepared under the direction of the same Competent Person, the main attributes of the Mineral Resource estimation processes for these key deposits are common to all the estimates. The common estimation process for the Hub, Nambi and GTS deposits is discussed below.

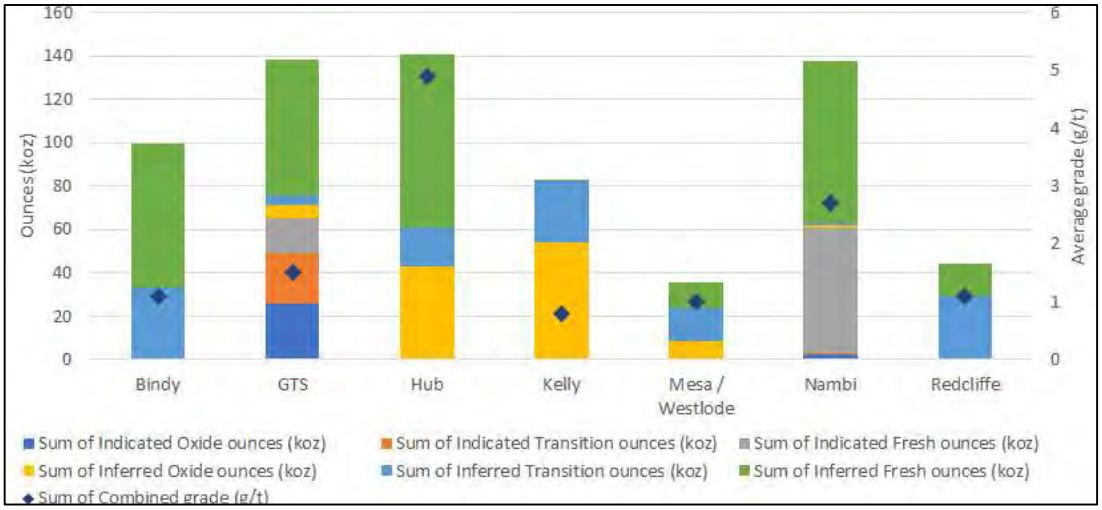


Figure 5-4: Redcliffe Mineral Resource

Source: NTM, June 2020

In the case of Hub, Mineral Resources are reported with reasonable prospects for eventual economic extraction based on utilising open pit mining methods for material up to 200 m vertical depth, a minimum 3 m downhole intersection and above a 0.5 g/t Au cut-off. For material deeper than 200 m, a grade > 3.5 g/t Au has been applied as a lower economic cut for potential underground mining and a minimum 1.5 m downhole width. Initial metallurgical leach test work on 14 ore grade samples indicate ranges between 91.0% and 98.0% recovery.

For the Redcliffe Project deposits other than Hub (particularly Nambi, Bindy and GTS), the Mineral Resources have been reported based on predominantly using open pit mining methodologies, while there is potential for underground mining opportunities at the Nambi deposit. Open pit parameters of minimum 3 m downhole mineralisation width for wireframes and a lower cut-off grade of 0.5 g/t has been used for reporting purposes. Any material that is deeper than 300 m in vertical depth is assumed to be unsuitable for open pit mining methodologies.

Data collection

Hub

For the Hub Mineral Resource 89 RC holes (for 14,368 m), 15 diamond tails (for 4,627 m) and 3 diamond holes (for 603 m) were used for a total of 19,598 m at depths ranging from of 54 to 435 m.

For RC drilling, a face sampling hammer with a 5.25 inch bit was used generating 1 m samples collected through a rig mounted cone or riffle splitters for historical holes. Diamond core samples were collected from PQ, HQ or NQ diamond core and core samples were cut with a diamond blade, with half the core being sent for analysis.

All recent drill hole collars were surveyed using differential global positioning systems (DGPS) tool. Downhole surveys were carried out for all the RC and diamond drilling on 25 or 40 m intervals.

Core was measured, oriented (where possible), photographed and then cut in half. Samples of ½ core were selected based on geological observations and were between 0.2 m and 2 m in length. Samples were dispatched to commercial laboratories in Kalgoorlie. These samples were sorted and dried by the laboratory, pulverised to form a 40 g or 50 g charge for Fire Assay with AAS finish.

Sample density data was derived from core collected at this project and neighbouring deposits drilled by NTM. Density measurements were completed using Archimedes method of measurements on sticks of core. A series of pit samples were collected from the Nambi pit for oxide and transitional zone density measurements, and NTM recognises that ongoing test work needs to be completed at Hub to further define the oxide and transitional density profiles.

NTM has a QAQC process for monitoring the sampling and assaying, while no independent reviews or audits of the data collection processes were reported to be carried out.

Redcliffe Project

Since 2012, NTM has undertaken a number of drilling programs that AC, RC and diamond drilling. The AC drilling led to the discovery of the Bindy deposit in early 2017. The RC and diamond drilling programs were aimed at infilling and extending the known deposits of GTS, Nambi and Kelly, and the drill out of Bindy. Only the RC and diamond drilling are used in this current Redcliffe Project Mineral Resource estimate.

The GTS deposit is located towards the southern end of the Redcliffe Project. The deposit has both an oxide and a fresh component and remains open at depth. The 2018 GTS Mineral Resource estimate update incorporated 173 RC holes (for 20,358 m) and 12 diamond holes (for 1,773 m).

The Nambi deposit is located towards the northern end of the Redcliffe Project. The deposit has minimal oxide and transitional material and has been mined historically. The deposit remains open at depth, with the resource estimate limited by drilling density. The 2018 Nambi Mineral Resource estimate update used 149 RC holes (for 14,562 m) and 10 diamond holes (for 2,242 m).

The Bindy deposit is located in the southern third of the Redcliffe Project. The deposit has only a modest transitional component and negligible oxide material. The deposit remains open at depth with the resource estimate limited by drilling density. The 2018 Bindy Mineral Resource estimate incorporated 47 RC holes (for 8,309 m) and 1 diamond hole (for 282 m).

Core was generally sampled as half core at maximum of 1 m intervals or to geological contacts. RC drilling was sampled at 1 m intervals with a rig-mounted cone splitter. Historical RC samples were collected at variable intervals using riffle splitters. Samples were submitted to a number of commercial laboratories for crushing and pulverising to produce a 40 g charge for fire assay with an AAS finish.

NTM drill holes were located by handheld GPS, and then verified with tape measure from base line pegs. Holes were routinely picked up with DGPS following completion of drill programmes.

Sampling was carried out under established company protocols and QA/QC procedures as per current industry practice. No QA/QC data was available for historical drilling although the drilling results have largely been validated by mine production.

The NTM drill hole database was managed externally and included validation of data to ensure data is representative. No independent reviews or audits of the NTM data collection processes were reported to be carried out, although an independent sampling audit was carried in 2007 on the protocols in place at that time.

SRK expects NTM's internal geological data collection and assay data QA/QC processes to provide data of adequate quality to support the Mineral Resource estimation processes for the Redcliffe deposits.

Geological modelling and estimation

The Redcliffe Project totals 679 koz contained gold ounces, of which the Hub deposit is the largest with 141 koz contained gold. The Hub and Redcliffe Mineral Resource estimation (MRE) process is described in more detail below.

Hub Mineral Resource estimation

The Hub MRE consists of oxide, transitional and fresh material. The oxide component contributes 43 koz at a grade of 6.6 g/t Au, transitional - 18 koz at 4.1 g/t Au and fresh material - 80 koz at 4.5 g/t Au.

The MRE incorporated 89 RC holes (for 14,368 m), 15 RCD holes (for 4,627 m) and 3 diamond holes (for 603 m). Drilling data intercepts along strike are shown in Figure 5-5.

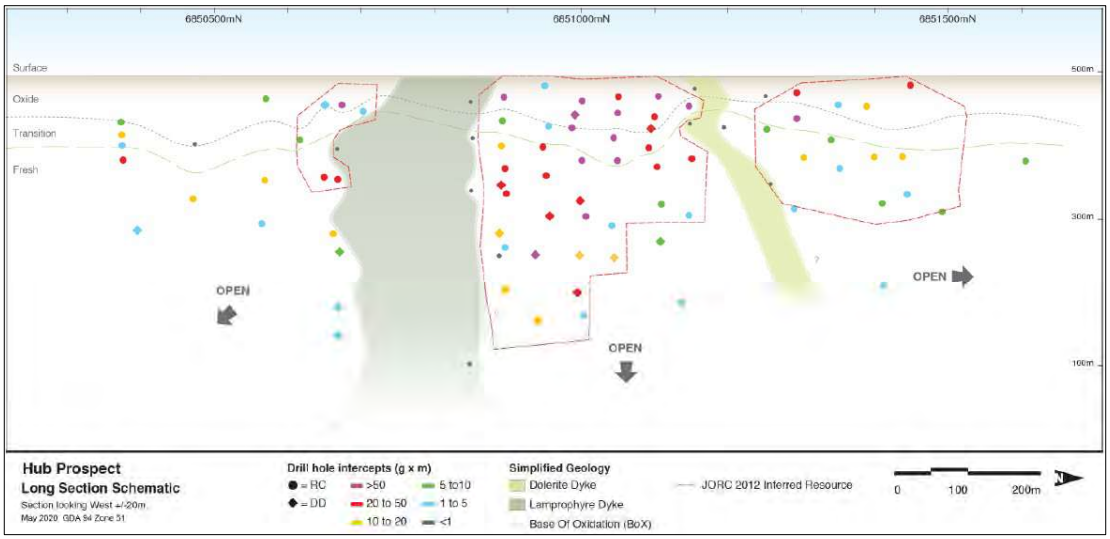


Figure 5-5: Hub long section with Inferred Resource outline

Source: NTM ASX Announcement, May 2020

The Hub deposit is 900 m long, striking 350°, with a vertical dip. The mineralisation ranges in thickness from 1-8 m width.

Hole spacing is variable through the deposit but is on an approximately 50 m by 50 m grid. Some areas are more broadly spaced due to hole deviation causing intersections up to 60 m centres.

The Hub mineralisation interpretation was based on a nominal 0.5 g/t Au lower grade threshold and a minimum downhole intersection of 3 m to allow for potential open pit mining widths in the portion of mineralisation shallower than 200 m vertical depth. These parameters were tightened for the deeper sections, in an effort to increase grade for potential underground mining by allowing a minimum downhole intersection of 1.5 m.

The dataset was assessed for bias from extreme grades that would require adjustment or top-cut and no top-cut was deemed necessary. The deposit was estimated using ordinary kriging grade interpolation of 1 m composited data with sample search criteria based on the overall orientation of the individual domain geometries and the variogram models of grade continuity.

The bulk densities were assigned to oxide, transition and fresh zones based on sample densities collected from the Hub and samples from nearby deposits.

The Mineral Resource is classified as Inferred based on the density of drill data, the geological understanding, consistency of gold assay grades and the likelihood of mining extraction. Only the main lodes were the considered for classification and no minor lodes were classified as Mineral Resources. As an Inferred Mineral Resource, the estimate is effectively at a global rather than local level of relative accuracy.

The Mineral Resource estimate was generated, validated and reported by an external consultant to NTM and no separate reviews or audits were reportedly carried out.

Redcliffe Project Mineral Resource estimation

Modelling was completed for the geology, weathering surfaces including base of complete oxidation and top of fresh rock and mineralised domains based on a 0.4 g/t lower grade cut-off for all deposits estimated together with underlying geological parameters and grade continuity.

The GTS and Nambi deposits (Figure 5-6 and Figure 5-7) contain 40.0% (or 276 koz) of the total contained gold ounces for the NTM resources and 51.0% of the contained 538 koz contained gold for the Redcliffe Project other than Hub. They are also the only NTM resources that include better than Inferred classified resources, with 126 koz of contained gold in the Indicated category.

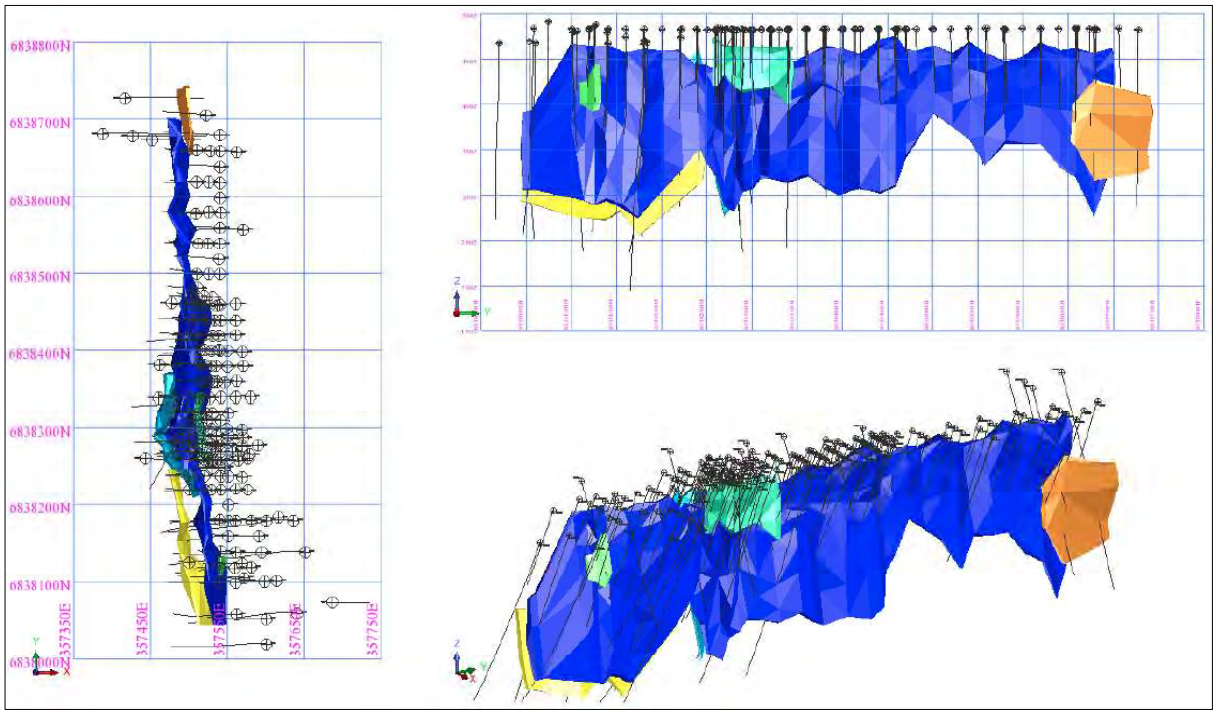


Figure 5-6: GTS Mineral Resource domains and drill traces (Plan (LHS), Long Section (Top RHS), and Oblique View (Lower RHS))

Source: NTM ASX Announcement, 13 June 2018

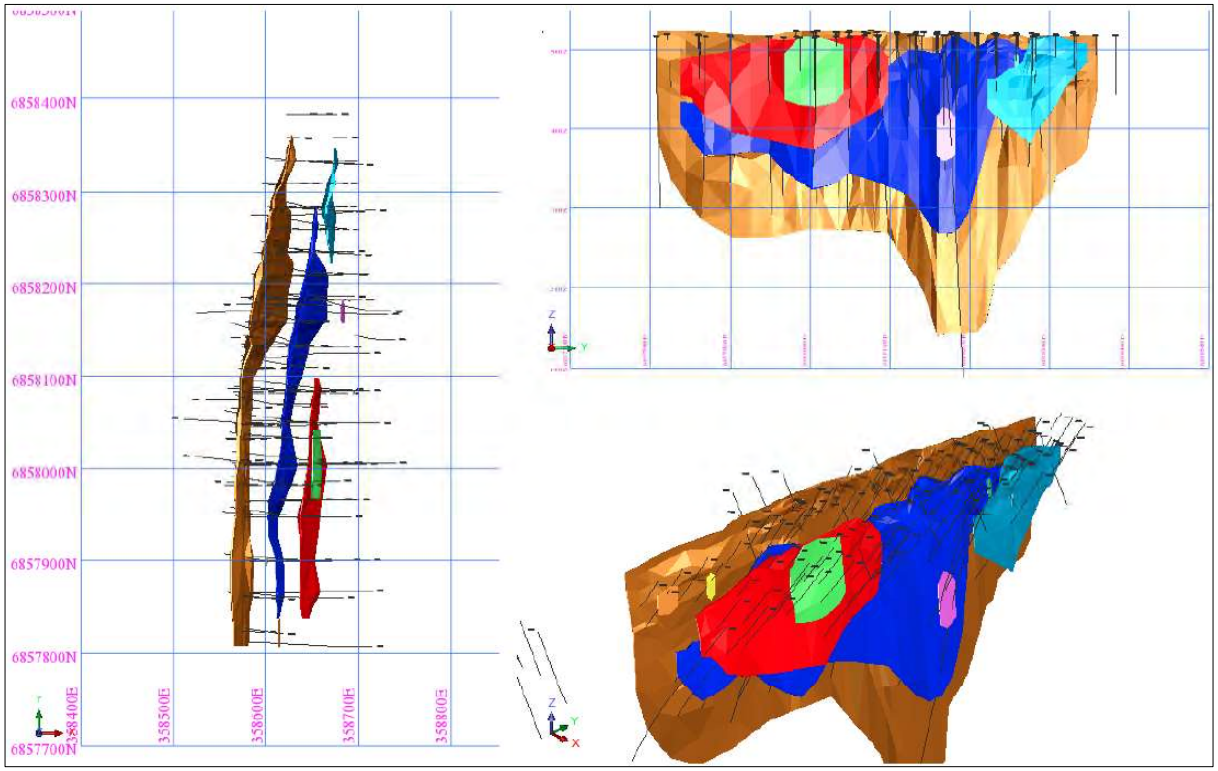


Figure 5-7: Nambi Mineral Resource domains and drill traces (Plan (LHS), Long Section (Top RHS), and Oblique View (Lower RHS))

Source: NTM ASX Announcement, 13 June 2018

Estimation was performed using a combination of ordinary kriging and inverse distance weighting methods. Hard boundaries were used between all estimation domains. In order to prevent over-estimation and smearing of high-grade samples, top-capping was applied to some domains with the selection of top cut values based on statistical analysis of the individual domains.

The hole spacing is variable through the deposits but is at least 50 m by 20 m in all deposits and increases in density to 20 m by 10 m spaced drilling for Nambi and GTS which have the higher confidence classifications in these areas. The drill hole spacing was the main consideration for the classification of the resource; Indicated mineralisation was based on a drill spacing of up to 20 m by 15 m spacing or less, while mineralisation with a drill spacing of 20 m by 20 m and up to 50 m by 20 m was classified as Inferred. Historical mining has occurred on three of the deposits and the mineralising structures are apparent in the pit walls which supports the geological confidence in the interpretation of the lodes.

As with Hub, bulk density values were assigned based on geological weathering profiles from sample density results for the oxide, transitional and fresh material.

Preliminary metallurgical test work was been completed at both GTS and Nambi deposits at the time of reporting and further test work was underway.

The Mineral Resource estimate was generated, validated and reported by an external consultant to NTM. While no separate reviews or audits were reportedly carried out, SRK considers the process followed to have provided a reasonable assurance on the expected accuracy of estimation.

5.7.4 Prospectivity

NTM has divided its Redcliffe tenure package into two main subgroups:

- The Redcliffe Group extends north-south along the MSZ. The sheared contact between felsic volcanoclastic and sedimentary sequences to the west and mafic volcanics (comprising basalt, dolerite and minor komatiites) to the east. Archaean felsic porphyries and Proterozoic dolerite dykes have intruded the MSZ. A strong north trending foliation is present, approximately parallel to lithological contacts. This shear system hosts several significant gold deposits including Redcliffe, Mesa Westlode, Nambi, Hub, Kelly, GTS and Bindy
- The Wells Group tenements are principally located to the north of the Redcliffe Project and cover 426 km^2 principally focussed on structures associated with the northern extension of the MSZ.

The intervening distance between the MMGO and Redcliffe deposits is about 40 km.

Redcliffe Corridor - Exploration Prospects

NTM has identified several prospects or targets along the Redcliffe Corridor which it considers worthy of further exploration. Based on its technical review, SRK note the following:

- The Redcliffe Corridor covers portions of the Nambi and Mertondale Pastoral Leases and lies within the Mt Margaret Mineral Field
- The project tenements are situated north of the Laverton-Leonora Road and east of the Goldfields Highway, with further access provide by the Leonora-Nambi Road and numerous pastoral tracks and fence lines
- The Redcliffe Corridor encapsulates tenements held under two separate sub-projects (i.e. Redcliffe and Well Group).

Redcliffe

- The Redcliffe area comprises 11 tenements, of which, there are 6 ELs and a single ML that are considered prospective for further exploration and resource definition activities
- These tenements host several identified targets from past exploration activity with varying degrees of potential (refer section 5.3 History). Drilling between 2018 and 2020 has extended known mineralised zones (targets) at 727, Barry and Triple 2, as well as testing numerous conceptual targets highlighted by the technical team; GWS, Goose + Chino (arguably an extension of GTN). All mineralised zones are associated with the MSZ
- Nambi West (E37/1289) lies west of the defined Nambi Resource with the NGC and Saturn targets that are peripheral to the MSZ
- Central, Nambi East and Nambi East 2 (E371356, E371259 and E37/1270) lie east of the Nambi deposit and east of the MSZ
- Nambi North (E37/1205) stretches north-south along the MSZ and has several well-defined targets including Aliso, Canjada, Canjada South and NEGC
- GTS East (E37/1288) lies east of the GTS defined resource and MSZ
- The 727 Prospect (M37/1285) comprises a small trial mining open pit with high-grade gold mineralisation associated with quartz veining, disseminated oxidised pyrite and manganese. Multiple auriferous quartz zones suggest a stacked vein system, steeply dipping (-65°-75°) towards the northeast (~045°). There is an interpreted plunge to the northwest. In some respects, the mineralisation at 727 shows broad characteristics to the Mertondale 2 deposit, where structurally controlled tension veins are observed between bounding shears.

Wells Group

- The Wells Group tenements are situated directly north of the Redcliffe package and comprise 4 granted ELs (E37/1252, E37/1284, E37/1285 and E37/1314) and a single EL application (E37/1399). NTM recently purchased the 4 tenements from Kingwest Resources Limited and applied for the fifth tenement
- The tenement package covers an interpreted magnetic extension of the MSZ with several cross-cutting regional structures
- Only limited previous exploration is reported over the area including soil geochemical sampling programs and limited early stage AC drilling
- Further geological data review has been proposed by NTM and will be followed by target studies prior to on-ground work.

5.7.5 Future exploration

Project geology mapping, identification of parallel structures off the main north-south shear and further interpretation of re-processed magnetic geophysical data has led to improved target identification within the project area, outlining several new target areas for exploration. These have been the priority of recent regional exploration activities and further drilling is proposed at known mineralised areas (727, Barry + The Great Western Shear) and other regional targets.

Based on its review of the available technical data, it is SRK's opinion that outside of the presently defined resource areas, the exploration potential of NTM's exploration portfolio is best considered as early stage exploration tenure with some identified targets but not sufficiently advanced to define a Mineral Resource and as such, some of the perceived potential is conceptual in nature (i.e. specifically the Wells tenures).

5.8 Metallurgical test work and Processing

5.8.1 Metallurgical Testwork

It is proposed that NTM's deposits, specifically the 'Hub' and 'GTS' may be processed through MMGO. Metallurgical testwork is used to verify the expected metallurgical behaviours and the amenability of the plant to the processing of the ores, when it has not been previously processed.

The metallurgical testwork undertaken on these deposits is limited. Historic testing was undertaken in 2010 on the GTS oxide ores and was reported in the January 2011 feasibility study. The intent at the time was to process 264.5 kt from the GTS open pit through the Gwalia plant (in Leonora) on a toll treatment basis. Ninety percent of the reported tonnage at that time comprised oxide ores. No testwork was undertaken on the transitional or fresh material that made up 9.0% and 1.0% respectively of the ores considered in the 2011 feasibility study. The transitional and fresh ore tonnage contribution was a result of the pit shell optimisation, the "*irregular nature of the oxide, transition and fresh-rock boundaries relative to the pit floor and walls*" and mining dilution.

While the GTS testwork incorporated a standard suite of tests including a comprehensive head assay, specific gravity, mineralogy, physical characteristics such as the SAG mill (SMC) test, and Bond ball mill and abrasivity tests, gravity recovery, cyanide leach recovery at three (3) different grind sizes, as well as oxygen uptake and rheology testing, and was undertaken at an appropriate independent metallurgical laboratory, there were a number of limitations in the testing. There was an overreliance on a single oxide composite sample that was tested. In SRK's opinion, it is at a preliminary level only. It is not at a level that would support an ore reserve estimate, i.e. at a prefeasibility level of detail.

Specifically, the GTS testwork was undertaken on a single oxide composite sample, from ten intervals from a single diamond drill hole (GTD007), ranging in depth from 36 m to 86 m. While it comprised material from different depths, it was limited to a single hole. Differences through the deposit were not tested, i.e. along strike, the sample mass was small (approximately 50 kg), and critically, it did not test the transitional or fresh ores.

The testing did reflect the proposed processing flowsheet at Mt Morgans and results did show that the oxide ores were soft and would not present a risk to crushing and grinding, no deleterious elements of concern were identified in the head assays, the sample had a gravity gold component that would benefit from a gravity circuit and was amenable to cyanide leaching. The overall gold recovery was high, although on a single composite only. It showed that the gold recovery is likely to be in the low to mid-nineties, however the head grade of the composite (5 g/t) was materially higher than the expected mine grade, the recovery value used was after 48 hours of leaching, well above that at Mt Morgans (i.e. 24 hours), and at an optimum grind size of 75 µm. In SRK's opinion there is insufficient testing to accurately quantify the gold recovery, although no fatal flaw behaviours were apparent. Based on this testing, the 2011 feasibility study report recommended a value of 92.0% ±2.0% which is not unreasonable (Table 5-4).

The main GTS oxide processing concerns relate to the level of kaolinite and other aluminium rich silicates which made up 18.0% of the sample. This level of clay material would present possible materials handling and slurry viscosity issues and would have to be carefully managed in a feed blend. Timing of the introduction of this feed is important. The cyanide consumption was also relatively high. The head assays and mineralogical assessment don't explain why this would be the case. At the time it was speculated that insufficient lime was added to maintain the slurry pH in testing and some of the cyanide may have been lost as HCN gas. A review of the test log sheets shows this is plausible but requires further testing for verification.

Table 5-4: GTS Deposit Testwork Gold Recoveries

Grind Size P_{80} (µm)	Calculated head Grade (g/t)	Gravity Gold recovery (%)	Leach Recovery (%)		NaCN Consumption (kg/t)	Lime Consumption (kg/t)
			24 hours	Overall		
150	5.26	41.9	87.0	90.3	2.88	2.22
106	5.06	46.2	90.6	92.9	2.81	2.31
75	5.04	52.3	94.4	94.8	2.51	2.31
75 (repeat pH)*	4.64	52.3	94.0	N/A	0.48	3.94

Source: 'Redcliffe Gold Project Metallurgical Testwork Summary, Doc No. J486-RP-000-001-0, 2010, Mineral Engineering Technical Services Pty Ltd.

* Note: repeat test with additional lime, higher pH, reduced cyanide consumption.

No separate GTS deposit transitional or fresh samples underwent cyanide leach testing during the 2010 GTS program. Previous testing on a transitional sample was done in November 2008 on a single composite from an RC hole (GTRC083) by On-site Laboratory Services (OLS). This was mentioned in the 2011 GTS feasibility study, but no supporting data was provided or referenced. The sample was outside the pit shell and therefore should only be considered as indicative. It identified some potential refractory behaviour on the transitional and fresh samples tested. It suggested that there are cyanide consuming, preg-robbing and possibly refractory minerals with potential recoveries in the order of 50.0% and 60.0% for fresh and transitional ores, respectively. The mechanism being a graphitic component in the ores adsorbing some of the leached gold before the activated carbon is able to. The 2011 study concluded that:

"*The presence of potentially preg-robbing carbonaceous 'graphitic' materials has been noted by Pacrim geologists. It is interpreted to exist mainly in fresh rock conditions below the base of oxidation. There is however the possibility that relict traces of such material could persist upwards into the transition zone. The controlling factors relating to the presence (or otherwise) of such carbonaceous materials are likely to be a spatially complex interaction with the Mertondale Shear Zone. The mylonitic fault zone contains both the gold mineralisation, and potential relict carbonaceous material surviving below a highly irregular oxide-transition interface*". and "*Based on the current spatial understanding, it has been assumed that grade control separation of the potential deleterious graphitic materials will not be possible".*

These ores present a significant recovery risk if they were processed at MMGO and would not be suitable for incorporating into a free milling feed blend. If fresh and transitional ores from the GTS deposit are to be processed, additional testing is required to either disprove this behaviour, or to support another flowsheet. SRK consider this a particular concern given the Entech Desktop Study in June 2020 applied a recovery of 94.0% to all the GTS material.

NTM has more recently undertaken metallurgical testwork on the 'Hub' deposit. It was limited to 14 intensive cyanide leach tests on RC drill samples taken from eight (8) holes. Six (6) oxide samples, 4 transitional samples and 4 fresh samples were tested. As yet, no other comprehensive head assay, specific gravity, mineralogy, physical, gravity gold recovery, cyanide leach recovery or other standard gold tests have been completed.

The average gold recovery across all 14 tests was 96.2%, this was discounted to 94.0% for the 2020 Entech Scoping Study to account for the intensive nature of the leach tests. The average was 97.3%, 96.5%, 94.1%. These results are presented below in Table 5-5. The 2020 Entech Scoping Study best case pit optimisation shows 80.0% of the Hub deposit would be oxide.

Table 5-5: Hub Deposit Testwork Gold Recoveries

Hole ID	From (m)	To (m)	Oxidation State	Au grade – (calculated g/t)	Recovery (Au %)
19RRC081	33	34	oxide	10.84	98.7%
19RRC081	34	35	oxide	4.24	98.6%
19RRC079	26	27	oxide	36.68	97.6%
19RRC079	27	28	oxide	1.35	91.9%
19RRC082	23	24	oxide	3.1	98.7%
19RRC082	29	30	oxide	17.77	98.5%
19RRC092	88	89	transitional	12.2	98.0%
19RRC092	92	93	transitional	4.22	98.6%
19RRC061	66	67	transitional	13.21	95.8%
19RRC061	67	68	transitional	5.31	93.8%
19RRC073D	177	178	fresh	3.03	94.7%
19RRC073D	180	181	fresh	8.25	92.2%
19RRC033	147	148	fresh	7.45	94.2%
19RRC029	137	138	fresh	2.16	95.4%

Source: '2020-01_Hub leach samples.xlxs, 2020, NTM Gold Ltd.

In SRK's opinion, the Hub deposit leaching testwork is at a basic level only and generates indicative recoveries at best. Testwork completed to date provides confidence that the ores are likely to be amenable to a conventional cyanide leach processing such as that at MMGO and because of the predominantly oxide tonnage, the physical characteristics are likely not to be deleterious to the throughput in terms of installed crushing and milling power, but this has not confirmed through testing. It is not at a Prefeasibility level of confidence, (i.e. at a level that would support an Ore Reserve estimate).

In SRK's opinion, the estimated recovery, while not unreasonable, could be modestly overestimated. The key reasons being, the samples were all RC samples, samples were pulverised and underwent intensive cyanide leaching, which is indicative of overall cyanide extractable gold, but is not appropriate for use in accurate estimation of gold recovery under plant conditions, and the feed grades were very high, averaging 9.3 g/t Au. All of these factors would overstate the cyanide recoverable gold.

SRK is not aware of any additional testing having been undertaken on future ores that comprise the NTM deposit portfolio such as Redcliffe, Mesa West, Nambi, Westlode, Bandy and Kelly.

In SRK's opinion, additional metallurgical testwork is required on the Redcliffe Project ores to ensure confidence in the forecast gold recoveries, comminution (crushing and grinding) characteristics, and other behaviours such as reagent consumption, materials handling and slurry rheology, with particular attention required for the gold recoveries from the GTS transitional and fresh feeds.

As noted in Section 1.1, SRK has been advised that the geology and exploration teams from both Dacian and NTM are both aware of the issues and have commenced discussions on the further work required. This includes diamond drill hole for additional metallurgical testing on the Hub and GTS deposits.

5.8.2 Throughput

No comminution testwork has been undertaken on samples from NTM's Hub deposit. This has only had basic sighter level intensive leach testing only. The samples were pulverised before this work was done. Hub mineralisation comprises oxide, transitional and fresh ores. It is not possible to determine the required optimum grind size required given the supplied information. Specifically, whether a grind size below the current grind size target of approximately 125 µm is required to achieve acceptable metallurgical recoveries.

Similarly, the GTS deposit only had sighter level comminution testing undertaken in 2010. The testing showed the sample to be soft and have low abrasivity. It was very limited testing, on a single oxide composite sample from 10 intervals from a single diamond drill hole. Testwork showed the highest gold recoveries on this single sample were at a 75 µm grind size, but the work was not optimised and it is possible the ore was becoming fresher at the deeper hole intervals. No separate transitional or fresh samples underwent comminution testing at the time.

SRK recommends future throughput assessments be undertaken based on the combined LOM production plan once further information is available as the testwork undertaken on the Hub and GTS ores to date is not sufficient to determine the required grind size.

The secondary throughput risk relating to materials handling and slurry viscosity impacts of having a high proportion of oxide ores in the feed blend necessitates additional comminution, materials handling and rheology testing of samples from the NTM deposits.

5.8.3 Metallurgical Recovery

Potential feed from NTM's Redcliffe Project 'currently comprises two deposits, 'Hub' and 'GTS'.

SRK is not able to qualify the metallurgical recovery assumptions used for the NTM ores. The Redcliffe Gold Project does not have historical operating data available to rely on and the testwork completed is only at an indicative level. The testwork that has been completed demonstrates the Hub deposit is amenable to cyanide leaching for the oxide, transitional and fresh ores but the actual recovery cannot be accurately quantified. It is likely that these ores are 'free milling' and recoveries will be above 90.0% at a grind size of 75 µm but this can not be guaranteed. Additional testwork is required to improve the confidence in the likely Hub deposit gold recoveries.

The GTS deposit has had marginally more testing, but it is still considered by SRK to be at a basic sighter level on oxide ores only. The recommendations from this earlier work was to use a recovery of 92.0% ±2.0% grade adjusted for the expected GTS oxide ores which were lower grade. It is unclear why the GTS recovery value of 92.0% was not used in the Entech 2020 Scoping Study modelling for the oxide ores given it makes up the majority of the of the Redcliffe Project's proposed tonnage, instead a flat recovery of 94.0% assumption from the Hub testing was applied across both the deposits. SRK consider this a particular concern given the 2011 feasibility study recommended an oxide gold recovery of 92.0%, a transitional recovery of 60.0% and fresh recovery of 50.0% from the GTS ores. The value of 94.0% is not adequately supported by testwork. The 'Best Case' GTS pit optimisation generated 67.0% of the tonnage from fresh and transitional material. This is a potential 'red flag' risk for the project.

SRK has some further reservations on the proposed recovery from the historic GTS oxide sample testwork. It was undertaken on a single drill hole composite, the grades were materially higher than those in the resource and the recovery used the 48 hour leach residence time recoveries rather than the 24 hours installed at MMGO. In SRK's opinion, based on this testwork, the GTS oxide gold recoveries could be modestly overestimated.

SRK considers the recovery of the transitional and fresh ores from the GTS deposit to present a material risk to the project. Due to preg(nant liquor)-robbing carbonaceous ores and/or some refractory minerals, this potential feed is likely to have low recoveries possibly in the order of 50.0 to 60.0% and cannot be blended in the overall feed. Additional work is required to adequately understand these ores.

5.8.4 Processing Costs

As part of the Entech scoping study for the Redcliffe Project ores, a number of processing options were considered. They included a 'Toll treatment' option (A$60.65/t), a third-party option (A$21.23/t), or a standalone 'Build Own Operate' treatment plant option (A$54.40/t). Each assumed a throughput of 500 ktpa but in the case of the third-party option, the throughput assumption must have assumed it was part of a larger throughput. SRK considers these values to be placeholders only. The costs also incorporate surface haulage, rehandling and grade control. The stripped back costs for processing only are A$40/t for toll treatment and for the standalone processing option, and A$12/t for the third-party processing option.

The tonnage was not sufficient to support a larger scale dedicated operation therefore the costs are high. However, both toll treatment and small dedicated plant options have an underlying processing cost of A$40/t ,which SRK considers likely to be understated. The Third-party option best reflects the processing option through MMGO. For this is the case, the A$21.23/t assumption (A$12/t without haulage etc) in SRK's opinion, is understated. It is more closely aligned with a low reagent consumption, soft oxide processing cost.

In SRK's opinion, there is insufficient information to accurately verify the cost assumptions or estimate from first principles the processing cost of the Redcliffe ores in respect to the blend, comminution power requirements and reagent consumptions. SRK does not have confidence in this cost. In the absence of this information, SRK recommend using the current MMGO processing cost, i.e. A$17.50/t to A$18.30/t as a more accurate processing cost estimate.

5.8.5 General and Administrative Costs

In the preferred Redcliffe Project financial model, with ores processed by a third party, no G&A costs were assigned. It is assumed they are incorporated into the overall processing cost of A$12/t. SRK consider this is understated.

5.8.6 Processing Risks

SRK consider there to be some minor risks to the processing assumptions relating to the Redcliffe Project ores. In particular, SRK notes there is limited information relating to the metallurgical behaviour of the NTM ores, particularly the transitional and fresh ore components of the GTS and Hub deposits. The throughput and more likely, the gold recovery assumptions could be moderately overstated.

6 Other Considerations

6.1 Commodity prices

SRK has carried out a limited analysis of the metal commodity markets. This analysis reflects the prevailing conditions as at the 16 November 2020 (date of merger announcement) and is considered reasonable to support the opinions and conclusions presented in this Report.

6.1.1 Gold

According to the Australian Government's Resources and Energy Quarterly (September 2020 Edition), Gold prices have increased sharply in 2020, driven by the fallout of the global COVID-19 pandemic, including slowing economic growth, plunging real US Treasury bond yields and, more recently, a weaker US dollar. The US dollar gold price has risen by 27.0% in 2020, peaking at a record high of US$2,064/oz on 6 August 2020. There are a number of uncertainties that have the potential to impact gold prices for the remainder of 2020, and in 2021 and 2022 including the COVID-19 pandemic and the results of the United States of America's presidential election.

Given the gold price volatility and future price uncertainty, SRK elected to use the Australian Dollar 12-month trailing gold price of A$2,500 as at 16 November 2020 to inform SRK's market analysis as presented in the valuation section of the Report (Section 7).

6.2 Previous Valuations

The VALMIN Code (2015) requires that practitioners should refer to other recent Valuations or Expert Reports undertaken on the mineral properties being assessed. Having asked both NTM and Dacian management, SRK is not aware of any recent valuations relating to the Mineral Assets which are the subject of this Report.

6.3 Previous acquisitions

6.3.1 Range River Gold Limited

RNG acquired tenements that comprise the current MMGO Project from Barrick Gold Corporation in May 2009 and commenced open pit mining approximately six months later. Three new open pit mines were developed at the Craic, Sarah and Ramornie North deposits, with minor additional open pit production from the Ramornie and King Street deposits. In April 2011, two years after acquiring the Mt Morgans tenements, RNG was placed into voluntary administration for various reasons after production delays and adverse weather conditions impaired production.

6.3.2 Dacian's acquisition of MMGO 2012

Pursuant to a deed dated 14 December 2011, Dacian acquired the Tenements and ancillary assets of the MMGO from RNG (Administrators appointed). The acquisition completed on 31 January 2012. The consideration for the Tenements and assets totalled A$7,515,989.68 (including gst), which was been paid in full.

No experts' reports were commissioned when determining the quantum of the consideration for the assets, the acquisition occurred after completion of a competitive bid process and extensive negotiation with the vendor and its advisors.

6.3.3 Jindalee Joint Venture

On 18 December 2018, Dacian acquired a 90.0% interest in E38/3272 and E38/3211 (New Bore and Kelly Well projects) from Jindalee Resources Limited.

The key terms of the agreement were:

- The issue of Dacian shares to the value of A$0.1 M based on the 5-day volume weighted average price (VWAP) preceding the date of execution of the agreement (completed on 18/12/2018)Jindalee's 10.0% interest is free carried to the finalisation of a feasibility study at which point Jindalee can elect to contribute pro-rata or dilute, with Jindalee reverting to a 1.0% net smelter royalty if its interest falls below 5.0%.

7 Valuation

The objective of this section is to provide BDO with:

- SRK's opinion regarding the reasonableness of the technical inputs to Dacian's Model and to provide a market value for Dacian's residual Resources and exploration tenure not considered in the Model
- SRK's opinion regarding the market value of NTM's defined Mineral Resources and the exploration potential of the associated tenure on a standalone basis prior to the Merger Scheme
- SRK's opinion regarding the market value of NTM's defined Mineral Resources and the exploration potential of the associated tenure on a Proposed Merged Entity basis.

SRK has not valued either Dacian or NTM, these being the corporate entities that are the beneficial owners of the Mineral Assets.

In determining the appropriate parameters for valuation purposes, SRK has considered the assessments that might be made by a willing, knowledgeable and prudent buyer in assessing the value of Dacian and NTM's Projects. SRK has relied on information provided by Dacian and NTM, as well as information sourced from the public domain, SRK's internal databases and SRK's subscription databases.

The VALMIN Code (2015) outlines three generally accepted valuation approaches:

1. Market Approach
2. Income Approach
3. Cost Approach.

The Market Approach is based primarily on the principle of substitution and is also called the Sales Comparison Approach. The mineral asset being valued is compared with the transaction value of similar mineral assets under similar time and circumstance on an open market (VALMIN Code 2015). Methods include comparable transactions, metal transaction ratio (MTR) and option or farm-in agreement terms analysis.

The Income Approach is based on the principle of anticipation of economic benefits and includes all methods that are based on the anticipated benefits of the potential income or cashflow generation of the mineral asset (VALMIN Code 2015). Valuation methods that follow this approach include DCF modelling, Monte Carlo Analysis, Option Pricing and Probabilistic methods.

The Cost Approach is based on the principle of cost contribution to value, with the costs incurred providing the basis of analysis (VALMIN Code 2015). Methods include the appraised value method and multiples of exploration expenditure, where expenditures are analysed for their contribution to the exploration potential of the mineral asset.

The applicability of the various valuation approaches and methods varies depending on the stage of exploration or development of the mineral asset and hence the amount and quality of the information available on the mineral potential of the assets.

Table 7-1 presents the various valuation approaches for the valuation of mineral assets at the various stages of exploration and development.

Table 7-1: Suggested valuation approaches according to development status

Valuation Approach	Exploration Projects	Pre-development Projects	Development Projects	Production Projects
Market	Yes	Yes	Yes	Yes
Income	No	In some cases	Yes	Yes
Cost	Yes	In some cases	No	No

Source: VALMIN Code (2015).

The market-based approach to valuation is generally accepted as the most suitable approach for valuation of all projects.

The 'Market Value' is defined in the VALMIN Code (2015) as, in respect of a mineral asset, the amount of money (or the cash equivalent or some other consideration) for which the Mineral Asset should change hands on the Valuation Date between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing wherein the parties each acted knowledgeably, prudently and without compulsion. The term Market Value has the same intended meaning and context as the International Valuation Standards Committee's (IVSC) term of the same name. This has the same meaning as Fair Value in Regulatory Guide (RG) 111. In the 2005 edition of the VALMIN Code this was known as Fair Market Value.

The 'Technical Value' is defined in the VALMIN Code (2015) as an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations. The term Technical Value has an intended meaning that is similar to the IVSC term Investment Value.

In estimating the value of Dacian and NTM's projects as at the Valuation Date, SRK has considered various valuation methods within the context of the VALMIN Code (2015). SRK's valuation basis is presented in Table 7-2.

Table 7-2: SRK's Adopted Valuation basis

Project	Development Stage	Description	Valuation basis
Dacian's MMGO	Production	Ore Reserves considered within the Model	Income: Cashflow Model
		Mineral Resources not considered within the Model (residual resources)	Income: Where reasonable basis exists Market: Comparable Transactions Cost: Yardstick Factors
Dacian's Exploration Portfolio	Advanced Exploration	Regional project portfolio	Market: Comparable Transactions Cost: Geoscientific Rating
NTM's Redcliffe Project	Advanced Exploration	Mineral Resources (defined)	Market: Comparable Transactions Cost: Yardstick Factors
NTM's Exploration Portfolio	Early Exploration	Regional project portfolio	Market: Comparable Transactions Cost: Geoscientific Rating

Source: SRK Analysis

7.1 Reasonableness of Technical Inputs to Dacian's Cashflow Model

7.1.1 SRK recommendations

Dacian has developed a cashflow model (the Model) for its Mineral Assets and has provided this to BDO and SRK. SRK has reviewed the Model and assessed technical production and technical cost projections in order to advise BDO of its findings. Table 7-3 presents a summary of SRK's findings and recommendations as made to BDO in relation to the Mineral Assets.

Table 7-3: SRK's MMGO model findings

Model input	Model Input	SRK Input recommendation	Basis of recommendation
Morgans North/Phoenix mining (koz mined)	6	0	Remove from model. Recommend change based on SRK's Technical Assessment (Section 4.14). Mt Morgans North / Phoenix is not in the current mine schedule
Mt Marvin (koz mined)	25	20	Limit to 20koz per 2020 Ore Reserve estimate (10 months mining not 12 months mining). Recommend change based on SRK's Technical Assessment (Section 4.13)
Processing throughput (Mtpa)	2.9	2.9	Reasonable based on SRK's Technical Assessment of the available data (Section 4.10.5) and its experience working on similar projects in Australia.
Gold recovery (%)	91.2	91.2	Reasonable based on SRK's Technical Assessment (Section 4.10.6) and its experience working on similar projects in Australia.
Mining Cost (A$/ore tonne)	21.10	21.0	Reasonable based on SRK's Technical Assessment (Section 4.14) and its experience working on similar projects in Australia
Processing cost (A$/t)	16.94	16.94	Reasonable based on SRK's Technical Assessment (Section 4.10.7) and its experience working on similar projects in Australia.
G&A cost (A$/t)	3.27	3.27	Reasonable based on SRK's Technical Assessment (Section 4.10.8) and its experience working on similar projects in Australia.
Sustaining capital (A$M/year)	~1.9	1.9	Reasonable based on SRK's Technical Assessment (Section 4.10.9) and its experience working on similar projects in Australia.
Non-Sustaining Capital (A$M)	11.4	0	Recommend removal of the all non-sustaining capital relating to the underground project. Recommend change based on SRK's Technical Assessment (Section 4.15)
Growth Capital (A$M)	61.8	61.8	Reasonable based on SRK's Technical Assessment (Section 4.14) and its experience working on similar projects in Australia
Rehabilitation Provision (A$M)	18.0	24.4	Recommend change based on SRK's Technical Assessment (Section 4.16) and its experience working on similar projects in Australia (18.8m plus 30.0% contingency)
Salvage Value (A$M)	18.0	0	Recommend removal of the salvage value from the Model based on SRK's Technical Assessment (Section 4.16.2)

Source: SRK Analysis

In addition to the consideration of the Model inputs, SRK has also considered whether the currently estimated Mineral Resources at NTM's Redcliffe Project should be included into the Model under a post-merger scenario. Based on its Technical Assessment and discussions with NTM's technical and managerial personnel, SRK considers the estimated Mineral Resources are not either of sufficient confidence or adequately assessed by appropriate technical studies to warrant their inclusion in a cashflow model.

In particular, SRK notes the majority (81.0%) of the contained gold ounces of NTM's total Redcliffe Project deposits are classified within the Inferred Mineral Resource category. SRK considers the level of confidence in the Inferred material, and in particular this significant proportion of Inferred material, is not sufficient warranted to support the reasonable grounds test for its inclusion into a LOM schedule. While 19.0% of the contained ounces (106 koz of a total of 679 koz gold) are classified in the Indicated Mineral Resource category (derived from 44.0% and 47.0% of the Nambi and GTS deposits' contained ounces, respectively), these deposits have not been subject to any appropriate technical studies to support their approximate mining considerations. As such, SRK considers it premature to include these Indicated Mineral Resources in a LOM plan.

7.2 Market Value of Mineral Resources

7.2.1 Comparable Market Transaction

SRK has compiled a list of transactions (Appendix C) involving broadly similar projects from its internal databases, as well as the S&P Global Market Intelligence subscription database to support its assessment of the Market Value of Dacian's residual Resources (i.e. those not included in the LOM model) and NTM's total Resources as presented in Table 7-4.

After compiling the relevant data (Appendix C), SRK reviewed transactions involving Western Australian gold projects (at various development stages) which occurred between November 2015 and October 2020. SRK identified 59 transactions that it considered sufficiently relevant and for which sufficient information was available to calculate a resource multiple. The implied transaction multiple for resources was then expressed in A$/oz terms. This implied multiple was calculated using the transaction value (at the implied 100.0% acquisition cost) and the total contained Mineral Resources supporting the transaction. The implied transaction multiple was then normalised to the gold price as at the date of the valuation.

Given the gold price volatility and future price uncertainty, SRK elected to use the Australian Dollar 12-month trailing gold price of A$2,500/oz as at 16 November 2020 to inform its market analysis. This pricing data was sourced from the World Bank commodity prices (World Bank).

Importantly, while transaction multiples are widely used in valuation, they rely on the assumption that the reported Mineral Resources have been appropriately reported and can be taken at face value. As such, the method assumes that differences in reporting regimes, between different Competent Persons, resource classification, metal recovery and adopted cut-off grades (which may change between assets and/or companies) do not materially influence the implied multiple. The method implicitly assumes total recoverability of all metal tonnes/ounces, as reliable and accurate data is generally not disclosed or available around the time of most transactions or for all companies. Importantly, SRK's implied value calculations are for the purposes of its valuation and do not attempt to estimate or reflect the metal likely to be recovered as required under the JORC Code (2012).

SRK notes that there is a clear relationship between the development stage of the assets which host defined Mineral Resources and their implied multiples with the average, median and weighted average values generally decreasing in line with earlier development stages (Figure 7-1).

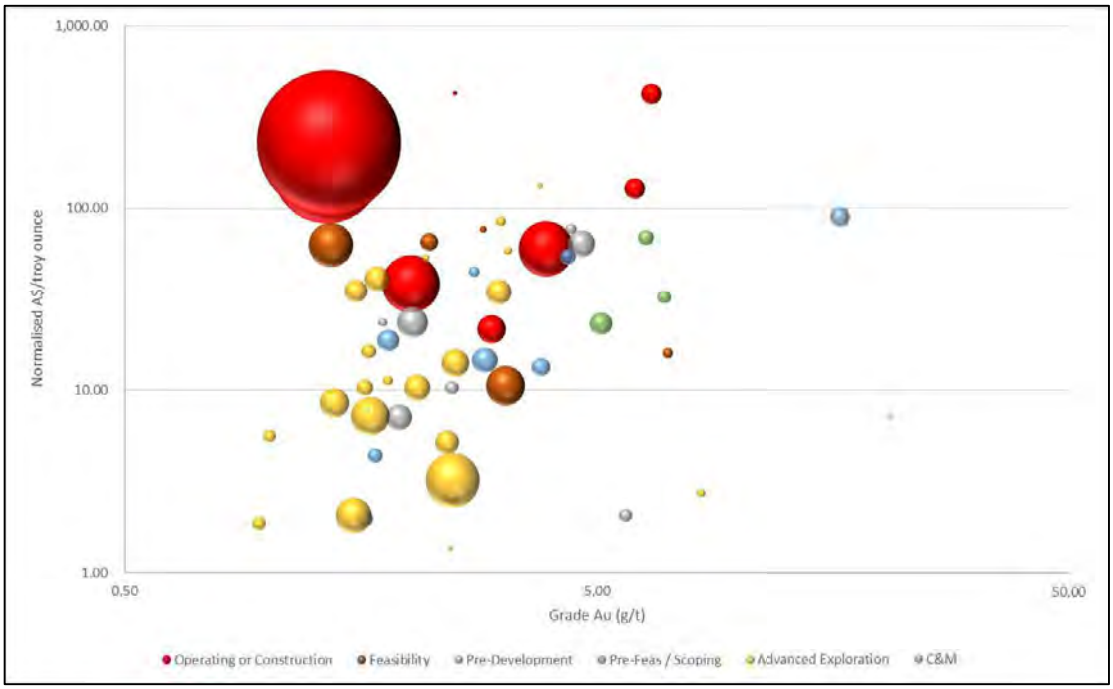


Figure 7-1: Project value by development status

Source: SRK Analysis

Note: Logarithmic scale on both axis

When considering the weighted average normalised multiples only, SRK notes its analysis implies the following normalised transaction multiples:

- projects in operation or construction - A$188.18/tr oz
- projects at Feasibility stage - A$39.99/tr oz
- projects at Pre-development stage - A$46.23/tr oz
- projects at Scoping and Pre-feasibility stage - A$27.21/tr oz
- projects at Advanced Exploration stage - A$15.40/tr oz.

The value price curve identified by this metric is in alignment with prevailing theory on value through a mining project's life cycle (Figure 7-2).

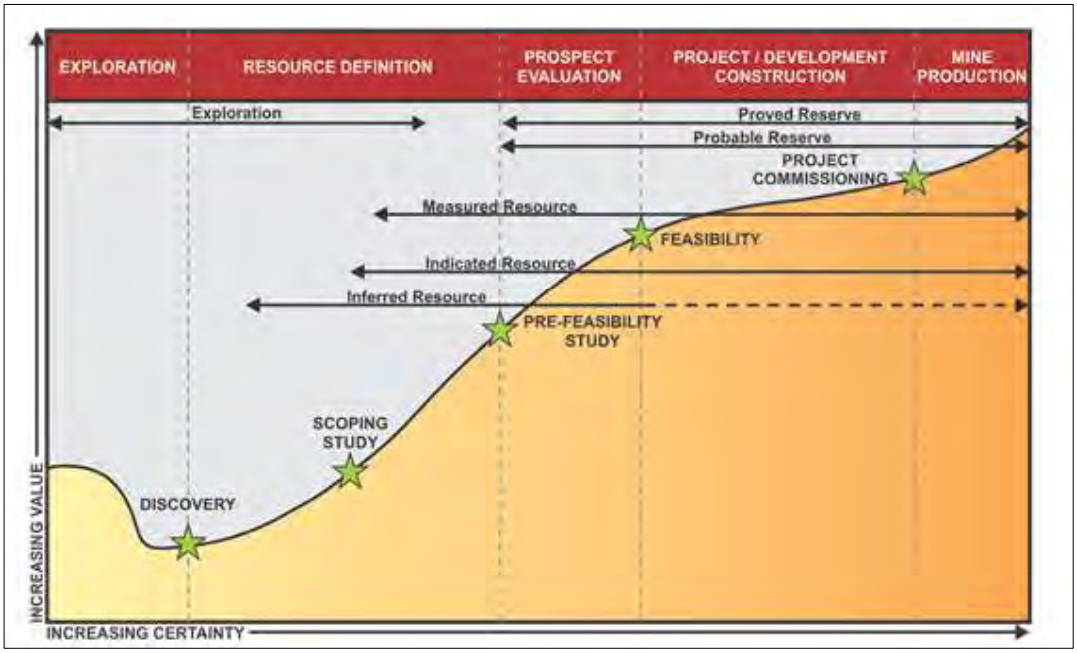


Figure 7-2: Project Value Curve

Source: Lilford, 2011

Table 7-4: Resource based transaction multiple analysis

	Resource Multiple – Raw (A$/oz Au)	Resource Multiple – Normalised (A$/oz Au)
All		
Minimum	0.87	1.30
Median	17.34	22.31
Average	48.04	61.11
Maximum	262.05	411.35
Weighted average	116.56	143.30
Projects in Operation or under Construction (Excludes the Coogee Project)		
Minimum	13.50	20.41
Median	106.02	155.19
Average	128.29	183.33
Maximum	261.37	411.35
Weighted average	153.73	188.18
Projects in Care and Maintenance		
Minimum	14.32	10.03
Median	20.14	45.34
Average	34.33	42.41
Maximum	68.52	73.25
Weighted average	29.41	39.06

	Resource Multiple – Raw (A$/oz Au)	Resource Multiple – Normalised (A$/oz Au)
Projects at Feasibility stage		
Minimum	1.27	1.95
Median	18.89	22.31
Average	26.46	37.64
Maximum	67.46	94.99
Weighted average	31.97	46.23
Projects at Pre-Development Stage		
Minimum	6.47	10.03
Median	40.31	59.87
Average	36.10	44.14
Maximum	76.27	73.25
Weighted average	27.49	39.99
Project at the Scoping/Pre-feasibility stage		
Minimum	1.25	1.87
Median	10.91	13.79
Average	24.52	26.36
Maximum	89.48	85.38
Weighted average	24.84	27.21
Project at the Advanced Exploration stage (excluding Pilbara transactions)		
Minimum	0.87	1.30
Median	6.73	9.82
Average	20.39	23.51
Maximum	133.51	127.40
Weighted average	9.24	15.40

Source: SRK analysis
Note. Weighted average calculated using total contained gold ounces.

SRK has further analysed the comparable transactions in terms of region and mine type (in line with VALMIN's development stage groupings). In the advanced exploration stage category, there is a fairly even spread in terms of location (transactions in the Midwest/Pilbara = 8, Yilgarn = 11). Based on analysis of this data (Figure 7-3), SRK is of the opinion that gold projects in the Yilgarn appear to transact at a premium, when compared to those in the Midwest and Pilbara regions (Table 7-5). Further analysis of the transactions at other development categories was in part supportive of a premium in the Yilgarn; however, the limited number of transactions in these categories makes meaningful analysis impossible.

For the avoidance of doubt, SRK has not attempted to quantify a premium for the Yilgarn region due to a lack of data points for meaningful comparison when location, development stage and mine type are taken into consideration. However, based on the general observation that the market appears to pay a premium for Yilgarn gold projects, SRK has valued projects using Yilgarn transaction multiples only. On this basis, no further specific premium for location is warranted.

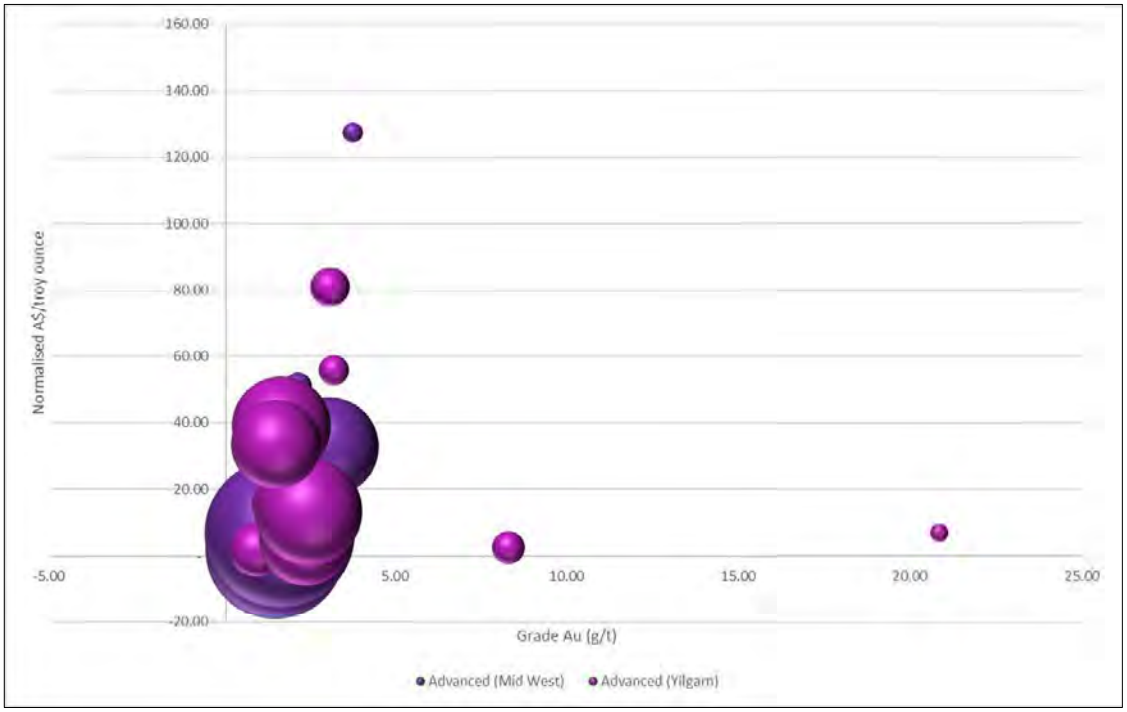


Figure 7-3: Transaction (advanced stage) value by location Yilgarn vs Mid- West

Note: Limited maximum values on the X and Y axis

Table 7-5: Comparison of transaction values (advanced exploration stage only) by location Yilgarn vs Mid- West

	Advanced Exploration - Mid-West only (excluding Gnows Nest) A$/troy oz		Advanced Exploration - Yilgarn only A$/troy oz	
	Raw	**Normalised**	**Raw**	**Normalised**
Minimum	0.87	1.30	1.84	1.77
Median	5.89	8.92	12.50	14.41
Average	27.60	29.86	19.41	23.65
Maximum	133.51	127.40	56.73	81.07
Weighted average	7.23	10.54	18.17	22.10

Source: SRK analysis
Note. Weighted average calculated using total contained gold ounces.

Dacian's Residual Resource

Table 7-6 presents a summary of the Reported Resources and the Residual Resources (those Mineral Resources not considered in the Model) subsequent to BDO's implementation of SRK's recommendations summarised in Section 4.11.

Table 7-7 presents a summary of MMGO total gold Resource ounces, gold Resource ounces in the Model and the Residual Resource ounces which have been considered for valuation purposes.

Table 7-6: Resources and Residual Resources (those Mineral Resources not considered in the Model)

Deposit	Measured (Oz)	Indicated (Oz)	Inferred (Oz)	Total (Oz)
Westralia UG*	-	353,274.73	227,000	580,274.73
Ramonrnie UG		22,000.00	6,000	28,000.00
Transvaal UG	68,000.00	69,000.00	73,000	210,000.00
Morgans North UG	3,000.00	18,000.00	34,000	55,000.00
Phoenix Ridge UG			125,000	125,000.00
Jupiter UG		57,000.00	47,000	104,000.00
Jupiter OP			42,000	42,000.00
Mt Marven OP**				
Cameron Well OP		89,000.00	16,000	105,000.00
Maxwells OP		11,000.00	2,000	13,000.00
Mine Stockpiles***				
LG Stockpiles***				
Jupiter LG Stockpiles***				
Total	**71,000**	**619,275**	**572,000**	**1,262,275**

Note: *Reserves depleted by 68,000 oz which is 74,725 oz of Resource when the existing 91.0% conversion rate is used.
** Mt Marven Resources are fully utilised in the cash flow model and have no residual Resources
** The stockpiles are fully utilised in the cash flow model and have no residual Resources
Source: SRK Analysis

Table 7-7: Residual Resources summary

Mineral Resources	Total Resources Gold (Oz)	Total Gold Resource Oz in the Model*	Residual Resources (Oz)
MMGO	2,067,000	804,725*	1,262,275

*Modelled gold ounces will be lower after conversion to Reserves

Source: SRK Analysis

Using its analysis of the comparable market transactions presented above and supported by the raw data presented in Appendix C, SRK has selected a range of resource multiples for each Project as summarised in Table 7-8. The value selected is based on analysis of market transaction multiples and SRK's analysis of these multiples as summarised in Table 7-4 and Table 7-5. SRK further considered these transactions in the context of their development stage, resource size (in contained ounce terms), mine type and the presence of any historical workings. These have been considered by SRK in the context of common groupings or types of projects transacted in order to determine appropriate multiple ranges.

Table 7-8: Transaction Multiple analysis of Advanced to Pre-development Projects

Resource size (contained gold koz)	Comparability	Advanced Projects	Advanced Projects	Scoping/ Feasibility/ Pre Development	Scoping/ Feasibility/ Pre Development	Project link
		Low (A$/oz)	High (A$/oz)	Low (A$/oz)	High (A$/oz)	
<100	Open Pit Resource in and around historical production areas historical or 2004 JORC Resource etc	2.5	10.0	5.0	10.0	
<100	High Grade UG Resources in and around historical mining areas. historical or 2004 JORC Resource etc	5.0	10.0	10.0	15.0	
<100	JORC Code compliant (2012) Resources, located or strategic to existing projects / remnant Resources	10.0	30.0	20.0	40.0	Ramornie UG, Maxwell's OC, Jupiter OC
<100	Historical UG or OC. Modern exploration data and good prospectivity with likely interaction with UG/OC workings	20.0	40.0	30.0	60.0	Phoenix Ridge, Transvaal UG, Jupiter UG, Morgan's North UG, Kelly, Bindy, Redcliff, Mesa /Westlode
<100	Historical OC with recent mining (last 5 years) modern exploration data etc and good prospects to deepen pit without interaction with UG workings	30.0	50.0			
100-600	Underground on care and maintenance with good prospects of future mining			50.0	100.0	Westralia
100-600	Couple of Projects but with one large potential 300koz OC in virgin? ground; possibly restricted by environmental issues otherwise large oxide potential.	25.0	40.0			
100-600	Many small deposits combining to one large Resource mix of historical and more recent mining areas.	10.0	20.0			
100-600	OC in virgin ground - soft Oxide ore >100 k oz individual deposits in proximity to existing mill	30.0	60.0	50.0	100.0	Cameron Well, GTS, Hub, Nambi

Source: SRK Analysis

The preferred multiple is the average of the range as SRK has no preference to either end of the range. SRK considers this to be a reasonable approach given its technical assessment of the Resources and the residual Resources and accordingly relevant mine planning.

In assigning its valuation range and preferred values, SRK is mindful that the valuation range is also indicative of the uncertainty associated with mineral assets. The range in value is driven by the confidence limits placed around the size and grade of mineralised occurrences assumed to occur

within each project area. More detail around Resource confidence and the impact on value is provided in Section 7.4.3. On a 100.0% equity basis, the implied value of Dacian's Resources and residual Resources using the comparable market transaction method it A$54.7 M to A$92.1 M with a preferred valuation of A$73.4 M (Table 7-9).

Table 7-9: Summary of SRK's valuation of Dacian's Mineral Resources and Residual Resources

Deposit/Project	Total (Oz)	Value multiple Low (A$)	Value multiple High (A$)	Value multiple Preferred (A$)	Value Low (A$M)	Value High (A$M)	Value Preferred (A$M)
Westralia UG	580,275	60	90	75	34.8	52.2	43.5
Ramonrnie UG	28,000	20	40	30	0.6	1.1	0.8
Transvaal UG	210,000	30	60	45	6.3	12.6	9.5
Morgans North	55,000	30	60	45	1.7	3.3	2.5
Phoenix Ridge UG	125,000	20	40	30	2.5	5.0	3.8
Jupiter UG	104,000	30	60	45	3.1	6.2	4.7
Jupiter OP*	42,000	10	20	15	0.4	0.8	0.6
Mt Marven OP*	-	-	-	-	0.0	0.0	0.0
Cameron Well OP*	105,000	50	100	75	5.3	10.5	7.9
Maxwells OP*	13,000	10	20	15	0.1	0.3	0.2
Mine Stockpiles	-	-	-	-	0.0	0.0	0.0
LG Stockpiles	-	-	-	-	0.0	0.0	0.0
Jupiter LG Stockpiles	-	-	-	-	0.0	0.0	0.0
Total	**1,262,275**	**-**	**-**	**-**	**54.7**	**92.1**	**73.4**

NTM Resource –Standalone basis

SRK elected to adopt a resource multiple range of between of A$32/troy oz and A$65/troy oz with a preferred multiple of A$48/troy oz for its valuation of NTM's total Mineral Resource estimates on a standalone pre-merger basis (Table 7-10). This range was selected taking in consideration resource multiples implied by the various stages of maturity in Table 7.4 (projects in advanced exploration stage) and Table 7-5 (transactions specific to Yilgan and Mid-West location) for NTM's mineral assets and the range of market premiums implied by the comparable transaction analysis.

Table 7-10: Summary of SRK's valuation of NTM's Mineral Resources

Tenement	Deposit	Ounces (koz)	Selected Multiples (A$/oz)			Market Value (A$M)		
			Lower	Upper	Preferred	Lower	Upper	Preferred
MA37/1348	Hub	140.8	40	80	60	5.6	11.3	8.4
M37/1276	GTS	138.4	40	80	60	5.5	11.1	8.3
M37/1295	Kelly	82.8	20	40	30	1.7	3.3	2.5
M37/1286	Nambi	137.7	40	80	60	5.5	11.0	8.3
M37/1295	Bindy	99.5	20	40	30	2.0	4.0	3.0
M37/1286	Redcliffe	44.1	20	40	30	0.9	1.8	1.3
M37/1286	Mesa/Westlode	35.4	20	40	30	0.7	1.4	1.1
	Total	**678.7**	**32**	**65**	**48**	**21.9**	**43.9**	**32.9**

Source: SRK Analysis

SRK considers the Hub, GTS and Nambi deposits as having the potential for economic extraction of oxide material via the open pit mining methods. These deposits are proximal to existing milling facilities. The GTS and Nambi deposits host Indicated Mineral Resource estimates and the Hub deposit hosts high grade (4.9 g/t gold) Inferred Mineral Resources. As such, SRK has elected to use comparable transaction multiples of between A$30/oz and A$100/oz as noted in Table 7-8.

The Kelly, Bindy, Redcliffe and Mesa/Westlode deposits host lower grade Mineral Resource estimates (0.8 g/t to 1.1 g/t gold) which are classified in the Inferred category. On this basis, SRK has elected to use comparable transaction multiples of between A$20/oz and A$40/oz as noted in Table 7-8.

NTM Resource – Proposed Merged Entity

On completion of the merger, the presently defined Redcliffe Mineral Resources, will be partially de-risked and benefit from the mining and processing infrastructure at MMGO providing a viable processing pathway at low cost (albeit that further studies are required to overcome several technical issues as highlighted in SRK's processing section). SRK considers the market would apply a higher premium to these ounces post-merger than on a standalone basis. While all the deposits have Inferred Resources, GTS and Nambi also have Indicated Resources and as such have been afforded a higher premium of A$50/oz to A$/100/oz (Table 7-11).

In total, SRK has therefore elected to adopt a resource multiple range of between of A$42/troy oz and A$85/troy oz with a preferred multiple of A$64/troy oz for its valuation of NTM's total resources on a proposed merged basis (Table 7-11). On this basis, SRK has applied a 31.0% premium to the Market Value for the NTM Resource on a merged entity basis.

Table 7-11: Summary of SRK's valuation of NTM's Resources

Tenement	Deposit	Ounces (koz)	Selected Multiples (A$/oz)			Market Value (A$ M)		
			Lower	Upper	Preferred	Lower	Upper	Preferred
MA37/1348	Hub	140.8	50	100	75	7.0	14.1	10.6
M37/1276	GTS	138.4	50	100	75	6.9	13.8	10.4
M37/1295	Kelly	82.8	30	60	45	2.5	5.0	3.7
M37/1286	Nambi	137.7	50	100	75	6.9	13.8	10.3
M37/1295	Bindy	99.5	30	60	45	3.0	6.0	4.5
M37/1286	Redcliffe	44.1	30	60	45	1.3	2.6	2.0
M37/1286	Mesa / Westlode	35.4	30	60	45	1.1	2.1	1.6
	Total	**678.7**	**42**	**85**	**64**	**28.7**	**57.4**	**43.1**

Source: SRK Analysis

In assigning its valuation range and preferred values, SRK is mindful that the valuation range is also indicative of the uncertainty associated with mineral assets. The range in value is driven by the confidence limits placed around the size and grade of mineralised occurrences assumed to occur within each project area. More detail around Resource confidence and the impact on value is provided in Section 7.4.3.

7.2.2 Yardstick Cross-Check

As a cross-check to the values implied by market multiples, SRK has also considered standard industry yardsticks.

Under the Yardstick method of valuation, specified percentages of the spot price are used to assess the likely value. Commonly used Yardstick factors are between 0.5% and 5.0% of the spot price.

- Measured Resources - 2.0% to 5.0% of the spot price
- Indicated Resources - 1.0% to 2.0% of the spot price
- Inferred Resources - 0.5% to 1.0% of the spot price
- Exploration Target - 0.1% to 0.5% of the spot price.

As at 16 November 2020, the spot price for gold was A$2,583/oz which was sourced from https://goldprice.org/gold-price-chart.html.

On this basis, the implied value range multiplies using the yardstick factors are summarised in Table 7-12.

Table 7-12: Yardstick factors value range

		Value Range	
Resource	**Percentage of the spot price**	**Low A$/oz**	**High A$/oz**
Measured	2.0% to 5.0%	51.7	129.2
Indicated	1.0% to 2.0%	25.8	51.7
Inferred	0.5% to 1.0%	12.9	25.8
Target	0.1% to 0.5%	2.6	12.9

Source: SRK Analysis

Dacian Mineral Resource

On a 100.0% equity basis, the implied value of Dacian's Resources and residual Resources using the yardstick method and yardstick factors (Table 7-11) is A$27.1 M to A$55.9 M with a preferred valuation of A$41.5 M (Table 7-13).

Table 7-13: Yardstick valuation of Dacian's Mineral Resources and Residual Resources

Deposit/Project	Total (Oz)	Value Low (A$M)	Value High (A$M)	Value Preferred (A$M)
Westralia UG	580,275	12.06	24.11	18.09
Ramonrnie UG	28,000	0.65	1.29	0.97
Transvaal UG	210,000	6.24	14.23	10.24
Morgans North	55,000	1.06	2.20	1.63
Phoenix Ridge UG	125,000	1.61	3.23	2.42
Jupiter UG	104,000	2.08	4.16	3.12
Jupiter OP*	42,000	0.54	1.08	0.81
Mt Marven OP*	-	0.00	0.00	0.00
Cameron Well OP*	105,000	2.51	5.01	3.76
Maxwells OP*	13,000	0.31	0.62	0.46
Mine Stockpiles	-	0.00	0.00	0.00
LG Stockpiles	-	0.00	0.00	0.00
Jupiter LG Stockpiles	-	0.00	0.00	0.00
Total	**1,262,275**	**27.1**	**55.9**	**41.5**

NTM's Mineral Resources

On this basis, the implied valuation range of NTM's Mineral Resources using the yardstick factors is A$17.7 M to A$35.4 M with a preferred valuation of A$26.5 M based on the mid-point of the range (Table 7-14).

Table 7-14: Yardstick Cross check – NTM's Mineral Resources

Resource Category	Contained Au (koz)	Value Low (A$M)	Value High (A$M)	Value Preferred (A$M)
Indicated	125.8	3.2	6.5	4.9
Inferred	1,118.3	14.4	28.9	21.7
Total Resources	**1,244.1**	**17.7**	**35.4**	**26.5**

Source: SRK Analysis

7.2.3 Valuation Summary of Dacian and NTM's Resources

SRK has elected to adopt the values implied by the comparable transaction analysis (in preference to those implied by industry yardsticks) to inform its valuation range for Dacian's residual resources and NTM's Mineral Resources (Table 7-14).

The yard stick method applies a broad valuation metric that does not take into account specific attributes such as proximity to infrastructure and markets or impact of underground and open pit mining.

In the case of Dacian, SRK has elected to adopt the values implied by upper quartile of the comparable transaction analysis and the yardstick to inform its valuation range (Table 7-14). SRK considers the yardstick method was specifically derived for gold assets and is a reasonable indication of likely value. The values implied by the comparable transactions are indicative of the premium being paid for gold assets at present.

In the case of NTM, the valuation range provided by the yardstick analysis is 81.0% and 62.0% of that implied by comparable transaction analysis on a standalone and merged entity, respectively. Given the current strong market for gold, SRK has elected to adopt the same weighting as Dacian to the values implied for NTM by the comparable transaction analysis and yardstick method to inform its valuation range for the total resources (Table 7-15).

Table 7-15: Summary of SRK's Valuation of Resources

Asset	Method	Low (A$M)	High (A$M)	Preferred (A$M)
Dacian Residual Resources	Comparable transactions	54.7	92.1	73.4
	Yardstick	27.1	55.9	41.5
	Selected	**47.8**	**83.0**	**65.4**
NTM Total Resource - Standalone	Comparable transactions	21.9	43.9	32.9
	Yardstick	17.7	35.4	26.5
	Selected	**20.8**	**41.8**	**31.3**
NTM Total Resource - Merged	Comparable transactions	28.7	57.4	43.1
	Yardstick	17.7	35.4	26.5
	Selected	**25.9**	**51.9**	**39.0**

Source: SRK Analysis

7.3 Exploration Potential

7.3.1 Comparable transactions - Area multiple analysis

In addition to its assessment of the value of the Mineral Resources lying outside of Dacian's Model or as held by NTM, SRK has also considered the value associated with the mineral tenure surrounding the currently defined Mineral Resource and Ore Reserve areas.

To this end, SRK has also reviewed transactions involving early to advanced stage Western Australian gold exploration projects (i.e. those without defined gold resources) occurring between September 2015 and October 2020. SRK has identified and compiled data for 116 transactions (Appendix C) for which sufficient information was available to calculate an area based multiple (i.e. A$/km^2 or A$/ha). SRK's analysis of the implied multiples (Table 7-16) was based on the reported areal extent of mineral tenure as described in the earlier sections of this Report.

For the purpose of this section, SRK has expressed the area-based transaction multiple in A$/km² terms. This value has been calculated from the transaction value (at the implied 100.0% acquisition cost) and the total area of the project tenure acquired at the time of the transaction. The implied transaction multiples were then normalised using the monthly average gold price as at the date of the valuation.

SRK has considered the dataset in terms of the type of tenure acquired. There is a clear distinction in the implied price paid for ML, PL, EL and mixed tenure projects. For example, on a normalised basis and considering the weighted average only, EL's transacted for A$ 5,676/km², PL's transacted for A$41,119/km², while ML's transacted for A$441,261/km². Mixed tenure projects typically transacted between the values implied by EL's and PL's on a standalone basis, with an implied transaction multiple of A$28,896/km².

SRK notes there is also a clear relationship between the size of tenure acquired and the implied value (in A$/km^2 terms). ML's (and PL's) are generally smaller than EL's and are also generally more advanced in terms of the exploration completed. Consequently, ML's generally attract higher transaction prices and thus implied multiples. The relationship also holds true when these datasets are reviewed exclusively from each other (Figure 7-4 and Figure 7-5). SRK considers this to be logical and in line with industry practice, for as exploration progresses on a tenure, explorers will, in accordance with regulatory requirements, intermittently relinquish those areas of lower perceived potential and retain only those areas considered to be the most prospective.

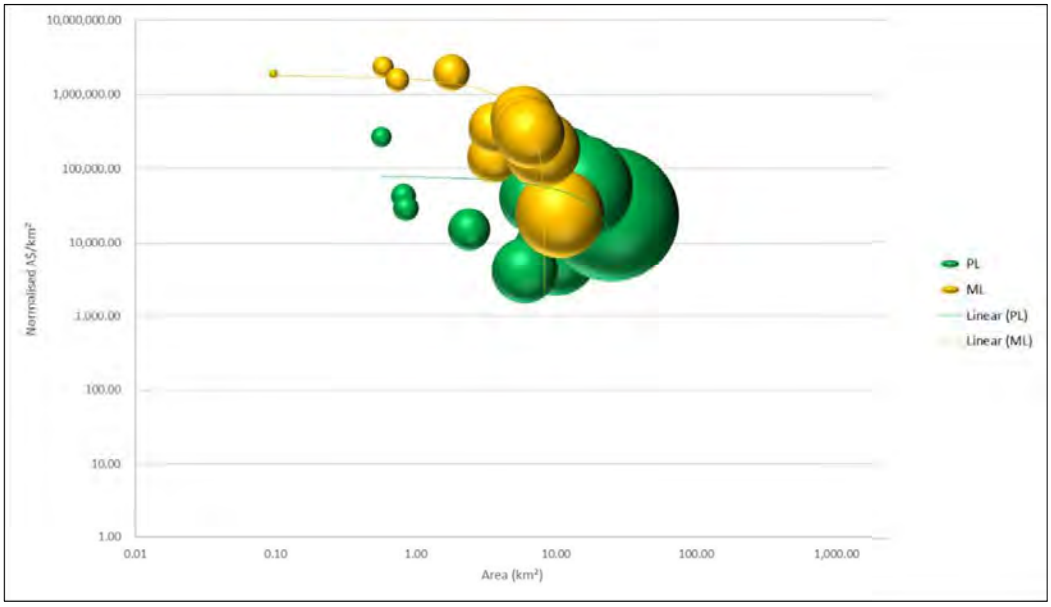


Figure 7-4: Area based Resource multiples for ML and PL tenure types

Source: SRK Analysis

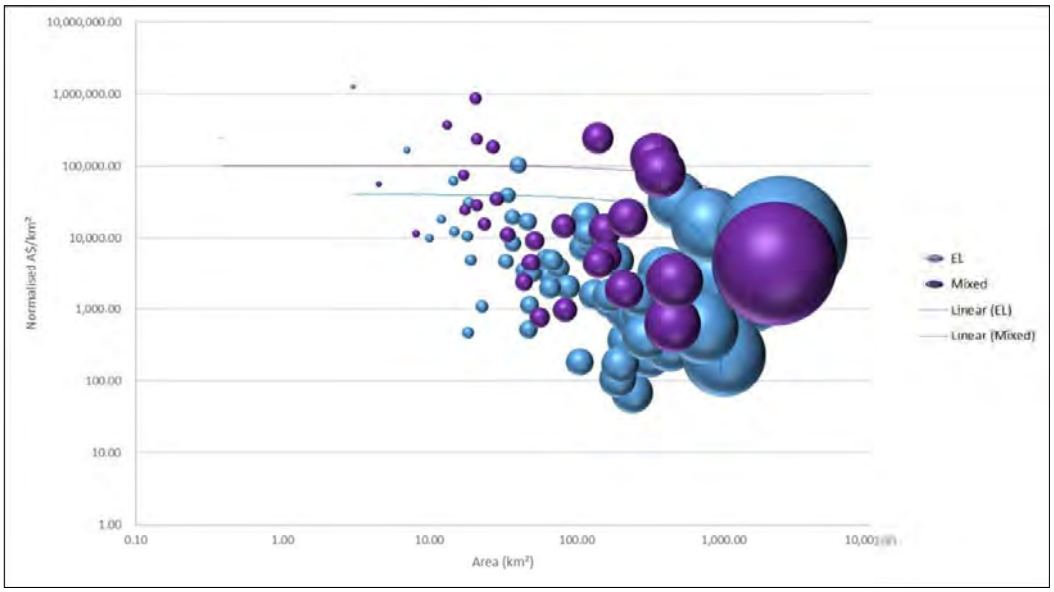


Figure 7-5: Area based Resource multiples for EL and mixed tenure types

Source: SRK Analysis

Table 7-16: Area-based transaction multiple analysis

	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
All		
Minimum	66	66
Median	5,562	6,903
Average	100,907	121,932
Maximum	1,609,907	2,199,911
Weighted average	9,293	12,011
Gold - Projects with only Exploration Licences		
Minimum	66	66
Median	2,884	3,010
Average	28,734	30,138
Maximum	1,255,877	1,198,386
Weighted average	4,572	5,676
Gold - Projects with only Prospecting Leases		
Minimum	4,167	4,702
Median	25,595	32,076
Average	50,272	54,272
Maximum	258,906	254,079
Weighted average	32,698	41,119
Gold - Projects with only Mining Leases		
Minimum	33,807	32,265
Median	470,085	530,488
Average	753,341	942,815
Maximum	1,609,907	2,199,911
Weighted average	347,574	441,261
Gold - Projects with a mix of Prospecting Licences, Exploration Licences and Mining Leases		
Minimum	391	583
Median	10,571	13,966
Average	67,038	83,664
Maximum	558,264	829,194
Weighted average	21,770	28,896

Source: SRK analysis

Nb. Weighted average calculated using total area

7.3.2 Comparable transactions – Area multiple valuation

Dacian

SRK has assessed the value of Dacian's regional exploration holdings on an area basis as described in Section 7.3.1; all values are presented on a 100.0% equity basis. SRK has considered the type of tenure (EL's, PL's and ML's) individually. As a cross check, SRK has also considered the tenure on a mixed tenure basis given the large and coherent nature of Dacian's project tenure and its position

relative to the surrounding Mineral Resources (which have been valued separately) SRK has further selected ranges for exploration stage tenures based on the size of the tenure and selected its preferred value based on the perceived prospectivity of each tenement.

Where relevant, SRK has estimated the area covered by the currently stated Mineral Resource. For very small ML's containing defined Mineral Resources, this has resulted in little or no remaining area; consequently, these have been assigned no value on an area basis.

The implied values of Dacian's 100.0% interest in the tenures exploration potential using the comparable transaction method are provided in Table 7-17. The selected multiple averages per A$/km^2 are the average of all the selected multiples for each tenure type which are presented in Appendix D.

Table 7-17: Summary Exploration Valuation (Dacian) – comparable transaction method

Operating Centre	Tenure Type	Area (km²)	Selected Multiple average (A$/km²)			Market Value (A$M)		
			Lower	Upper	Preferred	Lower	Upper	Preferred
MMGO	EL	294.7	7,885	13,462	10,673	1.8	3.3	2.6
	PL	9.2	25,000	50,000	37,500	0.3	0.5	0.4
	ML	266.6	160,455	294,545	227,500	27.2	52.2	39.7
	Sub-total					29.2	56.0	42.6
	Mixed Basis	570.5	50,000	100,000	75,000	28.5	57.0	42.8

Source: SRK analysis

Using the Comparative Transaction – area-based method, SRK considers Dacian's interests in the exploration potential of the mineral tenure (excluding the areas covered by the defined Mineral Resources) resides between A$29.2 M and A$56.0 M, with a preferred valuation of A$42.6 M, which represents the mid-point of the adopted range.

NTM

Using the same approach for NTM, the implied values of a 100.0% interest in the exploration potential of NTM's tenures are provided in Table 7-18. Further detail is given in Appendix D.

Table 7-18: Summary Exploration Valuation (NTM) – comparable transaction method

Project	Sub-Project Name	Tenement	Selected Multiples (A$/km²)			Market Value (A$ M)		
			Lower	Upper	Preferred	Lower	Upper	Preferred
Redcliffe	Nambi North	E37/1205	10,000	20,000	15,000	398,300	796,600	597,500
	Roman Well	E37/1252	10,000	20,000	15,000	271,800	543,600	407,700
	Nambi East 2.0	E37/1259	10,000	20,000	15,000	150,800	301,600	226,200
	Nambi East	E37/1270	10,000	20,000	15,000	30,100	60,200	45,200
	Greymare Well	E37/1284	10,000	20,000	15,000	1,874,000	3,748,000	2,811,000
	Big Well	E37/1285	10,000	20,000	15,000	2,085,700	4,171,400	3,128,600
	GTS East	E37/1288	10,000	20,000	15,000	117,800	235,600	176,700
	Nambi West	E37/1289	10,000	20,000	15,000	398,500	797,000	597,800
	Wells	E37/1314	10,000	20,000	15,000	876,600	1,753,200	1,314,900
	Central	E37/1356	10,000	20,000	15,000	1,085,900	2,171,800	1,628,900
	Wells Gap	ELA37/1399	5,000	15,000	10,000	423,100	1,269,300	846,200
	727	M37/1285	200,000	400,000	300,000	1,052,000	2,104,000	1,578,000
					TOTAL	**8,764,600**	**17,952,300**	**13,358,700**

The tenements relating to the exploration potential are associated with tenements that lie peripheral to the main mineralisation zone but have potential for possible off-shoot mineralisation. On this basis, SRK has adopted a range of between A$10,000/km^2 and A$20,000/km^2. However, ELA37/139 is in application and also lies in less prospective area and as such SRK has applied a discount with a selected range of A$5,000/km^2 to A$15,000/km^2. Given that M37/1285 is a Mining Lease, SRK elected to adopt a range of between A$0.2 M/km^2 and A$0.4 M/km^2.

Using the Comparative Transaction – area-based method, SRK considers NTM's interests in the exploration potential of the mineral tenures (excluding the areas covered by the defined Mineral Resources) resides between A$8.8 M and A$18.0 M, with a preferred valuation of A$13.4 M, which represents the mid-point of the adopted range.

7.3.3 Geoscientific Rating method

As a cross-check to the values implied by market multiples, SRK has also considered the Geoscientific Rating method, a cost-based method. The Geoscientific Rating of valuation attempts to quantify the relevant technical aspects of a property through appropriate multipliers (factors) applied to an appropriate base (or intrinsic) value and is considered to be a cost-based method of valuation. The intrinsic value is referred to as the Base Acquisition Cost (BAC), which represents the 'average cost to identify, apply for and retain a base unit of area of title' for 1 year.

Multipliers are considered for off-property aspects, on-property aspects, anomaly aspects, and geology aspects. These multipliers are applied sequentially to the BAC to estimate the Technical Value for each tenement.

A further market factor is then considered to derive a Market Value. A BAC has been assumed in this valuation, which incorporates annual rental, administration and application fees in addition to nominal indicative minimum expenditure on acquisition and costs of identification (Table 7-19) to be the following:

- A$492/km^2 (A$5/ha) for EL
- A$12,569/km^2 (A$126/ha) for PL
- A$12,384/km^2 (A$124/ha) for ML.

Table 7-19: Base acquisition cost

Exploration Licence Base acquisition cost		
Metric	**Unit**	**Value**
Average licence size	km^2	67.7
Average licence age	Years	4
Application fee	A$ per licence	1,580
Annual rent Year 1-3	A$ per km^2	45.82
Annual rent Year 4	A$ per km^2	38.67
Minimal annual expenditure Year 1-3	A$ per km^2	324.96
Minimal annual expenditure Year 4	A$ per km^2	243.72
Costs of identification, legal costs and negotiations and compensation agreements	A$ per licence	35,132
Annual rates	A$ per licence	2,000
BAC of average exploration licence	**A$ per km^2**	**492**
BAC of average exploration licence	**A$ per ha**	**4.92**

Prospecting Licence Base acquisition cost		
Metric	**Unit**	**Value**
Average licence size	ha	126
Average licence age	Years	3.3
Application fee	A$ per licence	374
Annual rent Year	A$ per ha	3.00
Minimal annual expenditure Year	A$ per ha	40.00
Costs of identification, legal costs and negotiations and compensation agreements	A$ per licence	35,132
Annual rates	A$ per licence	500
BAC of average prospecting licence	**A$ per km^2**	**12,569**
BAC of average prospecting licence	**A$ per ha**	**125.69**
Mining Lease Base acquisition cost		
Metric	**Unit**	**Value**
Average lease size	ha	467
Average lease age	Years	21
Application fee	A$ per lease	551
Annual rent Year	A$ per ha	20.00
Minimal annual expenditure Year	A$ per ha	100.00
Costs of identification, legal costs and negotiations and compensation agreements	A$ per lease	35,132
Annual rates	A$ per lease	2,000
BAC of average mining lease	**A$ per km^2**	**12,384**
BAC of average mining lease	**A$ per ha**	**123.84**

In converting its implied technical values to a market value, SRK considers that market participants would not apply a premium to the technical value to account for the current market sentiment and recent gold price performance.

In addition, SRK considers that any tenures in application would attract a 20.0% discount to reflect the uncertainty in likely timing of grant as well as approval conditions associated with grant.

The geoscientific rating criteria are presented in Table 7-20, Table 7-21 and Table 7-22.

Table 7-20: Modified property rating criteria

Rating	Off-property factor	On-property factor	Geological factor	Anomaly factor
0.1			Unfavourable geological setting	No mineralisation identified – area sterilised
0.5	Unfavourable district/basin	Unfavourable area	Poor geological setting	Extensive previous exploration provided poor results
0.9			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified, initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well-defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross or long sections
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well-understood exploration model, with valid targets in structurally complex area, or under cover	
5.0	Along strike for a world class deposit		Well-understood exploration model, with valid targets in well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

Source: Modified after Xstract, 2009 and Agricola Mining Consultants, 2011.

Dacian

Using the geoscientific rating method, SRK considers Dacian's interests in the exploration potential of the areas not covered by the defined Mineral Resources resides between A$34.4 M and A$82.0 M with a preferred value of A$58.2 M, which represents the mid-point of the range. Full workings are presented in Appendix D.

Table 7-21: Summary of Dacian's Exploration Potential Value using the Geoscientific (Kilburn) Method

Operating Centre	Tenure Type	Market Value (A$M)		
		Lower	Upper	Preferred
MMGO	EL	0.9	2.7	1.8
	PL	1.4	3.4	2.4
	ML	32.1	75.9	54.0
TOTAL		34.4	82.0	58.2

Source: SRK analysis (Total is rounded)

NTM

Using the geoscientific rating method, SRK considers NTM's interests in the exploration potential of the areas not covered by the defined Mineral Resources resides between A$8.0 M and A$17.0 M with a preferred value of A$12.5 M, which represents the mid-point of the range. Full workings are presented in Appendix E.

Table 7-22: Summary of NTM's Exploration Potential Value using the Geoscientific (Kilburn) Method

Operating Centre	Sub-Project Name	Tenements	Market Value (A$)		
			Lower	Upper	Preferred
Redcliffe	Nambi North	E37/1205	$441,000	$926,000	$684,000
	Roman Well	E37/1252	$301,000	$632,000	$467,000
	Nambi East 2.0	E37/1259	$24,000	$56,000	$40,000
	Nambi East	E37/1270	$5,000	$11,000	$8,000
	Greymare Well	E37/1284	$2,075,000	$4,356,000	$3,216,000
	Big Well	E37/1285	$2,309,000	$4,849,000	$3,579,000
	GTS East	E37/1288	$16,000	$35,000	$26,000
	Nambi West	E37/1289	$159,000	$371,000	$265,000
	Wells	E37/1314	$970,000	$2,038,000	$1,504,000
	Central	E37/1356	$173,000	$404,000	$289,000
	Wells Gap	ELA37/1399	$108,000	$252,000	$180,000
	M37/1285	727	$1,468,000	$3,082,000	$2,275,000
		TOTAL	**$8,049,000**	**$17,012,000**	**$12,533,000**

Source: SRK analysis (Total is rounded)

7.3.4 Summary - Exploration Potential Valuation

In estimating the value of the exploration potential of Dacian and NTM's mineral tenures outside of the defined Mineral Resource areas, SRK has considered the values implied by comparable transaction and geoscientific rating valuation methods.

SRK notes that the implied valuation ranges provided by geoscientific rating are approximately 20-50.0% greater than that implied by comparable transaction analysis but are considered broadly supportive of the ranges implied by the comparable transaction analysis. On this basis, SRK has elected to adopt the lower quartile value** of the range implied by the comparable transaction and geoscientific analysis to inform its valuation range for the exploration potential (Table 7-23).

Table 7-23: SRK Valuation Summary – Dacian's Exploration Potential

Asset	Method	Low (A$M)	High (A$M)	Preferred (A$M)
Dacian's Exploration Potential	Comparable transactions	29.2	56.0	42.6
	Geoscientific Rating	34.4	82.0	58.2
	Range	29.2 to 34.4	56.0 to 82.0	42.6 to 58.2
	Selected (lower quartile of range)	**30.5**	**62.5**	**46.5**

Source: SRK analysis (Total is rounded)

In the case of the NTM mineral assets, SRK notes that the implied valuation range provided by geoscientific rating is broadly in line with that implied by comparable transaction analysis. On this basis, SRK has elected to adopt an equal weighting to the values implied by the comparable market transaction and geoscientific rating analysis to inform its valuation range for the exploration potential (Table 7-24). SRK considers NTM's interests in the exploration potential of the areas not covered by the defined Mineral Resources resides between A$8.4 M and A$17.5 M with a preferred value of A$12.9 M, which represents the mid-point of the range.

Table 7-24: SRK Valuation Summary – NTM's Exploration Potential

Asset	Method	Low (A$M)	High (A$M)	Preferred (A$M)
NTM's Exploration Potential	Comparable transactions	8.8	18.0	13.4
	Geoscientific Rating	8.0	17.0	12.5
	Range	8.0 to 8.8	17.0 to 18.0	12.5 to 13.4
	Selected (mid-point of range)	**8.4**	**17.5**	**12.9**

Source: SRK analysis (Total is rounded)

7.4 Valuation Summary

7.4.1 Dacian

Table 7-25 summarises SRK's market value assessment of Dacian's Mineral Assets.

Table 7-25: Valuation summary – Dacian's Mineral Assets

Description	Low (A$M)	High (A$M)	Preferred (A$M)
Residual Resources (Not considered in the Model)	47.8	83.0	65.4
Regional Exploration	30.5	62.5	46.5
TOTAL	78.3	145.5	111.9

Note: Any discrepancies between values in the table are due to rounding.

In assigning its valuation range and preferred value, SRK is mindful that the valuation range is also indicative of the uncertainty associated with mineral assets.

The range in value is driven by the confidence limits placed around the size and grade of mineralised occurrences assumed to occur within each project area.

SRK considers Dacian's Mineral Assets value resides between A$78.3 M and A$145.5 M with a preferred value of A$111.9 M.

7.4.2 NTM

SRK considers NTM's Mineral Assets interests on a standalone before the merger resides between A$29.3 M and A$59.3 M with a preferred value of A$44.3 M, which represents the mid-point of the range. On a proposed merged basis, SRK considers the Market Value of the NTM's Mineral Assets interests resides between A$34.4 M and A$69.4 M with a preferred value of A$51.9 M.

Table 7-26 summarises SRK's market value assessment of NTM's Mineral Assets.

Table 7-26: Valuation summary – NTM's Mineral Assets

Description	Low (A$M)	High (A$M)	Preferred (A$M)
Standalone			
Mineral Resources	20.8	41.8	31.3
Exploration Potential	8.4	17.5	12.9
TOTAL	**29.3**	**59.3**	**44.3**
Post - Merger			
Mineral Resources	25.9	51.9	39.0
Exploration Potential	8.4	17.5	12.9
TOTAL	**34.4**	**69.4**	**51.9**

Note: Any discrepancies between values in the table are due to rounding.

In assigning its valuation range and preferred value, SRK is mindful that the valuation range is also indicative of the uncertainty associated with mineral assets.

The range in value is driven by the confidence limits placed around the size and grade of mineralised occurrences assumed to occur within each project area.

7.4.3 Commentary

Table 7-27 and Figure 7-6 represents a general guide of the confidence in targets, resource and reserve estimates, and hence value, referred to in the mining industry.

Table 7-27: General guide regarding confidence for target and Resource/Reserve estimates

Classification	Estimate range (90.0% confidence limit)
Proven/Probable Reserves	±5.0 to 10.0%
Measured Resources	±10.0 to 20.0%
Indicated Resources	±30.0 to 50.0%
Inferred Resources	±50.0 to 100.0%
Exploration target	+100.0%

Estimated confidence of +/-60.0 to 100.0% or more are not uncommon for exploration areas and are within acceptable bounds, given the level of uncertainty associated with early stage exploration assets. By applying narrower confidence ranges, a greater degree of certainty regarding these assets is being implied than may be the case. Where possible, SRK has endeavoured to narrow its valuation range.

In defining its valuation range, SRK notes that there are always inherent risks involved when deriving any arm's length valuation. These factors can ultimately result in significant differences in valuations over time.

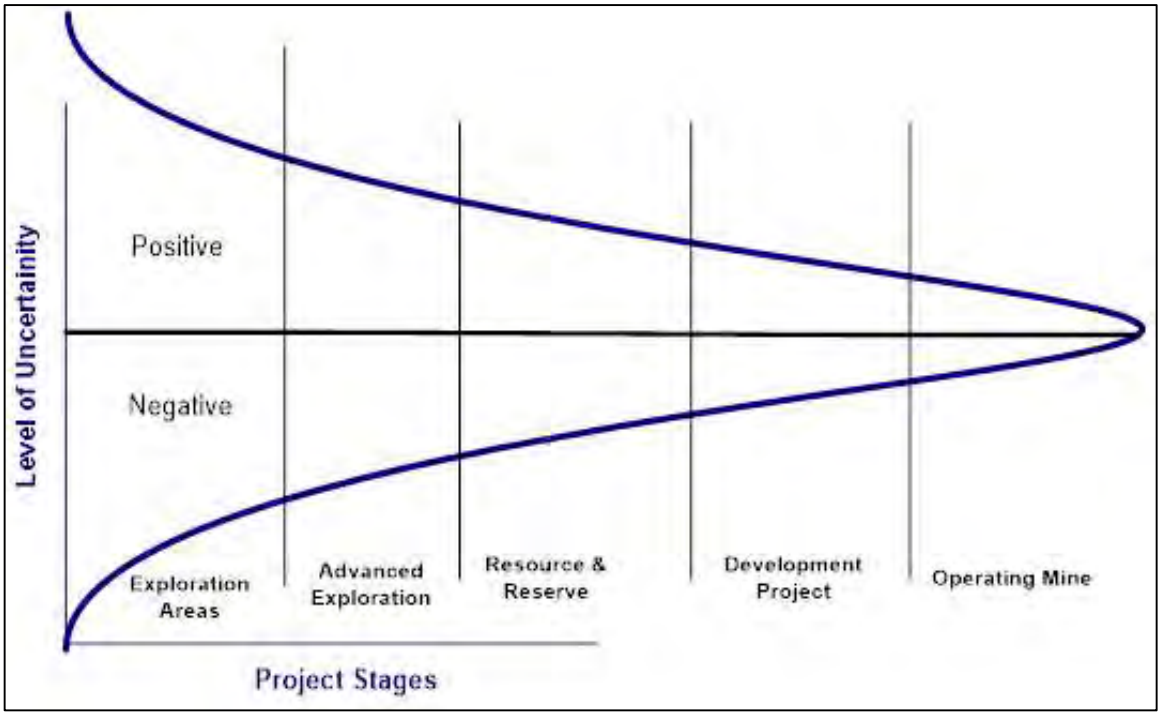


Figure 7-6: Uncertainty by advancing exploration stage

Compiled by

Shaun Barry

Principal Consultant

Peer Reviewed by

srk consulting

This signature has been scanned. The author has given permission to its use for this document. The original signature is held on file

Jeames McKibben

Principal Consultant

8 References

Dacian Gold Limited

Ashmore Advisory, 2019, 'Morgans North Gold Deposit Mineral Resource Estimate'. Prepared for Dacian Gold Limited and dated 26 September 2019.

Ashmore Advisory, 2019, 'Cameron Well Gold Deposit Mineral Resource Estimate'. Prepared for Dacian Gold Limited and dated 30 July 2019.

Ashmore Advisory, 2019, 'Maxwells Gold Deposit Mineral Resource Estimate'. Prepared for Dacian Gold Limited and dated 18 July 2019.

Bennelongia Environmental Consultants (2016). Mt Morgans Gold Project: Subterranean Fauna Assessment. Unpublished report prepared for Dacian Gold Limited

Blueprint Environmental Strategies, 2018. TSF Vegetation Health Monitoring Assessment – Mt Morgans Gold Project

Brown, L, 2020, Memorandum – July 2019 Exploration Targeting, Mayan Star Prospect Review". Internal Memorandum.

Brown, L, 2020, Memorandum – July 2019 Exploration Targeting, Piccolo Star Prospect Review". Internal Memorandum.

Brown, L, 2020, Memorandum – July 2019 Exploration Targeting, Purple Congo Prospect Review". Internal Memorandum.

Coffey Mining Pty Ltd, 2012, 'Summary Independent Technical Report – Dacian Gold Limited, Mt Morgans Gold Project" in Dacian Gold Limited's Prospectus dated 22 October 2012

Dacian Gold Ltd., 2020, 'Mt Morgans Gold operation Exploration Update' ASX Announcement dated 24 July 2020.

Dacian Gold Ltd., 2020, 'June 2020 Quarterly Activities' ASX Announcement dated June 2020.

Dacian Gold Ltd., 2020, 'Three year outlook delivers average annual gold production of 110,000 at ASIC of $1,350/oz' ASX Announcement dated 27 February 2020.

Dacian Gold Ltd., 2020, '2019 Mineral Resource and Ore Reserve Update' ASX Announcement dated 27 February 2020.

Dacian Gold Ltd., 2020. '2020 Annual Report'.

Dacian Gold Ltd., 2019. '2019 Annual Report'.

Dacian Gold Ltd., 2020. 'Company Budget FY2020 – 2021'.

Dacian Gold Ltd., 2020. 'DCN – Summary Financial model – October 2020.xlxs'.

Dacian Gold Ltd., 2020. 'MMGP-OP_FEB_2020_Deswick_Export_Summary_FINAL.xlxs'.

Dacian Gold Ltd., 2020. 'First Gold in Five Weeks (Presentation)' 22Feb_DCN_BMO Presentation Draft_AM.ppt – February 2018.

Dacian Gold Ltd., 2020. 'Mt Morgans Gold Project 2020 LOM Update'.Presentation

Dacian Gold Ltd., 2020. 'Monthly Reconciliation Report, September 2020. Mt Morgans Gold Operation'. Presentation.

Dacian Gold Ltd., 2020. 'Allanson Mineral Resource estimate – January 2020'. Dated 23 March 2020. Prepared for Dacian Gold Limited.

Dacian Gold Ltd., 2020. 'Beresford Mineral Resource estimate – 31 December 2019'. Dated 23 March 2020. Prepared for Dacian Gold Limited.

Dacian Gold Ltd., 2020. 'Jupiter Mineral Resource estimate – 31 December 2019'. Dated 23 March 2020. Prepared for Dacian Gold Limited.

Dacian Gold Ltd., 2020. 'Strategic Merger of Dacian Gold and NTM Gold – Regional Consolidation to Unlock Shareholder Value (presentation)'.

GR Engineering Service Ltd., 2017. 'Mt Morgans Gold Project Process Design Criteria'. Project No. 12264.

GR Engineering Service Ltd., 2016. 'Mt Morgans Gold Project Process Flow Diagrams'. DRG No. 12264-F-001 to 12264-F-016.

Land Access Solutions Pty Ltd (2018) Dacian Gold Mt Morgans Gold Project: Mt Marven and Mt McKenzie Exploration Areas Ethnographic Survey and Archaeological Assessment Report. Report prepared for Dacian Gold Limited, August 2018.

Landloch (2016). Memorandum: Erosion assessment of the Jupiter Project waste dumps. Unpublished memorandum prepared for Dacian Gold Limited.

MineEarth, 2020. Excel spreadsheet: Dacian Gold Ltd - Mt Morgans Gold Project - Draft Preliminary Closure Cost Estimate (CCE), 21 July 2020.

Mt Morgans WA Mining Pty Ltd., '2019 – 2020. Mt Morgans Gold Operation Monthly Reports (July 2019 to September 2020)'.

Mt Morgans WA Mining Pty Ltd, 2019. Annual Environmental Report, Licence L9010/2016/1 – Mt Morgans Gold Project, April 2019.

Mt Morgans WA Mining Pty Ltd., 2020. Model – BM_RAM_2003, Block Model change Authorisation.

Mt Morgans WA Mining Pty Ltd., 2020. Model – BM_MVN_191222_Res. Block Model change Authorisation.

Native Vegetation Solutions (2016) Level 1 Flora and Vegetation Survey Dacian Gold Ltd Mt Morgans Gold Project. Report prepared for Dacian Gold Limited, July 2016.

Native Vegetation Solutions (2019) Reconnaissance Flora and Vegetation Survey of BIF Ridge and Mt Marven Dacian Gold Ltd Mt Morgans Gold Project. Report prepared for Dacian Gold Limited, November 2019.

Oorschot, C. 2020, 'Presentation – Exploration Overview Dacian Gold – Exploration'

Oorschot, C. 2020, 'Addendum – Dacian Gold Limited, Cameron Well Mineral Resource Estimate, July 2019' Internal memorandum.

Oorschot, C. 2020, 'Addendum – Dacian Gold Limited, Maxwells Mineral Resource Estimate, July 2019' Internal memorandum.

Oorschot, C. 2020, 'Addendum – Dacian Gold Limited, Morgans North Mineral Resource Estimate, September 2019' Internal memorandum.

Orelogy, 2017, Mt Morgans Gold Project, Definitive Feasibility Study for Jupiter open pit complex, Prepared for Dacian Gold Limited.

Peter O'Bryan & Associates, 2016, 'Mt Morgans Project, Geotechnical Assessment Jupiter Prospect Open pit mining Heffernans, Doublejay and Ganymede deposits. Prepared for Dacian Gold Limited.

RungePincockMinarco Limited, 2015. Transvaal Gold Deposit Mineral Resource estimate. Prepared for Dacian Gold Limited.

Vielreicher, N.M., Groves, D.I., and McNaughton N.J., 2016 – The giant Kalgoorlie Gold Field revisited, Geoscience Frontiers Vol. 7(3), p. 359-374.

Vielreicher R M, Groves D I, Ridley J R and McNaughton N J, 1994 - A replacement origin for the BIF-hosted gold deposit at Mt. Morgans, Yilgarn Block, W.A.: in Ore Geology Reviews v9 pp 325-347.

Western Wildlife (2016) Dacian Gold Limited Mt Morgans Gold Project: Level 1 Vertebrate Fauna Survey March 2016. Report prepared for Dacian Gold Limited, July 2016.

Western Wildlife (2020) Dacian Gold Limited Mt Morgans Gold Project: Phoenix Ridge and Mt Marven Report Level 1 Vertebrate Fauna Survey July 2019. Report prepared for Dacian Gold Limited, February 2020.

NTM Gold Limited

Bell, D., 2020. Annual Technical Report 9 May 2019 to 8 May 2020 Redcliffe South Project Joint Reporting C69/2003. Prepared for NTM Gold Limited.

Bell, D., 2020. Annual Technical Report 21 April 2019 to 20 April 2020 Redcliffe North Project Joint Reporting C62/2017. Prepared for NTM Gold Limited.

Bell, D., 2019. Annual Technical Report 9 May 2018 to 8 May 2019 Redcliffe South Project Joint Reporting C69/2003. Prepared for NTM Gold Limited.

Bell, D., 2019. Annual Technical Report 21 April 2018 to 20 April 2019 Redcliffe North Project Joint Reporting C62/2017. Prepared for NTM Gold Limited.

Botanica Consulting, 2019. Reconnaissance Flora/Vegetation and Fauna Survey – Redcliffe Gold Project prepared for NTM Gold Limited, December 2019.

Entech Pty. Ltd, 2020. 'Hub and GTS Deposits Desktop Study June 2020, Report No. ENT_609_NTM. Prepared for NTM Gold Limited.

Lilford, E. 2011. "Advanced Methodologies for Mineral Project Evaluation." Perth, Australia: Australian Institute of Geoscientists.

Federation University Australia, 2018. Petrographic Descriptions: Redcliffe Project, Bindy_GTS Project

Federation University Australia, 2016. Petrographic Descriptions: Redcliffe Project, Nambi Project

Federation University Australia, 2015. Petrographic Descriptions: Redcliffe Project, Kelly Project

Glendenning, W., 2011. A report of an ethnographic survey of a Mineral Exploration Project at Mt Redcliffe with representatives of the Ngalia People, Prepared for Pacrim Energy Pty Ltd.

Horwood D, 2013 - Annual Technical Report, Nambi Project, Redcliffe Resources Limited, WAMEX data search, 25 September 2013

Hughes, J., Lorenzen, L. and Kendall, T., 2020. Fatal Flaw Analysisi Project Leo, Internal Memo to Andrew Muir dated 12 November 2020.

Mineral Engineering Technical Services (METS) Pty Ltd, 2010. 'Pacmin Energy Ltd - Redcliffe Gold Project Metallurgical Testwork Summary, Doc No. J486-RP-000-001-0'.

Mintrex Pty Ltd., 2020. 'Fatal Flaw Analysis Project Leo (Memorandum)'.

Muir A, 2020 – Growth Through Exploration, Diggers and Dealers Investor Presentation, October 2020

NTM Gold Ltd., 2020. '2020-01_Hub leach samples.xlxs'.

NTM Gold Limited, 2020 – Hub Deposit Extends with more high grades at depth, ASX Announcement, 28 September 2020

NTM Gold Limited, 2020 – NTM 2020 Annual Report, ASX announcement, 18 September 2018.

NTM Gold Limited, 2020 – Quarterly Activities Report, ASX Announcement, 30 October 2020

NTM Gold Limited, 2020 – NTM Significantly Expands Redcliffe ground holding, ASX Announcement, 17 April 2020

NTM Gold Limited, 2020 – Maiden Hub Resource of 141Koz, ASX announcement, 12 May 2020.

NTM Gold Limited, 2018 – Redcliffe Resource up 94% to 538Koz, ASX announcement, 13 June 2018.

Minero Consulting, 2011. 'Golden Terrace South Feasibility Study – January 2011'. Prepared for Pacrim Energy Ltd.

Pathfinder Exploration Pty Ltd, 2020. Petrographic Descriptions: Redcliffe Project, Hub Project

General

Blewett, R.S., Czarnota, K. and Henson, P.A., 2010 - Structural-event framework for the eastern Yilgarn Craton, Western Australia, and its implications for orogenic gold: in Precambrian Research v.183, pp. 203-229.

Blewett, R.S., Henson, P.A., Roy, I.G., Champion, D.C. and Cassidy, K.F., 2010 - Scale-integrated architecture of a world-class gold mineral system: The Archaean eastern Yilgarn Craton, Western Australia: in Precambrian Research v.183, pp. 230-250.

Bureau of Meteorology, 2020. Leonora/Laverton aero weather station climate data, Bureau of Meteorology. Available: http://www.bom.gov.au/climate

Cassidy, K.F., Champion, D.C., Krapez, B., Barley, M.E., Brown, S.J.A., Blewett, R.S., Groenewald, P.B. & Tyler, I.M., 2006, A revised geological framework for the Yilgarn Craton: Western Australia Geological Survey, Record 2006/8.

R.J. Goldfarb, T. Baker, B. Dube, D.I. Groves, C.J.R. Hart, P. GosselinDistribution, Character, and Genesis of Gold Deposits in Metamorphic Belts Economic Geology 100th Anniversary Volume (2005), pp. 407-450

Deloitte 2020, Project Leo financial due diligence – Status update, Internal memorandum dated 13 November 2020.

Goscombe B., Blewett R.S., Czarnota, K., Groenewald, P.B., and Maas, R., 2009, Metamorphic evolution and integrated terrane analysis of the eastern Yilgarn Craton: rationale, methods outcomes and interpretation, Geoscience Australia, Record 2009/23, 270pp.

Junk L, and Muir A, 2020 – Strategic Merger of Dacian Gold and NTM Gold, Investor Presentation, 16 November 2020

Mole, D.R., Fiorentini, M.L., Cassidy, K.F., Kirkland, C.L., Thebaud, M., McCuaig, T.C., Doublier, M.P., Duuring, P., Romano, S.S., Maas, R., Belousova, E.A., Barnes, S.J., and Miller, J., 2013 - Crustal evolution, intra-cratonic architecture and the metallogeny of an Archaean craton: in Jenkin, G.R.T., Lusty, P.A.J., McDonald, I., Smith, M.P., Boyce, A.J. and Wilkinson, J.J., (eds.), Ore Deposits in an Evolving Earth, The Geological Society, London, Special Publications, 393, http://dx.doi.org/10.1144/SP393.8 58p.

Phillips, G.N., Vearncombe, J.r., and Eshuys, E., 2019, Gold production and the importance of exploration success: Yilgarn Craton, Western Australia, Ore Geology Reviews 105 (2019) 137 – 150.

F. Robert, H.K. Poulson, K.F. Cassidy, J.C. HodgsonGold Metallogeny of the Superior and Yilgarn Cratons Economic Geology 100th Anniversary Volume (2005), pp. 1001-1033

Vearncombe, J.R. and Elias, M., 2017 - Yilgarn Craton - mineral deposits and metallogeny: in Phillips, G.N., (Ed.), 2017 Australian Ore Deposits, The AusIMM, Melbourne, Mono 32, pp. 95-106.

Wyche, N.L. and Wyche, S., 2017 - Yilgarn Craton Geology: in Phillips, G.N., (Ed.), 2017 Australian Ore Deposits, The AusIMM, Melbourne Mono 32, pp. 89-94.

Appendices

Appendix A: Dacian Tenement List

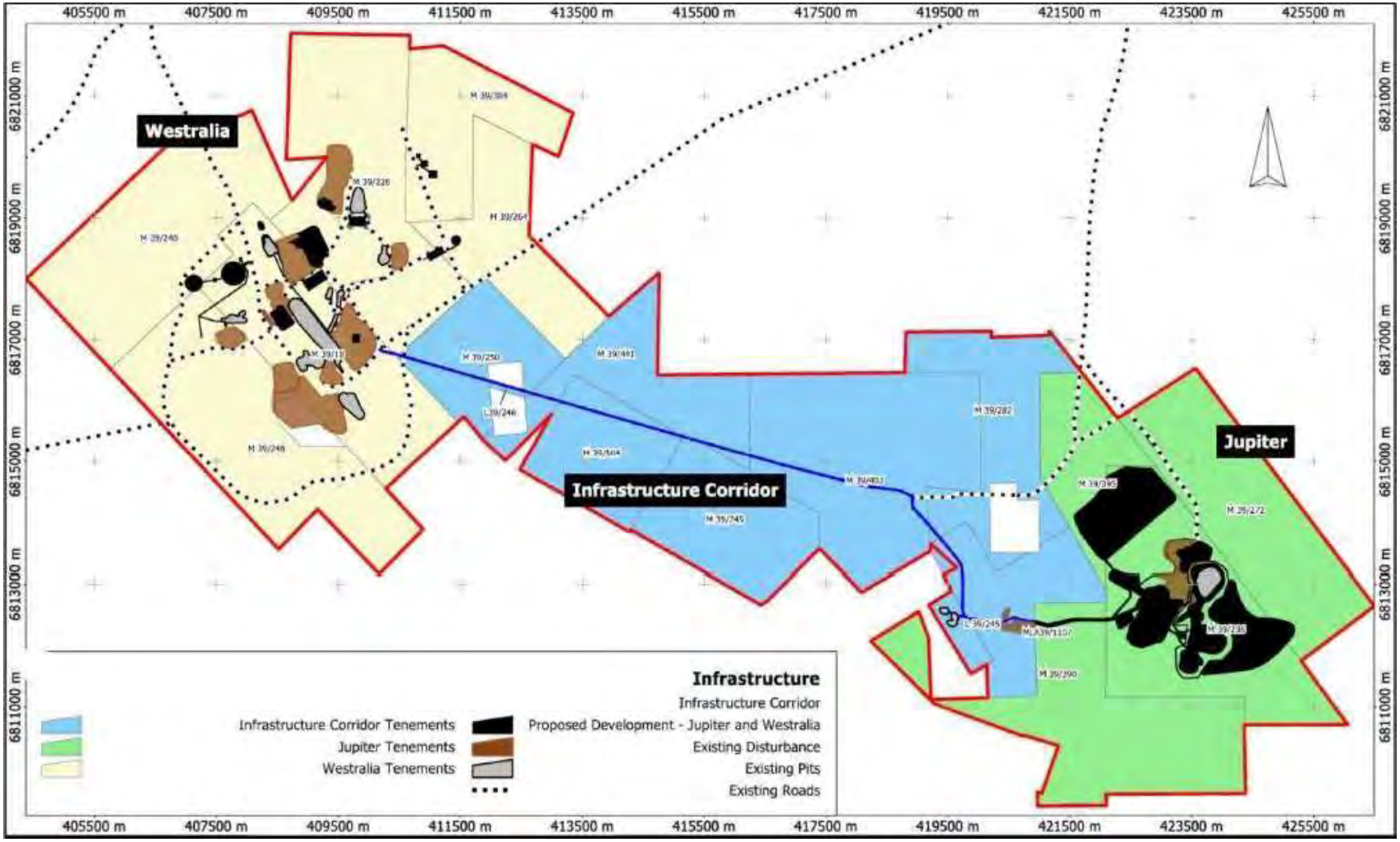


Figure A-1: Site layout, showing selected tenement boundaries

Table A-1: MMGO – summary tenement schedule *

Tenement Number Note1	Project	Hectares or blocks	Date Granted	Date Expiry	Status Note 2	Registered Holders & Interests
E39/1950	Lake Carey	5 BL	9/02/2018	8/02/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/1951	Lake Carey	5 BL	3/03/2017	2/03/2022	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/1967	Lake Carey	9 BL	16/03/2017	15/03/2022	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/2002	Lake Carey	32 BL	9/02/2018	8/02/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P38/4486	Mt Jumbo	60.00	Pending grant		N/A	Dacian Gold Ltd (100.0%)
E38/2951	Mt Morgans	14 BL	13/01/2016	12/01/2021	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/1310	Mt Morgans	7 BL	28/07/2010	27/07/2022	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/1713	Mt Morgans	4 BL	13/12/2013	12/12/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/1787	Mt Morgans	8 BL	9/02/2018	8/02/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/2004	Mt Morgans	16 BL	9/02/2018	8/02/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/2017	Mt Morgans	5BL	9/02/2018	8/02/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
E39/2020	Mt Morgans	10 BL	5/07/2018	4/07/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
L39/57	Mt Morgans	9.23	15/02/1995	14/02/2025	Rent listed as 'paid in full'. No expenditure required.	Mt Morgans WA Mining Pty Ltd (100.0%)
L39/244	Mt Morgans	1056.52	14/09/2016	13/09/2037	Rent listed as 'paid in full'. No expenditure required.	Mt Morgans WA Mining Pty Ltd (100.0%)
L39/246	Mt Morgans	6.77	28/09/2016	27/09/2037	Rent listed as 'paid in full'. No expenditure required.	Mt Morgans WA Mining Pty Ltd (100.0%)
L39/286	Mt Morgans	16.61	16/07/2020	15/07/2041	Rent listed as 'paid in full'. No expenditure required.	Dacian Gold Ltd (100.0%)
M38/395	Mt Morgans	649.60	16/11/1994	15/11/2036	Rent listed as 'paid in full'. No expenditure lodged.	Dacian Gold Ltd (100.0%)
M38/396	Mt Morgans	420.55	16/11/1994	15/11/2036	Rent listed as 'paid in full'. No expenditure lodged.	Dacian Gold Ltd (100.0%)
M38/548	Mt Morgans	371.20	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M38/595	Mt Morgans	589.65	18/11/2008	17/11/2029	Rent listed as 'paid in full'. No expenditure lodged.	Dacian Gold Ltd (100.0%)
M38/848	Mt Morgans	927.05	18/11/2008	17/11/2029	Rent listed as 'paid in full'. No expenditure lodged.	Dacian Gold Ltd (100.0%)
M39/18	Mt Morgans	760.65	9/05/1984	8/05/2026	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)

Tenement Number Note1	Project	Hectares or blocks	Date Granted	Date Expiry	Status Note 2	Registered Holders & Interests
M39/36	Mt Morgans	58.09	4/12/1984	3/12/2026	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/208	Mt Morgans	155.95	6/11/1989	5/11/2031	Rent listed as 'paid in full'. No expenditure lodged.	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/228	Mt Morgans	958.95	26/07/1990	25/07/2032	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/236	Mt Morgans	909.65	17/12/1990	16/12/2032	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/240	Mt Morgans	831.50	28/12/1990	27/12/2032	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/248	Mt Morgans	888.15	2/09/1991	1/09/2033	Rent listed as 'paid in full'. Expenditure listed as 'underexpended $88,900'.	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/250	Mt Morgans	326.35	8/05/1991	7/05/2033	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/261	Mt Morgans	53.29	11/09/1991	10/09/2033	Rent listed as 'paid in full'. Expenditure listed as 'underexpended $5,689.00'.	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/264	Mt Morgans	449.65	2/09/1991	1/09/2033	Rent listed as 'paid in full'. Expenditure listed as 'underexpended $14,9170'.	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/272	Mt Morgans	737.00	11/03/1992	10/03/2034	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/273	Mt Morgans	542.45	11/03/1992	10/03/2034	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/282	Mt Morgans	474.95	20/01/1993	19/01/2035	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/0287	Mt Morgans	586.90	11/02/1993	10/02/2035	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/291	Mt Morgans	201.00	28/06/1993	27/06/2035	Rent listed as 'paid in full'. Expenditure listed as 'underexpended $20,100'.	Dacian Gold Ltd (100.0%)
M39/295	Mt Morgans	171.60	5/10/1993	4/10/2035	Rent listed as 'paid in full'. No expenditure lodged.	Dacian Gold Ltd (100.0%)
M39/304	Mt Morgans	435.95	4/02/1994	3/02/2036	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)

Tenement Number Note1	Project	Hectares or blocks	Date Granted	Date Expiry	Status Note 2	Registered Holders & Interests
M39/305	Mt Morgans	418.10	17/02/1994	16/02/2036	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/306	Mt Morgans	223.00	17/02/1994	16/02/2036	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/333	Mt Morgans	725.65	15/03/1995	14/03/2037	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/380	Mt Morgans	533.95	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/390	Mt Morgans	867.70	20/11/2008	19/11/2029	Rent listed as 'paid in full'. No expenditure lodged.	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/391	Mt Morgans	894.20	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/392	Mt Morgans	992.30	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/393	Mt Morgans	764.00	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/394	Mt Morgans	798.90	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/395	Mt Morgans	318.20	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/403	Mt Morgans	963.65	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/441	Mt Morgans	459.75	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/442	Mt Morgans	305.60	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/443	Mt Morgans	895.10	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/444	Mt Morgans	424.50	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/497	Mt Morgans	51.43	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/501	Mt Morgans	713.90	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/502	Mt Morgans	515.25	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/503	Mt Morgans	309.05	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/504	Mt Morgans	384.70	20/11/2008	19/11/2029	Rent listed as 'paid in full'. No expenditure lodged.	Mt Morgans WA Mining Pty Ltd (100.0%)

Tenement Number Note1	Project	Hectares or blocks	Date Granted	Date Expiry	Status Note 2	Registered Holders & Interests
M39/513	Mt Morgans	802.15	9/03/2009	8/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/745	Mt Morgans	485.50	18/01/2008	17/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/746	Mt Morgans	630.45	22/01/2008	21/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/747	Mt Morgans	950.00	22/01/2008	21/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/799	Mt Morgans	15.77	22/01/2008	21/01/2029	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/937	Mt Morgans	40.35	20/11/2008	19/11/2029	Rent listed as 'paid in full'. No expenditure lodged.	Dacian Gold Ltd (100.0%)
M39/938	Mt Morgans	79.02	19/03/2009	18/03/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/993	Mt Morgans	179.85	2/06/2009	1/06/2030	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/1107	Mt Morgans	371.90	29/11/2016	28/11/2037	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Mt Morgans WA Mining Pty Ltd (100.0%)
M39/1120	Mt Morgans	979.65	9/03/2018	8/03/2039	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/1122	Mt Morgans	1405.00	20/06/2018	19/06/2039	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/1129	Mt Morgans	763.15	16/08/2018	15/08/2039	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
M39/1137	Mt Morgans	229.22	21/01/2020	20/01/1941	Rent listed as 'paid in full'. Expenditure listed as 'NA' (not yet due).	Dacian Gold Ltd (100.0%)
P39/5377	Mt Morgans	32.30	4/11/2014	3/11/2022	Rent listed as 'paid in full'. No expenditure lodged.	Dacian Gold Ltd (100.0%)
P39/5469	Mt Morgans	66.00	18/01/2016	17/01/2024	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/5498	Mt Morgans	46.70	8/02/2018	7/02/2022	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/5823	Mt Morgans	14.00	8/02/2018	7/02/2022	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/5825	Mt Morgans	28.69	23/01/2018	22/01/2022	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/5826	Mt Morgans	178.00	8/02/2018	7/02/2022	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/5827	Mt Morgans	159.00	21/09/2017	20/09/2021	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/5828	Mt Morgans	98.00	21/09/2017	20/09/2021	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/5829	Mt Morgans	14.40	21/09/2017	20/09/2021	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/5830	Mt Morgans	163.00	21/09/2017	20/09/2021	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)

Tenement Number Note1	Project	Hectares or blocks	Date Granted	Date Expiry	Status Note 2	Registered Holders & Interests
P39/5865	Mt Morgans	22.30	8/02/2019	7/02/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/6060	Mt Morgans	2.42	2/07/2019	1/07/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)
P39/6121	Mt Morgans	24.41	13/02/2020	12/02/2024	Rent listed as 'paid in full'. Expenditure listed as 'NA' (not yet due).	Dacian Gold Ltd (100.0%)
P39/6122	Mt Morgans	3.89	16/11/2020	15/11/2024	Rent listed as 'paid in full'. Expenditure listed as 'NA' (not yet due).	Dacian Gold Ltd (100.0%)
P39/6123	Mt Morgans	3.61	16/11/2020	15/11/2024	Rent listed as 'Overpaid $22.00'. Expenditure listed as 'NA' (not yet due).	Dacian Gold Ltd (100.0%)
E38/3211	Mt Morgans (Jindalee JV)	3 BL	13/09/2017	12/09/2022	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (90.0%) & Jindalee Resources Limited (10.0%)
E38/3272	Mt Morgans (Jindalee JV)	5 BL	15/01/2019	14/01/2024	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (90.0%) & Jindalee Resources Limited (10.0%)
M39/1135	Mt Morgans (Jindalee JV)	1181.97			Tenement listed as 'Dead'. (Withdrawn 14/10/2020.)	Dacian Gold Ltd (90.0%) & Jindalee Resources Limited (10.0%)
P38/4466	Nicholson Well	10.75	27/03/2019	26/03/2023	Rent listed as 'paid in full'. Expenditure listed as 'expended in full'	Dacian Gold Ltd (100.0%)

Note 1: 'E' tenements are exploration leases; 'L' tenements are miscellaneous leases; 'M' tenements are mining leases; 'P' tenements are prospecting leases, as described in DMIRS' *Mining Act Guidelines: Basic Provisions*, 2018.

Note 2: Status column reflects information accessed in DMIRS' Mining Tenements Online database on 24 November 2020

Appendix B: NTM Gold Tenement List

Table B-1: NTM Gold Limited Tenement List

Tenement Number [Note1]	Project	Hectares	Date Granted	Date Expiry	Status	Registered Holders & Interests
E37/1252	Well	2,718	06-Sep-16	05-Sep-21	Granted	ROMAN KINGS PTY LTD
E37/1284	Well	18,740	06-Apr-17	05-Apr-21	Granted	GOLDEN GLADIATOR PTY LTD
E37/1285	Well	20,857	06-Apr-17	05-Apr-22	Granted	PAX ROMANA RESOURCES PTY LTD
E37/1314	Well	8,766	01-Aug-18	01-Aug-23	Granted	PAX ROMANA RESOURCES PTY LTD
ELA37/1399	Well	8,462			Application	NTM Gold Ltd
E37/1205	Redcliffe	5,459	21-Apr-15	20-Apr-25	Granted	NTM Gold Ltd
E37/1259	Redcliffe	1,508	21-Nov-16	20-Nov-21	Granted	NTM Gold Ltd
E37/1270	Redcliffe	301	05-Jan-17	04-Jan-22	Granted	NTM Gold Ltd
E37/1288	Redcliffe	1,178	06-Apr-17	05-Apr-22	Granted	NTM Gold Ltd
E37/1289	Redcliffe	3,985	06-Apr-17	05-Apr-22	Granted	NTM Gold Ltd
E37/1356	Redcliffe	10,859	01-May-19	30-Apr-24	Granted	NTM Gold Ltd
M37/1276	Redcliffe	770	30-Jul-09	29-Jul-29	Granted	NTM Gold Ltd, Redcliffe Resources Ltd
M37/1285	Redcliffe	526	12-Mar-10	11-Mar-31	Granted	NTM Gold Ltd, Redcliffe Resources Ltd
M37/1286	Redcliffe	1,747	10-Mar-10	09-Mar-31	Granted	NTM Gold Ltd, Redcliffe Resources Ltd
M37/1295	Redcliffe	1,495	16-Aug-12	15-Aug-33	Granted	NTM Gold Ltd, Redcliffe Resources Ltd
MLA37/1348	Redcliffe	1,476			Application	NTM Gold Ltd

Appendix C: Comparable Market Transactions

Table C-1: Comparable transactions with Mineral Resources

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Resource (Mt)	Resource Category	Contains Reserves	Grade Au (g/t) (US$M)	Total Contained troy ounces (Au)	Resource Transaction Multiple (A$/tr oz)	Normalised Resource Transaction Multiple (A$/tr oz)
Klondyke gold project	Klondyke	Sep-16	Keras Resources Plc	Arcadia Minerals Pty Ltd	2.52	100.0%	5.60	INF		2.08	0.37	6.73	9.82
Mt Olympus project	Ashburton Regional	Jun-20	Kalamazoo Resources Limited	Northern Star Resources Limited	5.00	100.0%	20.79	INF, IND		2.47	1.65	3.03	3.05
Mt Clement project	Mt Clement	Jul-20	Northern Star Resources Limited	Artemis Resources Limited	0.43	80.0%	2.44	INF, IND		1.01	0.08	5.41	5.31
Sandstone project	Sandstone	Mar-16	Enterprise Uranium Limited	Undisclosed sellers	0.88	100.0%	14.52	INF, IND		1.52	0.71	1.24	1.97
A bury Heath Project	Albury Heath Project	Dec-16	Cervantes Corporation Ltd.	Undisclosed seller	0.01	100.0%	0.15	INF		2.44	0.01	0.87	1.30
Trojan project	Trojan	Dec-16	Overland Resources Limited	Westgold Resources Limited	0.95	100.0%	2.79	INF, IND		1.61	0.14	6.57	9.77
A bury Heath project	Albury Heath	Apr-20	Westgold Resources Limited	Cervantes Corporation Limited	1.30	100.0%	0.39	INF, IND		2.17	0.03	47.79	50.86
Sandstone project	Sandstone	May-16	Middle Island Resources Limited	Black Oak Minerals Limited	2.50	100.0%	10.78	INF, IND		1.39	0.48	5.20	8.07
Mt Holland	Mt Holland	Mar-16	Kidman Resources Limited	Convergent Minerals Limited	3.50	100.0%	15.33	INF, IND, MEA		1.65	0.81	4.30	6.82
Break of Day and Lena deposits	Moyagee	Jul-17	Musgrave Minerals Limited	Silver Lake Resources Limited	7.50	20.0%	3.55	INF, IND		3.09	0.35	21.29	32.70
Grade Gnows Nest project		Sep-20	Emu NL	Undisclosed seller	1.84	100.0%	0.11	INF, IND		3.78	0.01	133.51	127.40

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Resource (Mt)	Resource Category	Contains Reserves	Grade Au (g/t) (US$M)	Total Contained troy ounces (Au)	Resource Transaction Multiple (A$/tr oz)	Normalised Resource Transaction Multiple (A$/tr oz)
Leonora project tenements	Leonora	Aug-20	Specrez Pty Ltd	Kingwest Resources Limited	0.19	100.0%	3.34	INF		0.96	0.10	1.84	1.77
Lehmans Project	Lehmans Well	Nov-18	Saracen Mineral Holdings Limited	Intermin Resources Limited	1.10	100.0%	-	INF, IND		1.91	-	12.69	18.84
Monument Project	Monument	Aug-20	Six Sigma Metals Limited	DiscovEx Resources Limited	0.55	100.0%	0.86	INF		1.80	0.05	11.12	10.67
Paris project	Paris	Jul-20	Torque Metals Limited	Austral Pacific Pty Ltd	1.85	100.0%	0.31	IND		3.23	0.03	56.73	55.68
Malcolm project	Malcolm	Jul-20	GoldLake Two Pty Ltd.	Anova Metals Limited	0.10	100.0%	0.14	INF		8.30	0.04	2.64	2.59
Millrose project	Millrose	Feb-16	Bowlane Nominees (WA) Ltd.	Riedel Resources Limited	0.95	100.0%	4.00	INF		2.40	0.31	3.08	4.92
Twin Hills project	Twin Hills	Dec-15	Melrose Resources Pty Ltd.	Golden Deeps Limited	0.05	100.0%	0.02	MEA		20.86	0.01	4.25	6.94
Polar Bear and Norcott projects, together with the Eundynie joint venture	Polar Bear	Feb-18	Westgold Resources Limited	S2 Resources Limited	9.10	100.0%	6.42	INF, IND		1.71	0.35	25.82	39.05
Mayday North and North Kanowna Star project	Mayday, North Kanowna Star	Sep-19	Bardoc Gold Limited	Strategic Projects Mining Pty Ltd	1.38	100.0%	2.13	INF, IND		1.64	0.11	12.32	15.42
Murrin Murrin project	Murrin Murrin	Jul-16	GME Resources Limited	Zeta Resources Limited	3.00	50.0%	0.55	IND		3.12	0.05	54.67	81.07
Fingals and Rowe's Find projects	Mt Monger	May-20	Black Cat Syndicate Limited	Silver Lake Resources Limited	5.44	100.0%	5.20			2.50	0.42	13.01	13.39

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Resource (Mt)	Resource Category	Contains Reserves	Grade Au (g/t) (US$M)	Total Contained troy ounces (Au)	Resource Transaction Multiple (A$/tr oz)	Normalised Resource Transaction Multiple (A$/tr oz)
Nine mining tenements (Ben Hur	Brightstar	Aug-20	Regis Resources Limited	Stone Resources Australia Limited	10.00	100.0%	5.80	INF, IND, MEA		1.54	0.29	34.79	33.41
Blue Spec project	Blue Spec	Sep-20	Calidus Resources Limited	Novo Resources Corporation	19.50	100.0%	0.42	INF, IND		16.33	0.22	89.48	85.38
Cables and Mission deposits	Mission/Cables	Dec-19	Red 5 Limited	Private investor-Andrew George Paterson	2.00	100.0%	1.50	INF		3.80	0.18	10.91	12.73
Trojan, Slate Dam and Clinker Hill projects	Clinker Hill, Slate Dam, Trojan	Oct-20	Black Cat Syndicate Limited	Aruma Resources Limited	0.50	100.0%	2.12	INF, IND		1.69	0.12	4.34	4.15
Great Western (M37/54)	Great Western	Apr-20	Red 5 Limited	Terrain Minerals Limited	2.50	100.0%	0.71	INF, IND		2.74	0.06	39.99	42.56
Spargos Reward project	Spargos Reward	May-20	Karora Resources Inc.	Corona Resources Limited	6.53	100.0%	0.94	INF, IND		4.34	0.13	49.97	51.45
Trojan project	Trojan	Mar-18	Aruma Resources Limited	Westgold Resources Limited	0.18	100.0%	2.79	INF, IND		1.61	0.14	1.25	1.87
Comet gold project	Comet	Nov-15	Metals X Limited	Silver Lake Resources Limited	3.00	100.0%	3.80	INF, IND, MEA		2.89	0.35	8.50	13.79
Gnaweeda project	Gnaweeda	Apr-16	Doray Minerals Limited	Chalice Gold Mines Limited	2.99	12.0%	4.60	INF		1.80	0.27	11.24	17.82
Zelica project	Zelica	Nov-18	Matsa Resources Limited	Anova Metals Limited	0.15	100.0%	0.57	INF, IND		1.62	0.03	5.00	7.49
Birthday Gift mine and associated	Burbanks	Nov-17	Barra Resources Limited	Kidman Resources Limited	0.12	100.0%	0.51	INF, IND		5.74	0.10	1.27	1.95

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Resource (Mt)	Resource Category	Contains Reserves	Grade Au (g/t) (US$M)	Total Contained troy ounces (Au)	Resource Transaction Multiple (A$/tr oz)	Normalised Resource Transaction Multiple (A$/tr oz)
mining licence M15/161													
MGK Resources Pty Ltd	Quinns & Mt Ida	Jul-16	latitude Consolidated Ltd	MGK Resources Pty Ltd	0.64	100.0%	1.23	INF, IND, MEA		2.46	0.10	6.60	9.79
Lake Carey gold project	Lake Carey, Phantom Well, Wilga	Jul-16	Matsa Resources Limited	Fortitude Gold Pty Ltd.	1.75	100.0%	6.29	INF, IND		1.90	0.38	4.56	6.76
Quinns & Mt Ida	Quinns & Mt Ida	Mar-16	MGK Resources Pty Ltd	Wild Acre Metals Limited	0.15	100.0%	1.23	INF, IND, MEA		2.46	0.10	1.55	2.45
Eureka Gold project	Eureka	Dec-17	Tyranna Resources Limited	Central Iron Ore Limited	3.05	100.0%	0.45	INF		4.40	0.06	47.88	73.59
King of the Hills gold mine	King of the Hills	Aug-17	Red 5 Limited	Saracen Mineral Holdings Limited	16.00	100.0%	2.71	INF, IND		4.63	0.40	39.68	60.88
Box Well and Deep South mining leases and 18 tenements	Deep South, Yundamindera	Apr-19	Saracen Mineral Holdings Limited	Hawthorn Resources Limited	13.50	100.0%	-			-	0.20	67.46	94.99
Bundarra	Bundarra	Apr-19	Saracen Mineral Holdings Limited	Hawthorn Resources Limited	38.20	100.0%	9.67	INF, IND, MEA		-	0.66	57.77	81.34
Eureka project	Eureka	Aug-20	Warriedar Mining Pty Ltd	Tyranna Resources Limited	1.00	100.0%	0.76	INF, IND		1.76	0.04	23.23	22.31
Tuckabianna assets	Murchison	Jun-17	Big Bell Gold Operations Pty. Ltd.	Silver Lake Resources Limited	7.56	100.0%	7.97	INF, IND		2.03	0.52	14.54	22.30
Plutonic Dome project	Plutonic Dome	May-16	Vango Mining Limited	Dampier Gold Limited	5.50	40.0%	8.28	INF, IND, MEA		3.20	0.85	6.47	10.03

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Resource (Mt)	Resource Category	Contains Reserves	Grade Au (g/t) (US$M)	Total Contained troy ounces (Au)	Resource Transaction Multiple (A$/tr oz)	Normalised Resource Transaction Multiple (A$/tr oz)
Goongarrie Lady Mining lease (M29/420)	Goongarrie Lady	Aug-20	Resource Mining Pty Ltd	Kingwest Resources Limited	1.90	100.0%	0.27	INF, IND		2.87	0.02	76.27	73.25
Penny's Find tenements	Penny's Find	Mar-19	Orminex Limited	Empire Resources Limited	0.60	100.0%	0.25	INF, IND		7.05	0.06	10.68	15.17
Menzies and Goongarrie projects	Goongarrie, Goongarrie Lady, Menzies	Jul-19	Kingwest Resources Limited	Horizon Minerals Limited	8.00	100.0%	2.42	INF, IND		2.20	0.17	46.75	62.38
Dalgaranga project	Dalgaranga	Dec-16	Gascoyne Resources Limited	Private Investor - Jaime McDowell	45.05	20.0%	25.50	INF, IND, MEA		1.36	1.12	40.31	59.87
Red October project	Red October	Sep-17	Matsa Resources Limited	Saracen Mineral Holdings Limited	2.00	100.0%	0.45	INF, IND		6.92	0.10	20.14	30.80
Linden project	Linden	Aug-20	Linden Gold Alliance Pty Ltd	Anova Metals Limited	9.00	100.0%	0.65	INF, IND		6.32	0.13	68.52	65.81
Western Tanami project	Western Tanami	Oct-17	Northern Star (Tanami Gold) Pty Limited	Tanami Gold NL	4.00	100.0%	1.71	INF, IND,		5.09	0.28	14.32	21.98
Coogee project	Coogee	Jul-20	Victory Mines Limited	Investor group	2.75	40.0%	0.10	INF		3.40	0.01	262.05	257.17
Coogee project	Coogee	Nov-20	Victory Mines Limited	Ramelius Resources Limited	1.11	90.0%	0.10	INF		3.40	-	105.88	105.88
K2 mine	Marymia	Jan-17	Dampier Gold Limited	Vango Mining Limited	6.00	50.0%	4.63	IND	Yes	2.98	0.44	13.50	20.41
Gruyere project	Yamarna	Nov-16	Gold Fields Limited	Gold Road Resources Limited	700.00	50.0%	153.64	INF, IND, MEA	Yes	1.34	6.60	106.02	155.19

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Resource (Mt)	Resource Category	Contains Reserves	Grade Au (g/t) (US$M)	Total Contained troy ounces (Au)	Resource Transaction Multiple (A$/tr oz)	Normalised Resource Transaction Multiple (A$/tr oz)
Higginsville Gold Operations	Higginsville	May-19	RNC Minerals	Westgold Resources Limited	50.00	100.0%	29.42	INF, IND, MEA	Yes	2.01	1.90	26.27	36.43
Plutonic gold mine	Plutonic	Aug-16	2525908 Ontario Inc.	Northern Star Resources Limited	66.20	100.0%	13.65	INF, IND, MEA		3.89	1.71	38.73	57.02
Halls Creek(Nicolsons) project	Halls Creek	May-16	Pantoro Limited	Bulletin Resources Limited	58.50	20.0%	1.07	INF, IND, MEA	Yes	6.52	0.22	261.37	405.70
Mining lease M24/943	Jackorite open pit	Jan-16	Excelsior Gold Limited	Private investor - Mr. Denzle Norbert Schorer	2.40	5.0%	0.12	IND, MEA	Yes	2.50	0.01	253.15	411.35
Darlot mine	Darlot	Aug-17	Red 5 Limited	Gold Fields Limited	18.50	100.0%	1.20	IND,		6.00	0.23	79.92	122.60
Super Pit mine	Kalgoorlie	Nov-19	Saracen Mineral Holdings Limited	Barrick Gold Corporation	2,202.30	50.0%	272.60	INF, IND, MEA	Yes	1.35	11.85	185.81	219.91
Kalgoorlie mine tenements + 20 tenements	Kalgoorlie	Dec-19	Northern Star Resources Limited	Newmont Goldcorp Corporation	2,250.48	50.0%	272.60	INF, IND, MEA	Yes	1.35	11.85	189.87	221.40
Klondyke gold project	Klondyke	Sep-16	Keras Resources Plc	Arcadia Minerals Pty Ltd	2.52	100.0%	5.60	INF		2.08	0.37	6.73	9.82

Table C-2: Comparable transactions on an area basis

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Area (km²)	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
Ora Banda South project	Ora Banda	Oct-20	Carnavale Resources Limited	Western Resources Pty Ltd	0.59	80.0%	25.00	23,750.00	37,963.39
Homeward Bound South tenements	Leonora-Laverton	May-20	Magnetic Resources NL	Undisclosed seller	0.77	100.0%	15.00	51,466.67	60,911.78
Broadwood project		Aug-16	Great Boulder Resource Limited	Eastern Goldfields Mining Company Pty Limited	0.67	75.0%	10.83	61,557.40	63,377.72
Goongarrie project	Goongarrie	Feb-16	Intermin Resources Limited	Investor group	0.04	100.0%	10.00	4,200.00	6,182.63
Lady Julie project	Leonora-Laverton	Feb-20	Magnetic Resources NL	Pvt invrs - Peter Romeo Gianni and Robert Andrew Jewson	0.25	100.0%	7.13	35,203.37	52,287.84
Tenement P40/1480		Sep-20	Carnavale Resources Limited	Private investor - Mr. Duane Briggs	0.03	100.0%	6.00	4,166.67	4,702.05
Two tenements		Dec-19	Kin Mining NL	Golden Mile Resources Limited	0.03	100.0%	2.40	12,500.00	14,575.27
PL37/8615	Ironstone Well	Nov-19	Golden Mile Resources Limited	Sullivan's Garage Pty Ltd	0.02	100.0%	0.85	23,529.41	22,452.28
Violet project		Dec-16	Navigator Resources Limited	Undisclosed seller	0.02	100.0%	0.82	27,439.02	26,187.81
HanTails project		Jul-20	Redstone Resources Limited	Undisclosed seller	0.15	51.0%	0.57	258,906.38	254,079.37
Phantom Tenements	Tropicana East	Sep-20	Carawine Resources Limited	Phantom Resources Pty ltd	0.23	100.0%	1,004.65	228.94	218.46
Mt Zephyr and Darlot East projects	Mt Zephyr	Nov-20	Darlot Mining Company Pty Limited	Ardea Resources Limited	2.50	60.0%	830.50	3,010.23	3,010.23
Mt Fisher project	Mt Fisher	May-16	Doray Minerals Limited	Rox Resources Limited	9.80	51.0%	480.00	20,424.84	33,335.94
Fourteen licenses		Nov-19	Golden Mile Resources Limited	Chalice Gold Mines Limited	0.20	100.0%	455.85	427.77	506.28
Wells Group	Roman Well	Apr-20	NTM Gold Limited	Kingwest Resources Limited	0.13	100.0%	426.00	293.43	342.14
Gidgee Project	Gidgee	Jul-20	Gateway Mining Limited	Golden Mile Resources Limited	1.24	51.0%	421.62	2,929.88	3,117.78
Two exploration licences		Feb-18	Riversgold Limited	Alloy Resources Limited	0.21	70.0%	321.57	639.72	757.12
Crest tenements	Edjudina	Mar-20	DiscovEx Resources Limited	Crest Investment Group Limited	0.06	80.0%	310.00	201.61	197.85

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Area (km²)	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
MGK Resources Pty Ltd	Exploration tenements	Sep-15	latitude Consolidated Ltd	Private Consortium	0.11	80.0%	297.00	357.74	548.86
Edjudina project	Edjudina	Nov-19	Syndicated Metals Limited	Gateway Mining Limited	0.31	80.0%	226.34	1,380.67	1,784.69
Mt Gill & Kurrajong tenements	Kurrajong South, Mt Gill	May-16	Gold Road Resources	Breaker Resources NL	0.05	100.0%	221.00	226.24	351.17
Yarri east tenements	Yarri East	Jul-20	Black Cat Syndicate Limited	Investor group	0.20	100.0%	210.00	952.38	1,110.50
Two tenements	0	Apr-20	Bulletin Resources Limited	Encounter Resources Limited	0.03	100.0%	198.00	151.52	225.44
Three tenements	0	Sep-18	Nexus Minerals Limited	Newmont Mining Corporation	0.01	100.0%	190.00	68.42	75.30
Whiteheads project	Whiteheads	Aug-19	Great Boulder Resources Limited	Zebina Minerals Proprietary Limited	0.67	75.0%	185.00	3,603.60	5,367.67
Lake Rebecca project	0	Jul-19	Bulletin Resources Limited	Matsa Resources Limited	0.16	80.0%	172.00	908.43	1,212.29
Thunderstruck Tenements	Tropicana East	Sep-20	Carawine Resources Limited	Thunderstruck Investments Pty Ltd	0.26	90.0%	168.14	1,519.90	1,459.60
NWA Nickel Sulphinde and Reindlers Gossans	Illaara	Dec-19	Dreadnought Resources Limited	Private investors - Gianni & Peter Romeo	1.10	100.0%	146.37	7,515.05	7,997.02
Porphyry project	0	Sep-20	Pacific American Holdings Limited	Salazar Gold Pty Ltd	2.29	35.0%	114.76	19,917.34	28,298.68
Bronzewing South project	Bronzewing South	Mar-19	Hammer Metals Limited	Investor group	0.55	100.0%	111.00	4,954.95	7,494.53
Tempest project	0	Nov-19	Nelson Resources Limited	Undisclosed seller	0.02	100.0%	105.00	147.35	218.86
Jindalee tenements	0	Apr-20	Torque Metals Limited	Jindalee Resources Limited	0.25	80.0%	75.00	3,350.00	3,196.64
Sunrise Dam South project	0	Dec-16	Matsa Resources Limited	Raven Resources Pty Ltd.	0.50	60.0%	46.32	10,794.47	10,593.22
Sentinel Project	0	Feb-18	Fin Resources Limited	Crosspick Resources Pty Ltd	0.10	51.0%	44.00	2,228.16	3,370.17
White Eagle (E29/991) tenement	Mt Ida	Dec-19	Alt Resources Limited	Private investor - Bruce Legendre	0.02	100.0%	22.78	877.96	1,039.09
E25/526	Slate Dam	Apr-18	Aruma Resources Limited	Rare Earth Contracting Pty Limited	0.06	100.0%	19.00	3,157.89	4,776.42
E37/1214	0	Dec-15	Terrain Minerals Limited	Wildviper Pty Ltd.	0.01	100.0%	18.21	274.63	292.25
E37/1259 & E37/1270	0	Nov-17	NTM Gold Limited	Undisclosed seller	0.12	100.0%	18.08	6,637.17	10,844.87

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Area (km²)	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
Cutler gold prospect	0	Feb-18	Riversgold Limited	Westex Resources Pty Ltd.	0.11	100.0%	14.70	7,687.07	8,963.29
Metzkes Find	Illaara	Dec-19	Dreadnought Resources Limited	Private investors - Gianni & Peter Romeo	0.18	100.0%	11.98	14,858.10	23,062.18
Gladiator project	0	Sep-20	Pursuit Minerals Limited	Investor group	0.10	100.0%	10.00	10,000.00	9,542.22
Eclipse project	0	Aug-20	Empire Metals Limited	Philips Exploration Pty Ltd.	3.81	75.0%	3.03	1,255,877.44	1,198,385.71
Jillewarra project	0	Oct-20	S2 Resources Limited	Black Raven Mining Pty Ltd.	11.76	51.0%	790.00	14,892.03	14,212.96
Sandstone project	Sandstone	Feb-20	Westar Resources Ltd.	Rafaella Resources Limited	0.15	100.0%	255.89	586.19	661.51
Mt Maitland project	Mt Maitland	Jul-20	Red Mountain Mining Limited	Private ivestor- Simon Jones	0.30	100.0%	62.00	4,838.71	4,748.50
Tuckanarra project	Tuckanarra	Oct-20	Odyssey Energy Limited	Monument Mining Limited	5.00	80.0%	25.00	200,000.00	187,661.49
Side Well project	Side Well	Jul-20	Great Boulder Resources Limited	Zebina Minerals Proprietary Limited	1.13	75.0%	131.74	8,602.74	8,442.35
Thundelarra project	0	Dec-17	Blaze International Limited	Investor group	0.02	100.0%	47.00	319.15	490.49
Bulgera project	Bulgera	Jul-19	Norwest Minerals Limited	Accelerate Resources Limited	0.22	100.0%	36.80	5,978.26	7,977.95
South Yamarna Project	South Yamarna	Feb-18	Gold Road Resources Limited	Sumitomo Metal Mining Company Limited	14.00	50.0%	2,467.00	5,674.91	8,583.48
Wanganui project	Wanganui	Apr-20	Castle Minerals Limited	Bar None Exploration Pty Ltd.	0.51	100.0%	18.40	27,717.39	29,495.02
Exploration Licenses	Murchison	Jul-17	Enterprise Metals Limited	Zelda Therapeutics Pty Ltd.	0.11	100.0%	87.00	1,252.87	1,924.19
Paynes Find project	Paynes Find	Dec-16	Cervantes Corporation Ltd.	European Lithium Limited	0.75	100.0%	7.00	107,142.86	159,140.14
Cracker Jack project	0	Nov-20	White Cliff Minerals Limited	Private Investor - Mr. Peter Gianni	0.03	100.0%	16.00	1,875.00	1,875.00
Polelle project	Polelle	Apr-20	Castle Minerals Limited	Investor group	1.01	100.0%	144.50	6,989.62	7,437.89
Yuinmery project	0	Aug-19	Golden Mile Resources Limited	Legend Resources Pty Ltd.	0.10	100.0%	66.00	1,439.39	1,860.60
Kirkalocka project	0	May-18	Blaze International Limited	Bar None Exploration Pty Limited	0.10	100.0%	33.14	3,017.50	4,473.03
Mt Magnet project	0	Jul-20	Blaze International Limited	Eastern Goldfields Exploration (Pty) Ltd	1.25	100.0%	147.00	8,503.40	8,344.87
Jundee South project	0	Apr-20	Avenira Limited	Faurex Pty Ltd	0.35	100.0%	720.00	486.11	517.29
EL77/2607	Bullfinch	May-20	Torque Metals Limited	Tribal Mining Pty Ltd.	0.05	100.0%	48.00	1,041.67	1,072.47

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Area (km²)	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
E59/1989	0	Sep-20	Venture Minerals Limited	Bright Point Gold Pty Ltd	1.33	90.0%	33.98	39,238.77	37,442.49
Challa project	0	Jun-20	Platina Resources Limited	Investor group	0.23	100.0%	293.00	784.98	788.58
South Big Bell project	0	Feb-18	Fin Resources Limited	Neon Space Pty Ltd	0.10	51.0%	49.67	1,973.81	2,985.45
West pilbara gold project	0	Sep-16	Chalice Gold Mines Limited	Red Hill Iron Limited	1.96	51.0%	1,390.00	1,410.64	2,058.36
EL 45/4807	0	Jun-18	Rio Tinto Exploration Proprietary Limited	Alloy Resources Limited	0.77	70.0%	424.02	1,819.32	2,681.53
Harris Find project	Harris Find	Nov-16	Great Western Exploration Limited	Investor group	0.46	80.0%	36.68	12,608.02	18,455.91
E59/2237 and E59/2249	0	Mar-19	Blaze International Limited	Beau Resources Pty Limited	0.13	100.0%	65.07	1,997.85	2,838.56
E59/2310 and E59/2309	0	Mar-19	Blaze International Limited	Iron Clad Prospecting Pty Limited	0.14	100.0%	132.25	1,058.60	1,504.07
E 77/2313	0	Oct-18	Marindi Metals Limited	Bar None Exploration Pty Ltd.	0.58	100.0%	14.48	39,709.94	59,240.88
Hong Kong project	0	Oct-18	Pacton Gold Inc.	Sagon Resources Limited	2.64	70.0%	40.15	65,824.59	98,199.75
E46/1340 and E46/1354 tenements	0	Nov-20	Thor Mining PLC	Redstone Metals Pty Ltd.	0.51	100.0%	80.02	6,367.47	6,367.47
Two tenements	Warrawoona	Mar-18	Keras (Pilbara) Gold Pty Limited	Gardner Mining Pty Ltd.	0.08	100.0%	44.72	1,721.82	2,588.74
Meentheena and Coongan projects	0	Jul-20	Azure Minerals Limited	Creasy Group Pty. Ltd.	2.57	70.0%	884.00	2,942.14	2,887.29
Koongulla Project	0	Jun-20	Boadicea Resources Ltd.	Undisclosed seller	0.02	95.0%	240.00	65.79	66.09
EL38/3302	Laverton Links	Sep-20	Tigers Paw Prospecting Pty Ltd	Trigg Mining Limited	0.12	100.0%	293.85	408.37	389.68
Doolgunna project	0	Mar-16	DGO Gold Limited	TasEx Geological Services Pty Ltd.	0.20	51.0%	68.00	2,883.51	4,575.78
Biranup project	Biranup	Jul-20	New Energy Metals Limited	VRX Silica Limited	1.25	100.0%	393.00	3,180.66	3,121.36
Pincunah and Jimblebar project	0	Jul-20	Trek Metals Limited	Australian Commercial Minerals Exporters Pty Ltd	0.40	100.0%	265.00	1,509.43	1,481.29
Pascalle and Gnama projects	0	Jun-20	ScandiVanadium Ltd	Private investor - Thomas Edward Langley	1.32	100.0%	118.00	11,158.19	11,209.37

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Area (km²)	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
Three Gold projects	0	Nov-16	Western Mining Network Limited	Investor group	0.06	100.0%	8.08	7,428.50	10,874.01
Bellevue project	Bellevue	Aug-16	Draig Resources Limited	Golden Spur Resources Pty Ltd.	3.22	100.0%	27.00	119,296.30	175,610.73
Monument gold project	0	Jul-16	Syndicated Metals Limited	Monument Exploration Pty Ltd.	0.25	100.0%	210.00	1,190.48	1,765.12
Kookynie project	0	Aug-20	Carnavale Resources Limited	Western Resources Pty Ltd.	0.59	80.0%	21.00	28,273.81	27,152.04
Jundee East and Northern Zone projects	0	Nov-20	Oracle Power Plc	Mining Equities Pty Ltd	0.94	100.0%	90.12	10,462.24	10,462.24
Smokebush gold project	0	Dec-19	Terrain Minerals Limited	Private investor-Watts-Butler	0.34	80.0%	17.32	19,847.00	23,142.02
Bronzewing North project	Horse Well	Jul-20	Hammer Metals Limited	Alloy Resources Limited	0.08	100.0%	83.33	945.04	927.42
Glandore project	Glandore	Apr-16	Southern Gold Limited	Aruma Resources Limited	0.60	50.0%	28.70	20,905.92	33,133.33
Rembrandt gold project	Rembrandt	Sep-15	Terrain Minerals Limited	Rembrandt Mining Pty Ltd	0.03	100.0%	56.00	446.43	729.45
Cosmo tenements	Yarri	May-20	OreCorp Limited	Cosmo Holdings (WA) Pty Ltd	0.35	100.0%	34.00	10,332.04	10,637.57
Desdemona South project	Desdemona	Dec-19	Genesis Minerals Limited	Kin Mining NL	1.67	60.0%	156.00	10,683.76	12,457.49
South Three project	Bulong	Jun-20	Black Cat Syndicate Limited	Undisclosed sellers	0.45	100.0%	52.00	8,630.77	8,670.35
Abbotts project	Abbotts	Oct-18	Thundelarra Limited	Doray Minerals Limited	0.18	100.0%	450.00	391.11	583.48
Reedy South Project	Reedy South	Sep-20	White Cliff Minerals Limited	Investor Group	0.85	100.0%	156.00	5,448.72	5,199.29
Warriedar project	Warriedar	Jul-20	Warriedar Mining Pty Ltd	Norwest Minerals Limited	0.10	100.0%	43.85	2,280.50	2,237.98
78 tenements	0	Jun-20	Novo Resources Corp.	Creasy Group Pty. Ltd.	9.24	100.0%	2,232.00	4,141.70	4,160.70
Island project	Island	Aug-20	Caprice Resources Limited	Investor group	4.94	100.0%	21.00	235,066.67	225,740.32
Holland tenements	0	Aug-20	Firefly Resources Limited	Undisclosed sellers	0.25	100.0%	4.50	55,555.56	53,351.37
Gold tenements	Wilga, Socrates, Yarrie and Happy Jack	Dec-16	Nelson Resources Limited	MTWH Corporate Pty Ltd.	11.45	100.0%	20.51	558,264.26	829,194.38
Bardoc project	Bardoc	May-19	Bardoc Gold Limited	Torian Resources Limited	0.15	100.0%	49.00	3,061.22	4,245.42

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Area (km²)	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
Leonora Project	0	Apr-19	Blaze International Limited	CoxsRocks Pty Ltd	0.25	100.0%	23.65	10,570.82	14,883.54
Cue Project	Cue Goldfield	Sep-17	Cue Consolidated Mining Pty Ltd	Western Mining Pty Ltd.	0.72	100.0%	462.00	1,558.44	2,383.09
Butcher Well and Lake Carey	Celia, South Laverton-Carosue Dam	Oct-16	AngloGold Ashanti Limited	Saracen Mineral Holdings Limited	29.41	51.0%	339.56	86,617.28	125,877.07
Bulong project	Bulong	Jan-18	Black Cat Syndicate Limited	Bulong Mining Pty Ltd	0.75	100.0%	81.80	9,168.70	13,965.91
Little Wonder North	0	Oct-20	Torian Resources Limited	Private investors	0.10	100.0%	0.39	246,753.25	235,501.33
Lake Lefroy tenements	Lefroy	Jun-18	St. Ives Gold Mining Company Pty Ltd.	Lefroy Exploration Limited	19.61	51.0%	372.00	52,709.26	77,689.06
Credo Well project	Zuleika	Oct-19	Dampier Gold Ltd.	Torian Resources Ltd.	1.00	50.0%	17.00	58,823.53	71,329.50
Zuleika project	Zuleika	Oct-19	Dampier Gold Ltd.	Torian Resources Ltd.	3.33	30.0%	222.00	15,015.02	18,207.23
Cue Project JV	Lake Austin/Cue JV	Sep-19	Evolution Mining Limited	Musgrave Minerals Limited	26.00	75.0%	139.70	186,113.10	232,982.60
Kalgoorlie - Menzies projects	Baden Powell, Bullabulling, Goongarrie Lady, Windanya	Mar-16	Intermin Resources Limited	Metaliko Resources Limited	0.38	100.0%	141.00	2,659.57	4,220.42
Fair Adelaide East project	Fair Adelaide	Dec-19	Majestic Gold Corporation	Plutus Resources Pty. Ltd.	4.04	51.0%	13.22	305,538.25	356,264.13
M29/410 tenement	Menzies	Jan-17	Intermin Resources Limited	Undisclosed seller	0.17	30.0%	4.93	33,806.63	32,265.05
M27/263 tenement	Silver Swan North	Jun-20	Moho Resources Limited	Odin Metals Limited	1.38	30.0%	7.93	173,392.18	264,113.62
Kalpini project	Kalpini	Oct-20	Horizon Minerals Limited	NBT Metals Proprietary Limited	2.75	100.0%	5.85	470,085.47	530,487.66
Munda Gold project (*M15/	Armstrong	Jul-20	Auric Mining Limited	Estrella Resources Limited	1.24	100.0%	3.64	339,835.16	503,759.20
Currans Find and Pinchers mining leases	Youanmi	Apr-19	Investor group	Murchison Earthmoving & Rehabilitation Pty Ltd	0.34	90.0%	3.56	96,754.06	97,197.81
Mulwarrie project	Mulwarrie	May-18	Spitfire Materials Limited	Goldfield Argonaut Pty Ltd.	2.24	49.0%	1.80	1,249,456.20	1,375,027.99

Project	Assets	Date	Purchaser	Vendor	Consideration (100.0% basis) (A$M)	Equity Acquired (%)	Area (km²)	Area Multiple (A$/km²)	Normalised Area Multiple (A$/km²)
Mining lease M16/560	0	Mar-20	Beacon Minerals Limited	Boulder Investments Group Pty Ltd	1.00	100.0%	0.74	1,351,351.35	1,902,679.70
Mt Lucky project	Mon Ami	Jan-18	Forte Consolidated Limited	Valleybrook Investments Pty Ltd.	0.85	100.0%	0.58	1,455,479.45	2,199,910.98
Nicholson Well project (M38/1041)	Leonora-Laverton	Feb-20	Magnetic Resources NL	Private investors - Messrs Christopher Flesser and James Hanna	0.16	100.0%	0.10	1,609,907.12	1,579,892.24
Balagundi project	0	Aug-16	Great Boulder Resource Limited	Eastern Goldfields Mining Company Pty Limited	1.33	75.0%	6.00	222,222.22	327,123.37
Klondyke gold project	Haoma	Sep-16	Keras Resources Plc	Arcadia Minerals Pty Ltd	1.25	100.0%	6.50	192,307.69	280,610.47

Appendix D: Dacian Valuation

Table D-1: Exploration Valuation (Dacian) – comparable transaction method

Operating Centre	Tenure Type	Area valued (km²)	Selected Multiple average (A$/km²)			Market Value (A$M)		
			Lower	Upper	Preferred	Lower	Upper	Preferred
E 38/2951	EL	15.09	10,000	15,000	12,500	0.15	0.23	0.19
E 38/3211		3.07	10,000	15,000	12,500	0.03	0.05	0.04
E 38/3272		12.19	10,000	15,000	12,500	0.12	0.18	0.15
E 39/1310		9.86	10,000	15,000	12,500	0.10	0.15	0.12
E 39/1713		12.03	5,000	10,000	7,500	0.06	0.12	0.09
E 39/1787		22.12	5,000	10,000	7,500	0.11	0.22	0.17
E 39/1950		10.74	10,000	15,000	12,500	0.11	0.16	0.13
E 39/1951		12.50	7,500	15,000	11,250	0.09	0.19	0.14
E 39/1967		25.84	7,500	15,000	11,250	0.19	0.39	0.29
E 39/2002		94.60	2,500	5,000	3,750	0.24	0.47	0.35
E 39/2004		47.86	7,500	15,000	11,250	0.36	0.72	0.54
E 39/2017		15.03	7,500	15,000	11,250	0.11	0.23	0.17
E 39/2020		13.75	10,000	15,000	12,500	0.14	0.21	0.17
P 38/4466	PL	0.11	25,000	50,000	37,500	0.00	0.01	0.00
P 39/5377		0.32	15,000	30,000	22,500	0.00	0.01	0.01
P 39/5469		0.66	50,000	100,000	75,000	0.03	0.07	0.05
P 39/5498		0.47	15,000	30,000	22,500	0.01	0.01	0.01
P 39/5823		0.13	15,000	30,000	22,500	0.00	0.00	0.00
P 39/5825		0.29	15,000	30,000	22,500	0.00	0.01	0.01
P 39/5826		1.75	50,000	100,000	75,000	0.09	0.17	0.13
P 39/5827		1.59	25,000	50,000	37,500	0.04	0.08	0.06
P 39/5828		0.92	15,000	30,000	22,500	0.01	0.03	0.02
P 39/5829		0.15	50,000	100,000	75,000	0.01	0.02	0.01
P 39/5830		1.63	25,000	50,000	37,500	0.04	0.08	0.06

Operating Centre	Tenure Type	Area valued (km²)	Selected Multiple average (A$/km²)			Market Value (A$M)		
			Lower	Upper	Preferred	Lower	Upper	Preferred
P 39/5865		0.22	15,000	30,000	22,500	0.00	0.01	0.01
P 39/6060		0.01	15,000	30,000	22,500	0.00	0.00	0.00
P 39/6121		0.24	15,000	30,000	22,500	0.00	0.01	0.01
P 38/4486		0.60	15,000	30,000	22,500	0.01	0.02	0.01
P 39/6122		0.04	50,000	100,000	75,000	0.00	0.00	0.00
P 39/6123		0.05	15,000	30,000	22,500	0.00	0.00	0.00
M 38/395		6.49	75,000	150,000	112,500	0.49	0.97	0.73
M 38/396		4.20	50,000	100,000	75,000	0.21	0.42	0.32
M 38/548		3.71	50,000	100,000	75,000	0.19	0.37	0.28
M 38/595		5.89	50,000	100,000	75,000	0.29	0.59	0.44
M 38/848		9.26	50,000	100,000	75,000	0.46	0.93	0.69
M 39/1120		4.89	100,000	200,000	150,000	0.49	0.98	0.73
M 39/1122		14.04	150,000	300,000	225,000	2.11	4.21	3.16
M 39/1129		7.63	100,000	200,000	150,000	0.76	1.53	1.14
M 39/1137		2.29	500,000	1,000,000	750,000	1.15	2.29	1.72
M 39/291	ML	2.01	250,000	500,000	375,000	0.50	1.00	0.75
M 39/295		1.71	250,000	500,000	375,000	0.43	0.86	0.64
M 39/306		2.23	250,000	500,000	375,000	0.56	1.11	0.84
M 39/333		7.25	50,000	100,000	75,000	0.36	0.73	0.54
M 39/380		5.34	50,000	100,000	75,000	0.27	0.53	0.40
M 39/391		8.94	75,000	150,000	112,500	0.67	1.34	1.01
M 39/392		9.92	75,000	150,000	112,500	0.74	1.49	1.12
M 39/393		7.63	75,000	150,000	112,500	0.57	1.15	0.86
M 39/394		7.98	75,000	150,000	112,500	0.60	1.20	0.90
M 39/443		8.95	75,000	150,000	112,500	0.67	1.34	1.01

Operating Centre	Tenure Type	Area valued (km²)	Selected Multiple average (A$/km²)			Market Value (A$M)		
			Lower	Upper	Preferred	Lower	Upper	Preferred
M 39/444		4.24	50,000	100,000	75,000	0.21	0.42	0.32
M 39/497		0.51	125,000	250,000	187,500	0.06	0.13	0.10
M 39/501		7.14	50,000	100,000	75,000	0.36	0.71	0.54
M 39/502		5.15	50,000	100,000	75,000	0.26	0.51	0.39
M 39/503		3.09	50,000	100,000	75,000	0.15	0.31	0.23
M 39/746		6.30	50,000	100,000	75,000	0.32	0.63	0.47
M 39/747		9.47	75,000	150,000	112,500	0.71	1.42	1.06
M 39/799		0.16	150,000	250,000	200,000	0.02	0.04	0.03
M 39/937		0.40	250,000	500,000	375,000	0.10	0.20	0.15
M 39/938		0.79	100,000	200,000	150,000	0.08	0.16	0.12
M 39/993		1.80	150,000	300,000	225,000	0.27	0.54	0.40
M 39/1107		3.72	250,000	500,000	375,000	0.93	1.86	1.39
M 39/18		0.76	400,000	500,000	450,000	0.30	0.38	0.34
M 39/208		0.78	1,000,000	1,500,000	1,250,000	0.78	1.17	0.97
M 39/228		4.79	250,000	500,000	375,000	1.20	2.40	1.80
M 39/236		0.91	400,000	500,000	450,000	0.36	0.45	0.41
M 39/240		4.15	400,000	500,000	450,000	1.66	2.08	1.87
M 39/248		8.87	75,000	150,000	112,500	0.67	1.33	1.00
M 39/250		3.26	50,000	100,000	75,000	0.16	0.33	0.24
M 39/261		0.53	100,000	200,000	150,000	0.05	0.11	0.08
M 39/264		4.49	50,000	100,000	75,000	0.22	0.45	0.34
M 39/272		7.36	50,000	100,000	75,000	0.37	0.74	0.55
M 39/273		5.42	50,000	100,000	75,000	0.27	0.54	0.41
M 39/282		4.75	50,000	100,000	75,000	0.24	0.47	0.36
M 39/287		2.93	250,000	500,000	375,000	0.73	1.47	1.10

Operating Centre	Tenure Type	Area valued (km²)	Selected Multiple average (A$/km²)			Market Value (A$M)		
			Lower	Upper	Preferred	Lower	Upper	Preferred
M 39/304		4.36	75,000	150,000	112,500	0.33	0.65	0.49
M 39/305		4.18	75,000	150,000	112,500	0.31	0.63	0.47
M 39/36		0.12	1,000,000	2,000,000	1,500,000	0.12	0.23	0.17
M 39/390		8.67	50,000	100,000	75,000	0.43	0.87	0.65
M 39/395		3.18	50,000	100,000	75,000	0.16	0.32	0.24
M 39/403		9.63	75,000	150,000	112,500	0.72	1.44	1.08
M 39/441		4.59	75,000	150,000	112,500	0.34	0.69	0.52
M 39/442		3.05	50,000	100,000	75,000	0.15	0.31	0.23
M 39/504		3.84	250,000	500,000	375,000	0.96	1.92	1.44
M 39/513		8.02	50,000	100,000	75,000	0.40	0.80	0.60
M 39/745		4.85	250,000	500,000	375,000	1.21	2.43	1.82

Table D-2: Geoscientific approach – modified Kilburn rating for Dacian Exploration licences

				Off-property		On-property		Geology		Anomaly		Market Factor	Valuation (A$ M)	
Permit	Area* (km^2)	BAC	Equity Interest	Low	High	Low	High	Low	High	Low	High		Low	High
E 38/2951	15.09	7,422	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.5	2.0	1.00	0.06	0.18
E 38/3211	3.07	1,509	90.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.5	2.0	1.00	0.01	0.03
E 38/3272	12.19	5,996	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.5	2.0	1.00	0.05	0.14
E 39/1310	9.86	4,851	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.5	2.0	1.00	0.04	0.12
E 39/1713	12.03	5,918	100.0%	2.5	3.0	1.0	1.5	1.0	1.5	1.0	1.5	1.00	0.01	0.06
E 39/1787	22.12	10,884	100.0%	2.5	3.0	1.5	2.0	1.0	1.5	1.0	1.5	1.00	0.04	0.15
E 39/1950	10.74	5,284	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.5	2.0	1.00	0.04	0.13
E 39/1951	12.50	6,151	100.0%	2.5	3.0	1.0	1.5	1.5	2.0	1.0	1.5	1.00	0.02	0.08
E 39/1967	25.84	12,713	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.0	1.5	1.00	0.07	0.23
E 39/2002	94.60	46,544	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.0	1.5	1.00	0.26	0.84
E 39/2004	47.86	23,545	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.0	1.5	1.00	0.13	0.42
E 39/2017	15.03	7,397	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.0	1.5	1.00	0.04	0.13
E 39/2020	13.75	6,764	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.5	2.0	1.00	0.06	0.16

*Resource area removed

Table D-3: Geoscientific approach – modified Kilburn rating for Dacian Prospecting licences

				Off-property		On-property		Geology		Anomaly		Market Factor	Valuation (A$ M)	
Permit	Area* (km^2)	BAC	Equity Interest	Low	High	Low	High	Low	High	Low	High		Low	High
P 38/4466	0.11	1,350	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.5	2.0	1.00	0.01	0.03
P 39/5377	0.32	4,060	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.02	0.04
P 39/5469	0.66	8,246	100.0%	2.5	3.0	1.5	2.0	2.5	3.0	2.5	3.0	1.00	0.19	0.45
P 39/5498	0.47	5,874	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.02	0.06
P 39/5823	0.13	1,669	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.01	0.02
P 39/5825	0.29	3,606	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.01	0.04
P 39/5826	1.75	21,950	100.0%	2.5	3.0	2.0	2.5	2.5	3.0	2.5	3.0	1.00	0.69	1.48
P 39/5827	1.59	19,996	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.5	2.0	1.00	0.17	0.48
P 39/5828	0.92	11,613	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.04	0.13
P 39/5829	0.15	1,909	100.0%	2.5	3.0	2.0	2.5	2.5	3.0	2.5	3.0	1.00	0.06	0.13
P 39/5830	1.63	20,442	100.0%	2.5	3.0	1.5	2.0	1.5	2.0	1.0	1.5	1.00	0.11	0.37
P 39/5865	0.22	2,796	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.01	0.03
P 39/6060	0.01	175	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.00	0.00
P 39/6121	0.24	3,068	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.01	0.03
P 38/4486	0.60	7,540	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.03	0.08
P 39/6122	0.04	489	100.0%	2.5	3.0	1.5	2.0	2.5	3.0	1.5	2.0	1.00	0.01	0.02
P 39/6123	0.05	628	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.00	0.01

*Resource area removed

Table D-4: Geoscientific approach – modified Kilburn rating for Dacian Mining licences

				Off-property		On-property		Geology		Anomaly		Market Factor	Valuation (A$ M)	
Permit	Area* (km^2)	BAC	Equity Interest	Low	High	Low	High	Low	High	Low	High		Low	High
M 38/395	6.49	80,382	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.45	1.16
M 38/396	4.20	52,041	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.20	0.56
M 38/548	3.71	45,935	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.17	0.50
M 38/595	5.89	72,965	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.27	0.79
M 38/848	9.26	114,714	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.60	1.65
M 39/1120	4.89	60,613	100.0%	3.5	4.0	1.0	2.0	2.5	3.0	2.0	2.5	1.00	1.06	3.64
M 39/1122	14.04	173,888	100.0%	3.0	3.5	1.0	1.2	2.5	3.0	2.0	2.5	1.00	2.61	5.48
M 39/1129	7.63	94,435	100.0%	3.5	4.0	1.5	2.0	1.5	2.0	3.0	3.5	1.00	2.23	5.29
M 39/1137	2.29	28,386	100.0%	3.5	4.0	1.5	2.0	2.5	3.0	2.5	3.0	1.00	0.93	2.04
M 39/291	2.01	24,878	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.20	0.48
M 39/295	1.71	21,229	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.11	0.31
M 39/306	2.23	27,597	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.22	0.53
M 39/333	7.25	89,801	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.71	1.72
M 39/380	5.34	66,076	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.37	0.95
M 39/391	8.94	110,652	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.62	1.59
M 39/392	9.92	122,788	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.97	2.36
M 39/393	7.63	94,547	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.53	1.36
M 39/394	7.98	98,869	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.56	1.42
M 39/443	8.95	110,849	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.87	2.13
M 39/444	4.24	52,532	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.20	0.57
M 39/497	0.51	6,364	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.03	0.09
M 39/501	7.14	88,413	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.33	0.95

				Off-property		On-property		Geology		Anomaly		Market Factor	Valuation (A$ M)	
Permit	Area* (km^2)	BAC	Equity Interest	Low	High	Low	High	Low	High	Low	High		Low	High
M 39/747	9.47	117,217	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.66	1.69
M 39/799	0.16	1,952	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.01	0.02
M 39/937	0.40	4,994	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.04	0.10
M 39/938	0.79	9,785	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.05	0.14
M 39/993	1.80	22,274	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.12	0.32
M 39/1107	3.72	46,022	100.0%	3.5	4.0	3.0	3.5	2.5	3.0	2.0	2.5	1.00	2.42	4.83
M 39/18	0.76	9,414	100.0%	3.5	4.0	4.0	4.5	2.5	3.0	2.0	2.5	1.00	0.66	1.27
M 39/208	0.78	9,650	100.0%	3.5	4.0	2.5	3.0	2.5	3.0	3.0	3.5	1.00	0.63	1.22
M 39/228	4.79	59,326	100.0%	3.0	3.5	3.0	3.5	2.5	3.0	2.0	2.5	1.00	2.67	5.45
M 39/236	0.91	11,257	100.0%	3.5	4.0	4.0	4.5	2.5	3.0	2.0	2.5	1.00	0.79	1.52
M 39/240	4.15	51,429	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.27	0.74
M 39/248	8.87	109,860	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.62	1.58
M 39/250	3.26	40,393	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.21	0.58
M 39/261	0.53	6,595	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.02	0.07
M 39/264	4.49	55,645	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.44	1.07
M 39/272	7.36	91,193	100.0%	3.5	4.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.48	1.31
M 39/273	5.42	67,128	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.25	0.72
M 39/282	4.75	58,786	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.33	0.85
M 39/287	2.93	36,315	100.0%	3.0	3.5	1.5	2.0	2.5	3.0	2.0	2.5	1.00	0.82	1.91
M 39/304	4.36	53,946	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.30	0.78
M 39/305	4.18	51,737	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.29	0.75
M 39/36	0.12	1,438	100.0%	3.5	4.0	3.0	3.5	2.5	3.0	2.0	2.5	1.00	0.08	0.15
M 39/390	8.67	107,375	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.40	1.16

				Off-property		On-property		Geology		Anomaly		Market Factor	Valuation (A$ M)	
Permit	Area* (km^2)	BAC (A$)	Equity Interest	Low	High	Low	High	Low	High	Low	High		Low	High
M 39/395	3.18	39,377	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.15	0.43
M 39/403	9.63	119,247	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.67	1.72
M 39/441	4.59	56,894	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.5	2.0	1.00	0.32	0.82
M 39/442	3.05	37,818	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.14	0.41
M 39/504	3.84	47,608	100.0%	2.5	3.0	1.0	1.2	3.0	3.5	3.0	3.5	1.00	1.07	2.10
M 39/513	8.02	99,265	100.0%	2.5	3.0	1.0	1.2	1.5	2.0	1.0	1.5	1.00	0.37	1.07
M 39/745	4.85	60,076	100.0%	3.5	4.0	1.0	1.2	3.0	3.5	3.0	3.5	1.00	1.89	3.53

*Resource area removed where applicable

Appendix E: NTM Valuation

Table E-1: NTM-Geoscientific Rating Valuation

				Off-property		On-property		Anomaly		Geology		Market Factor	Valuation (A$ M)	
Permit	Area* (Ha)	BAC $/ha	Equity Interest	Low	High	Low	High	Low	High	Low	High		Low	High
E37/1205	3,983.0	$5	100.0%	3	3.5	1.2	1.5	2.5	3	2.5	3	**1.0**	0.44	0.93
E37/1252	2,718.0	$5	100.0%	3	3.5	1.2	1.5	2.5	3	2.5	3	1.0	0.30	0.63
E37/1259	1,508.0	$5	100.0%	3	3.5	1.2	1.5	1	1.2	0.9	1.2	1.0	0.02	0.06
E37/1270	301.0	$5	100.0%	3	3.5	1.2	1.5	1	1.2	0.9	1.2	1.0	0.01	0.01
E37/1284	18,740.0	$5	100.0%	3	3.5	1.2	1.5	2.5	3	2.5	3	1.0	2.08	4.36
E37/1285	20,857.0	$5	100.0%	3	3.5	1.2	1.5	2.5	3	2.5	3	1.0	2.31	4.85
E37/1288	1,178.0	$5	100.0%	3	3.5	1	1.2	1	1.2	0.9	1.2	1.0	0.02	0.04
E37/1289	3,985.0	$5	100.0%	3	3.5	1.2	1.5	2.5	3	0.9	1.2	1.0	0.16	0.37
E37/1314	8,766.0	$5	100.0%	3	3.5	1.2	1.5	2.5	3	2.5	3	1.0	0.97	2.04
E37/1356	10,859.0	$5	100.0%	3	3.5	1.2	1.5	1	1.2	0.9	1.2	1.0	0.17	0.40
ELA37/1399**	8,462.0	$5	100.0%	3	3.5	1.2	1.5	1	1.2	0.9	1.2	1.0	0.11	0.25
M37/1285	**526.0**	**$124**	100.0%	3	3.5	1.2	1.5	2.5	3	2.5	3	1.0	1.47	3.08

*Resource area removed where applicable
**Discounted by 20.0% due to application status

Annexure B – Scheme of Arrangement

Scheme of Arrangement

Parties

NTM Gold Limited

ACN 119 494 772 of Unit 4, 20 Altona Street, West Perth, Western Australia 6005

(NTM)

Holders of NTM Shares at the Record Date

(Scheme Shareholders)

Recitals

A. NTM is a public company limited by shares incorporated in Australia, and has been admitted to the official list of ASX.

B. Dacian is a public company limited by shares incorporated in Australia, and has been admitted to the official list of ASX.

C. NTM and Dacian have entered into the Scheme Implementation Deed, pursuant to which, amongst other things, NTM has agreed to propose the Scheme to NTM Shareholders, and each of NTM and Dacian have agreed to take certain steps to give effect to the Scheme.

D. If the Scheme becomes Effective, then:

(a) all the Scheme Shares will be transferred to Dacian and the Scheme Consideration will be provided to the Scheme Shareholders in accordance with the terms of the Scheme; and

(b) NTM will enter the name and address of Dacian in the NTM Share Register as the holder of the Scheme Shares.

It is agreed

1. Definitions and interpretation

1.1 Definitions

In this deed:

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691).

Business Day means:

(a) if determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and

(b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks and ASX are open for general banking business in Perth, Western Australia.

CHESS means the Clearing House Electronic Subregister System, which facilitates electronic security transfers in Australia, operated by ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction agreed in writing between the Parties.

Dacian means Dacian Gold Limited ACN 154 262 978.

Dacian Register means the register of Dacian members maintained by Dacian's registry service in accordance with the Corporations Act.

Dacian Shares mean fully paid ordinary shares in the capital of Dacian.

Deed Poll means the deed poll to be executed by Dacian in favour of Scheme Shareholders, a copy of which is annexed to the Scheme Booklet, under which Dacian covenants in favour of each Scheme Shareholder to perform its respective obligations under the Scheme and the Scheme Implementation Deed as regards the implementation of the Scheme.

Effective Date means the date on which the Scheme becomes Effective in accordance with section 411(10) of the Corporations Act.

Effective means, when used in relation to the Scheme, the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) in relation to the Scheme.

End Date means the date that is six months after the date of the Scheme Implementation Deed.

Government Agency means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

GST has the meaning given to that term in the *A New Tax System (Goods & Services Tax) Act 1999* (Cth).

Implementation Date means the third Business Day following the Record Date or such other date as ordered by the Court and agreed between NTM and Dacian.

Ineligible Foreign Holder means a NTM Shareholder whose address as shown in NTM's members' register is located outside Australia and its external territories or New Zealand unless Dacian is satisfied that it is permitted to allot and issue New Dacian Shares to that NTM Shareholder pursuant to the Scheme by the laws of that place, without having to comply with any governmental approval or other consent or registration, filing or other formality which Dacian regards as unduly onerous.

New Dacian Shares means the Dacian Shares to be issued to Scheme Shareholders as consideration for their Scheme Shares.

NTM Registry means Computershare Investor Services Pty Ltd (ACN 078 279 277).

NTM Share Register means the register of members of NTM maintained in accordance with the Corporations Act.

NTM Shareholder means a holder of NTM Shares.

NTM Shares mean fully paid ordinary shares in the capital of NTM.

Proceeds has the meaning given to that term in clause 5.7(a)(ii).

Record Date means 4.00pm on the day which is two Business Days following the Effective Date or such other date as ordered by the Court and agreed between NTM and Dacian.

Registered Address means the address of the Scheme Shareholder shown in the NTM Share Register.

Sale Agent means the person appointed by Dacian to sell the Scheme Consideration of Ineligible Foreign Holders pursuant to clause 5.7.

Scheme Booklet means the information to be approved by the Court and despatched to NTM Shareholders in relation to the Scheme pursuant to section 412 of the Corporations Act, including the explanatory statement in relation to the Scheme and the notice convening the Scheme meeting (together with a proxy form in relation to the meeting).

Scheme Consideration means the consideration to be provided by Dacian to Scheme Shareholders for the transfer of their Scheme Shares to Dacian under the Shares Scheme, comprising a Dacian Share for every 2.7 Scheme Shares held.

Scheme Implementation Deed means the scheme implementation deed between NTM and Dacian dated 15 November 2020.

Scheme means this scheme of arrangement, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by NTM and Dacian.

Scheme Meeting means the meeting of NTM Shareholders to be convened by the Court in relation to the Scheme.

Scheme Order means the order of the Court made for the purposes of section 411(4)(b) of the Corporations Act in respect of the Scheme.

Scheme Shareholders has the meaning given in the section of this deed headed “Parties”.

Scheme Shares mean NTM Shares on issue at the Record Date.

Scheme Transfer means for each Scheme Shareholder, a proper instrument of transfer of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be a master transfer of all Scheme Shares.

Second Court Date means the date on which the Second Court Hearing takes place.

Second Court Hearing means the hearing of the application made to the Court for the Scheme Order.

1.2 Interpretation

(a) Unless the contrary intention appears, a reference in this deed to:

(i) this deed or another document includes any variation or replacement of it despite any change in the identity of the parties;

(ii) one gender includes the others;

(iii) the singular includes the plural and the plural includes the singular;

(iv) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Agency or other entity includes any other of them;

(v) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed and a reference to this deed includes any schedule or attachment;

(vi) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;

(vii) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;

(viii) money is to Australian dollars, unless otherwise stated; and

(ix) a time is a reference to Perth time unless otherwise specified.

(b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.

(c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

(d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed.

(e) A provision of this deed must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed or the inclusion of the provision in this deed.

1.3 Business Days

(a) If anything under this deed must be done on a day that is not a Business Day, it must be done instead on the next Business Day.

(b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

(a) If a party consists of more than one person, this deed binds each of them separately and any two or more of them jointly.

(b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.

(c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. Preliminary

2.1 NTM

(a) NTM is a public company limited by shares under section 112(1) of the Corporations Act.

(b) NTM was incorporated in Western Australia on 11 May 2006 and has its registered office at Unit 4, 20 Altona Street, West Perth, Western Australia, 6005, Australia.

(c) As at the date of the Scheme Implementation Deed, NTM had the following securities on issue:

(i) 683,859,211 NTM Shares;

(ii) 60,000,000 NTM Options; and

(iii) 9,250,000 NTM Performance Rights.

2.2 Dacian

(a) Dacian is a public company limited by shares under section 112(1) of the Corporations Act.

(b) Dacian was incorporated in Western Australia on 23 November 2011 and has its registered office at Level 2, 1 Preston Street, Como, Western Australia, 6152, Australia.

2.3 Scheme Implementation Deed

Dacian and NTM have agreed, by executing the Scheme Implementation Deed, to implement the terms of the Scheme and to perform their respective obligations under the Scheme. Under the Scheme Implementation Deed, Dacian irrevocably guarantees the due and punctual performance of all of its obligations under or in connection with the Scheme.

2.4 Deed Poll

Dacian has executed the Deed Poll in favour of Scheme Shareholders pursuant to which Dacian has covenanted to perform its obligations under the Scheme, including to provide to each Scheme Shareholder the Scheme Consideration to which the Scheme Shareholder is entitled under the Scheme, and to carry out its other obligations under the Scheme Implementation Deed and do all things necessary or expedient on its part to implement the Scheme.

2.5 Effect of the Scheme

If the Scheme becomes Effective, but subject to clauses 3.1, 3.5, 3.6 and 3.7 then:

(a) Dacian will provide to each Scheme Shareholder the Scheme Consideration in accordance with the terms of the Scheme;

(b) subject to Dacian's compliance with its obligations in clause 2.5(a), all of the Scheme Shares will be transferred to Dacian; and

(c) NTM will enter the name and address of Dacian in the NTM Share Register as the holder of the Scheme Shares transferred to Dacian in accordance with the terms of the Scheme.

3. Conditions

3.1 Conditions of the Scheme

The Scheme is conditional upon:

(a) all of the conditions precedent in clause 3.1 of the Scheme Implementation Deed having been satisfied or waived in accordance with the terms of the Scheme Implementation Deed as at 8.00am on the Second Court Date;

(b) neither the Scheme Implementation Deed nor the Deed Poll having been terminated in accordance with their terms;

(c) the Scheme having been approved at the Scheme Meeting, with or without modification, by the requisite majority of NTM Shareholders in accordance with section 411(4)(a) of the Corporations Act or, if the Scheme is not agreed to by the requisite majority of NTM Shareholders, the Court orders otherwise in accordance with section 411(4)(a) of the Corporations Act; and

(d) the Court having approved the Scheme pursuant to section 411(4)(b) of the Corporations Act, without modification or with modifications which are acceptable to both NTM and Dacian.

3.2 Effect of conditions

The fulfilment of the conditions in clause 3.1 is a condition precedent to the operation of the provisions of clauses 4, 5, 6, and 7 of this deed.

3.3 Certificate

NTM must provide, and must procure Dacian to provide, to the Court on the Second Court Date a certificate signed by at least one of its respective directors (or such other evidence as the Court may request) stating (to the best of its knowledge) whether or not all the conditions precedent in clauses 3.1(a)to 3.1(c) (inclusive) have been satisfied or waived (subject to the terms of the Scheme Implementation Deed) as at 8.00am on the Second Court Date.

3.4 Conclusive evidence

The giving of a certificate by each of NTM and Dacian in accordance with clause 3.3 will, in the absence of manifest error, be conclusive evidence of the matters referred to in the certificate.

3.5 Termination of Scheme Implementation Deed

Without limiting any rights under the Scheme Implementation Deed, if the Scheme Implementation Deed is terminated in accordance with its terms before 8.00am on the Second Court Date, NTM and Dacian are each released from:

(a) any further obligation to take steps to implement the Scheme; and

(b) any liability with respect to the Scheme,

provided that NTM and Dacian retain the rights they have against each other in respect of any prior breach of the Scheme Implementation Deed.

3.6 Effective Date

The Scheme will take effect on the Effective Date.

3.7 End Date

The Scheme will lapse and be of no further force or effect if the Effective Date has not occurred on or before the End Date.

4. Scheme

4.1 Lodgement of Court order

Following the approval of the Scheme by the Court in accordance with section 411(4)(b) of the Corporations Act, NTM will, on the following Business Day, lodge with ASIC an office copy of the Scheme Order in accordance with section 411(10) of the Corporations Act.

4.2 Transfer of Scheme Shares

On the Implementation Date, in consideration of and subject to the provision by Dacian of the Scheme Consideration, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at that date, will be transferred to Dacian without the need for any further acts by any Scheme Shareholder (other than acts performed by NTM as attorney and agent for Scheme Shareholders under clause 6.3) by:

(a) NTM duly executing and delivering to Dacian a Scheme Transfer for all of the Scheme Shares, executed by NTM as attorney for Scheme Shareholders; and

(b) Dacian duly executing and delivering the Scheme Transfer back to NTM.

4.3 Transfer documentation

As soon as practicable after receipt by NTM of the Scheme Transfer duly executed by Dacian as transferee pursuant to clause 4.2(b), but in any event on the Implementation Date, NTM must register Dacian in the NTM Share Register as the holder of all of the Scheme Shares.

4.4 Provision of Scheme Consideration

In consideration for the transfer of each Scheme Share to Dacian, Dacian must, on the Implementation Date, issue to each Scheme Shareholder the number of New Dacian Shares due to that Scheme Shareholder as Scheme Consideration in accordance with, and subject to, the terms of this Scheme and the Deed Poll.

4.5 Beneficial entitlement by Dacian

From the time of the provision of the Scheme Consideration to Scheme Shareholders in accordance with clause 4.4, Dacian will be beneficially entitled to the Scheme Shares (together with all rights and entitlements attached to the Scheme Shares) to be transferred to it under the Scheme pending the registration of Dacian in the NTM Share Register as the holder of the Scheme Shares.

4.6 Enforcement of Deed Poll

NTM undertakes in favour of each Scheme Shareholder to enforce the Deed Poll against Dacian on behalf of and as agent for the Scheme Shareholders.

5. Scheme Consideration

5.1 Entitlement to Scheme Consideration

On the Implementation Date, in consideration of the transfer to Dacian of the Scheme Shares, each Scheme Shareholder will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares in accordance with, and subject to the terms of this Scheme and the Deed Poll.

5.2 Provision of Scheme Consideration

(a) Dacian will issue to each Scheme Shareholder the number of New Dacian Shares due to that Scheme Shareholder as consideration under the Scheme by:

(i) on the Implementation Date, issuing each Scheme Shareholder one New Dacian Share (rounded to the nearest New Dacian Share on an aggregated basis) for every 2.7 Scheme Shares registered in the Scheme Shareholder's name in the NTM Share Register at the Record Date, which obligation will be satisfied by causing the name and Registered Address (at the Record Date) of the Scheme Shareholder to be entered into Dacian's Register as the holder of New Dacian Shares issued to that Scheme Shareholder; and

(ii) within 10 Business Days after the Implementation date, procuring the dispatch to that Scheme Shareholder, if their New Dacian Shares are held on the issuer sponsored subregister of Dacian, to their Registered Address (as at the Record Date), of an uncertified holding statement in the name of the Scheme Shareholder relating to the number of New Dacian Shares issued to that Scheme Shareholder.

5.3 Status of New Dacian Shares

The New Dacian Shares to be issued in accordance with this Scheme will:

(a) be validly issued;

(b) be fully paid; and

(c) rank equally in all respects with all other Dacian Shares then on issue (other than in respect of any dividend already declared and not yet paid by Dacian, where the record date for entitlement to that dividend occurred prior to the Implementation Date).

5.4 Quotation of New Dacian Shares

Dacian will use its best endeavours to ensure that the New Dacian Shares are quoted on ASX as soon as practicable after the Effective Date.

5.5 Joint holders

In the case of Scheme Shares held in joint names, any uncertificated holding statements for New Dacian Shares to be issued to Scheme Shareholders will be issued in the names of the joint holders and will be forwarded to the holder whose name appears first in the NTM Share Register on the Record Date.

5.6 Scheme Shareholders bound

Each Scheme Shareholder who is to receive New Dacian Shares under this Scheme agrees (for all purposes, including section 231 of the Corporations Act) to:

(a) become a member of Dacian and to accept the New Dacian Shares issued to them under this Scheme subject to, and to be bound by, Dacian's constitution and other constituent documents; and

(b) have their name and address entered into the Dacian Register.

5.7 Ineligible Foreign Holders

(a) Dacian will be under no obligation under this Scheme to issue, and will not issue, any New Dacian Shares to Ineligible Foreign Holders, and instead:

(i) all New Dacian Shares which would otherwise be required to be issued to any Ineligible Foreign Holder under the Scheme, if they were eligible to receive them, will be issued to the Sale Agent;

(ii) Dacian will procure that, as soon as reasonably practicable (and in any event not more than 30 Business Days on which Dacian Shares are capable of being traded on ASX after the Implementation Date), the Sale Agent sells on ASX all Dacian Shares issued to the Sale Agent pursuant to clause 5.7(a)(i) in such manner, at such price and on such other terms as the Sale Agent determines in good faith (and at the risk of the Ineligible Foreign Holders), and remits to Dacian the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**); and

(iii) Dacian will pay to each Ineligible Foreign Holder such fraction of the Proceeds as is equal to the number of New Dacian Shares which would have been issued to that Ineligible Foreign Holder (if they were eligible to receive Dacian Shares) divided by the total number of New Dacian Shares issued to the Sale Agent under clause 5.7(a)(i), promptly after the last sale of the New Dacian Shares by the Sale Agent,

in full satisfaction of Dacian's obligations to those Ineligible Foreign Holders under the Scheme in respect of the Scheme Consideration.

(b) Dacian will pay the relevant fraction of the Proceeds to each Ineligible Foreign Holder by either:

(i) dispatching, or procuring the dispatch, to that Ineligible Foreign Holder by prepaid post to that Ineligible Foreign Holder's Registered Address (at the Record Date), a cheque in the name of that Ineligible Foreign Holder; or

(ii) making a deposit in an account with any ADI (as defined in the Banking Act 1959 (Cth)) in Australia notified by that Ineligible Foreign Holder to NTM (or the NTM Registry) and recorded in or for the purposes of the NTM Share Register at the Record Date,

for the relevant amount, with that amount being denominated in Australian dollars.

(c) Each Ineligible Foreign Holder appoints NTM as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Sale Agent is required to provide to Ineligible Foreign Holders under the Corporations Act.

6. Scheme Shareholders

6.1 Authority given to NTM

Each Scheme Shareholder will be deemed (without the need for any further act) to have irrevocably authorised NTM (and each of its directors and officers, jointly and severally) as agent and attorney to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary to implement and give full effect to this Scheme and the transactions contemplated by it, including (without limitation):

(a) executing a proper instrument of transfer (including for the purposes of section 1071B of the Corporations Act) of their Scheme Shares in favour of Dacian, which may be a master transfer of some or all Scheme Shares; and

(b) where Scheme Shares are held in a CHESS holding, causing a message to be transmitted to ASX Settlement in accordance with the ASX Operating Rules to transfer the Scheme Shares held by the Scheme Shareholder from the CHESS sub-register to

the issuer sponsored sub-register operated by NTM and subsequently completing a proper instrument of transfer under paragraph 6.1(a) above.

6.2 Appointment of sole proxy

Upon the Scheme Consideration being issued by Dacian, and until Dacian is registered as the holder of all Scheme Shares in the NTM Share Register, each Scheme Shareholder:

(a) is deemed to have appointed Dacian as attorney and agent (and directed Dacian in such capacity) to appoint the chairman of Dacian as its sole proxy and, where applicable, corporate representative, to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution, and no Scheme Shareholder may itself attend or vote at any of those meetings or sign any resolutions, whether in person, by proxy or by corporate representative (other than pursuant to this clause 6.2(a)); and

(b) must take all other actions in the capacity of a registered holder of Scheme Shares as Dacian reasonably directs.

6.3 Appointment of NTM as sole attorney and agent

Each Scheme Shareholder, without the need for any further act, irrevocably appoints NTM and each of the directors and officers of NTM, jointly and severally, as the Scheme Shareholder's attorney and agent for the purpose of executing any document necessary or expedient to give effect to the Scheme (including executing a Scheme Transfer and any instrument appointing Dacian as sole proxy for or, where applicable, corporate representative of each Scheme Shareholder as contemplated by clause 6.2) or doing any other act necessary or desirable to give full effect to the Scheme and the transactions contemplated by it.

6.4 Scheme Shareholder's consent

Each Scheme Shareholder:

(a) consents to NTM doing all things and executing all deeds, instruments, transfers or other documents as may be necessary, incidental or expedient to the implementation and performance of the Scheme and NTM, as agent of each Scheme Shareholder, may sub-delegate its functions under this clause 6.4 to any of its directors and officers, severally; and

(b) agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares to Dacian, in accordance with the Scheme.

6.5 Warranties by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to NTM, in its own right and for the benefit of Dacian, that:

(a) all of their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred to Dacian under the Scheme will be transferred to Dacian free from all mortgages, pledges, charges, liens, encumbrances and security interests and other interests of third parties of any kind, whether legal or otherwise (but acknowledging that a security interest holder may potentially have an interest in the Scheme Consideration in accordance with the terms of such security interest); and

(b) they have full power and capacity to sell and transfer their Scheme Shares to Dacian (including any rights and entitlements attaching to those shares).

7. Dealings in NTM Shares

7.1 Determination of Scheme Shareholders

(a) For the purpose of establishing the persons who are Scheme Shareholders, dealings in Scheme Shares will only be recognised if:

(i) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the NTM Share Register as the holder of the relevant Scheme Shares at the Record Date; and

(ii) in all other cases, registrable transmission applications or transfers in registrable form in respect of those dealings are received at or before the Record Date at the place where the NTM Share Register is kept.

(b) NTM must register registrable transmission applications or transfers of the kind referred to in clause 7.1(a)(ii) by the Record Date.

(c) NTM will not accept for registration or recognise for any purpose any transmission applications or transfers in respect of Scheme Shares received after the Record Date, other than a transfer to Dacian in accordance with the Scheme and any subsequent transfer by Dacian, or its successors in title.

(d) If the Scheme becomes Effective, a holder of NTM Shares (and any person claiming through that holder) must not dispose of or purport to agree to dispose of any NTM Shares or any interest in them after the Effective Date and any such disposal will be void and of no legal effect whatsoever.

7.2 Maintenance of NTM Share Register

(a) For the purpose of determining entitlements to the Scheme Consideration, NTM will, until the Scheme Consideration has been provided, maintain the NTM Share Register in accordance with the provisions of this clause 7.2 and the NTM Share Register in this form will solely determine entitlements to the Scheme Consideration.

(b) All certificates and holding statements for Scheme Shares (other than holding statements in favour of Dacian and its successors in title after the Implementation Date) will cease to have any effect from the Record Date as documents of title in respect of those Scheme Shares. Subject to provision of the Scheme Consideration by Dacian and registration of the transfer to Dacian of the Scheme Shares contemplated by clauses 5.1 and 5.2, after the Record Date, each entry current at that date on the NTM Share Register relating to Scheme Shares will cease to be of any effect other than as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

7.3 Information to be made available to Dacian

NTM will procure that, as soon as reasonably practicable after the Record Date, details of the names, Registered Addresses and holdings of Scheme Shares of every Scheme Shareholder as shown in the NTM Share Register as at the Record Date are made available to Dacian in such form as Dacian reasonably requires.

7.4 Instructions and elections

If not prohibited by law (and including where permitted or facilitated by relief granted by a Government Agency), all instructions, notifications or elections by a Scheme Shareholder to NTM that are binding or deemed binding between the Scheme Shareholder and NTM relating to NTM or NTM Shares, including instructions, notifications or elections relating to:

(a) whether dividends are to be paid by cheque or into a specific bank account;

(b) payments of dividends on NTM Shares; and

(c) notices or other communications from NTM (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by Dacian in its sole discretion), by reason of the Scheme, to be made by the Scheme Shareholder to Dacian and to be a binding instruction, notification or election to, and accepted by, Dacian in respect of the New Dacian Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to Dacian at its registry.

8. Notices

8.1 General

Any notice, transfer, transmission, application, direction, demand, consent or other communication (**Notice**) given or made under this document must be in writing in English and signed by the sender or a person duly authorised by the sender.

8.2 Communications by post

Subject to clause 8.3, where a Notice referred to in this document is sent by post to NTM, it will not be deemed to have been received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at NTM's registered office or at the NTM Registry.

8.3 After hours communications

If a Notice is given:

(a) after 5.00pm in the place of receipt; or

(b) on a day which is a Saturday, Sunday or bank or public holiday in the place of receipt,

it is taken as having been given at 9.00am on the next day which is not a Saturday, Sunday or bank or public holiday in that place.

9. General

9.1 NTM and Scheme Shareholders bound

The Scheme binds NTM and all Scheme Shareholders (including Scheme Shareholders who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme) and will, for all purposes, to the extent of any inconsistencies and permitted by law, have effect notwithstanding any provision in the constitution of NTM.

9.2 Further assurances

Subject to clause 9.3, NTM will execute all documents and do all acts and things (on its own behalf and on behalf of each NTM Shareholder) necessary or expedient for the implementation of, and performance of its obligations under, the Scheme.

9.3 Alterations and conditions

NTM may, with the consent of Dacian, by its counsel consent on behalf of all Scheme Shareholders to any modifications or conditions which the Court thinks fit to impose, provided that in no circumstances will NTM be obliged to do so.

9.4 GST

NTM must pay to the Scheme Shareholders an amount equal to any GST for which the Scheme Shareholders are liable on any supply by the Scheme Shareholders under or in connection with the Shares Scheme, without deduction or set off of any other amount.

9.5 Costs

Any costs, and any stamp duty and any related fines, interest or penalties, which are payable on or in respect of this document or on any document referred to in this document will be paid as provided for in the Scheme Implementation Deed. For the avoidance of doubt, Scheme Shareholders do not have to pay any stamp duty, related fines, interest or penalties which are payable on or in respect of this document or any document referred to in this document.

9.6 Governing law and jurisdiction

(a) This document is governed by and is to be construed in accordance with the laws applicable in Western Australia.

(b) Each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia and any courts which have jurisdiction to hear appeals from any of those courts and waives any right to object to any proceedings being brought in those courts.

Annexure C – Deed Poll

Deed Poll

Date	25 January 2021
Parties	**Dacian Gold Limited** ACN 154 262 978 of Level 2, 1 Preston Street, Como, Western Australia 6152 **(Dacian)** **Each holder of NTM Shares at the Record Date** **(Scheme Shareholders)**

Recitals

A. Dacian and NTM have entered into the Scheme Implementation Deed.

B. Pursuant to the terms of the Scheme Implementation Deed, NTM has agreed to propose the Scheme.

C. Under the Scheme, all Scheme Shares held by Scheme Shareholders will be transferred to Dacian for the Scheme Consideration.

D. Dacian enters into this deed to covenant in favour of Scheme Shareholders to perform its obligations under the Scheme.

It is agreed by Dacian

1. Definitions and interpretation

1.1 Definitions

In this deed:

ASX means ASX Limited (ABN 98 008 634 691).

Business Day means:

(a) if determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and

(b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks and ASX are open for general banking business in Perth, Western Australia.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Supreme Court of Western Australia or such other Court of competent jurisdiction agreed in writing between the Parties.

Dacian Shares mean fully paid ordinary shares in the capital of Dacian.

Effective Date means the date on which the Scheme becomes Effective in accordance with section 411(10) of the Corporations Act.

Effective means, when used in relation to the Scheme, the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) in relation to the Scheme.

End Date means the date that is six months after the date of the Scheme Implementation Deed.

Implementation Date means the third Business Day following the Record Date or such other date as ordered by the Court and agreed between NTM and Dacian.

Ineligible Foreign Holder means a NTM Shareholder whose address as shown in NTM's members' register is located outside Australia and its external territories or New Zealand unless Dacian is satisfied that it is permitted to allot and issue New Dacian Shares to that NTM Shareholder pursuant to the Scheme by the laws of that place, without having to comply with any governmental approval or other consent or registration, filing or other formality which Dacian regards as unduly onerous.

New Dacian Shares means the Dacian Shares to be issued to Scheme Shareholders as consideration for their Scheme Shares.

NTM means NTM Gold Limited (ACN 119 494 772).

NTM Share Register means the register of members of NTM maintained in accordance with the Corporations Act.

NTM Shareholder means a holder of NTM Shares.

NTM Shares mean fully paid ordinary shares in the capital of NTM.

Record Date means 5.00pm on the day which is two Business Days following the Effective Date or such other date as ordered by the Court and agreed between NTM and Dacian.

Scheme Implementation Deed means the scheme implementation deed between NTM and Dacian dated 15 November 2020.

Scheme Order means the order of the Court made for the purposes of section 411(4)(b) of the Corporations Act in respect of the Scheme.

Scheme Shares mean the NTM Shares on issue at the Record Date.

Second Court Date means the date on which the Second Court Hearing takes place.

Second Court Hearing means the hearing of the application made to the Court for the Scheme Order.

Scheme Consideration means the consideration to be provided by Dacian to Scheme Shareholders for the transfer of their Scheme Shares to Dacian under the Shares Scheme, comprising one Dacian Share for every 2.7 Scheme Shares held.

Scheme means the scheme of arrangement between NTM and NTM Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by NTM and Dacian.

1.2 Interpretation

(a) Unless the contrary intention appears, a reference in this a deed to:

(1) this deed or another document includes any variation or replacement of it despite any change in the identity of the parties;

(2) one gender includes the others;

(3) the singular includes the plural and the plural includes the singular;

(4) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;

(5) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed and a reference to this deed includes any schedule or attachment;

(6) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;

(7) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;

(8) money is to Australian dollars, unless otherwise stated; and

(9) a time is a reference to Western Australia time unless otherwise specified.

(b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.

(c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.

(d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed.

(e) A provision of this deed must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed or the inclusion of the provision in this deed.

1.3 Business Days

(a) If anything under this deed must be done on a day that is not a Business Day, it must be done instead on the next Business Day.

(b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

1.4 Parties

(a) If a party consists of more than one person, this deed binds each of them separately and any two or more of them jointly.

(b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.

(c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.

2. Nature of deed poll

Dacian acknowledges that:

(a) this deed may be relied on and enforced by any Scheme Shareholder in accordance with its terms, even though Scheme Shareholders are not party to it; and

(b) under the Scheme, each Scheme Shareholder irrevocably appoints NTM and any of NTM's directors as its agent and attorney, inter alia, to enforce this deed against Dacian.

3. Conditions precedent and termination

3.1 Conditions precedent

The obligations of Dacian pursuant to this deed are subject to the Scheme becoming Effective.

3.2 Termination of deed

If:

(a) the Scheme Implementation Deed is terminated in accordance with its terms; or

(b) the Scheme does not become Effective on or before the End Date,

Dacian's obligations under this deed will automatically terminate, unless Dacian and NTM otherwise agree in writing in accordance with the Scheme Implementation Deed.

3.3 Consequences of termination

If this deed is terminated under clause 3.2 then, in addition and without prejudice to any other rights, power or remedies available to Scheme Shareholders:

(a) Dacian is released from any obligation to further perform this deed; and

(b) each Scheme Shareholder retains any rights, power or remedies it has against Dacian in respect of any breach of this deed by Dacian which occurred before termination of this deed.

4. Certificate in relation to conditions

Dacian must provide to the Court on the Second Court Date a certificate which is signed by at least one director of Dacian (or such other evidence as the Court may request) stating, to the best of its knowledge, whether or not the conditions precedent to the Scheme have been satisfied or waived, subject to the terms of the Scheme Implementation Deed as at 8.00am on the Second Court Date.

5. Scheme Consideration

5.1 Performance of obligations generally

Subject to clause 3, Dacian must comply with its obligations under the Scheme Implementation Deed and must do all things necessary or desirable on its part to implement the Scheme.

5.2 Provision of Scheme Consideration

Subject to clauses 3 and 5.4, in consideration of the transfer of the Scheme Shares to Dacian, Dacian must:

(a) acquire all of the Scheme Shares from Scheme Shareholders, in accordance with the provisions of the Scheme;

(b) issue and allot the Scheme Consideration to each Scheme Shareholder (other than to Ineligible Foreign Holders who will be dealt with in accordance with clause 5.4); and

(c) otherwise do all things necessary or expedient on its part to implement the Scheme.

5.3 Satisfaction of obligation to provide Scheme Consideration

The obligation of Dacian to provide the Scheme Consideration referred to in clause 5.2(b) will be satisfied by Dacian:

(a) on the Implementation Date, entering in the register of members of Dacian the name of each Scheme Shareholder, in relation to the New Dacian Shares issued to each Scheme Shareholder as Scheme Consideration in accordance with the Scheme; and

(b) within 10 Business Days after the Implementation Date, dispatching to each Scheme Shareholder, if their New Dacian Shares are held on the issuer sponsored subregister of Dacian, to his or her address as recorded in the NTM Share Register at the Record Date, an uncertificated holding statement in the name of that Scheme Shareholder representing the number of New Dacian Shares issued to that Scheme Shareholder.

5.4 Ineligible Foreign Holders

Dacian will be under no obligation under the Scheme to issue, and will not issue, any New Dacian Shares to an Ineligible Foreign Holder, and instead where a Scheme Shareholder is an Ineligible Foreign Holder, the number of New Dacian Shares to which the Scheme Shareholder would otherwise be entitled will be allotted to a nominee approved by NTM who will sell those New Dacian Shares as soon as practicable (at the risk of that Ineligible Foreign Holder) and pay the proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to that Ineligible Foreign Holder in full satisfaction of that Ineligible Foreign Holder's rights under the Scheme to Scheme Consideration.

5.5 Joint holders

In the case of Scheme Shares held by Scheme Shareholders in joint names:

(a) any entry in the register of members of Dacian required to be made must record the names and registered addresses of the joint holders; and

(b) any uncertificated holding statement for New Dacian Shares must be issued to Scheme Shareholders in the names of the joint holders and must be forwarded to the holder whose name first appears in the NTM Share Register at the Record Date.

6. Quotation of New Dacian Shares

Dacian must use its best endeavours to procure that the New Dacian Shares to be issued pursuant to the Scheme will be quoted on ASX initially on a deferred settlement basis on and from the Business Day after the Effective Date, and on an ordinary settlement basis on and from the Business Day following the Implementation Date.

7. Representations and warranties

Dacian represents and warrants that:

(a) it is a company limited by shares and validly existing under the Corporations Act;

(b) it has full legal capacity and power to enter into this deed and to carry out the transactions that this deed contemplates;

(c) it has taken all corporate action that is necessary or desirable to authorise its entry into this deed and it carrying out the transactions this deed contemplates; and

(d) this deed constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditor's rights generally) subject to any necessary stamping.

8. Continuing obligations

This deed is irrevocable and, subject to clause 3, remains in full force and effect until Dacian has completely performed its obligations under this deed or the earlier termination of this deed under clause 3.

9. Notices

9.1 Form

Any notice or other communication to or by any party must be:

(a) in writing and in the English language;

(b) addressed to the address of the recipient in clause 9.4 or to any other address as the recipient may have notified the sender; and

(c) be signed by the party or by an Authorised Officer of the sender.

9.2 Manner

In addition to any other method of service authorised by law, the notice may be:

(a) personally served on a party;

(b) left at the party's current address for service;

(c) sent to the party's current address for service by prepaid ordinary mail or if the address is outside Australia by prepaid airmail; or

(d) sent by electronic mail to the party's electronic mail address.

9.3 Time

If a notice is sent or delivered in the manner provided in clause 9.2 it must be treated as given to or received by the addressee in the case of:

(a) delivery in person, when delivered;

(b) delivery by post:

(1) in Australia to an Australian address, the second Business Day after posting; or

(2) in any other case, on the tenth Business Day after posting; or

(c) electronic mail, when the sender's computer reports that the message has been delivered to the electronic mail address of the addressee,

but if delivery is made after 5.00pm on a Business Day it must be treated as received on the next Business Day in that place.

9.4 Initial details

The addresses and numbers for service are initially:

Dacian:

Address: Level 2, 1 Preston Street, Como, Western Australia 6152

Electronic Mail: info@daciangold.com.au

Attention: Managing Director

9.5 Changes

A party may from time to time change its address or numbers for service by notice to each other party.

10. Governing law and jurisdiction

10.1 Governing law

This deed is governed by and construed in accordance with the laws of Western Australia.

10.2 Jurisdiction

Each party irrevocably:

(a) submits to the non-exclusive jurisdiction of the courts of Western Australia and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed; and

(b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph 9.2(a).

11. Miscellaneous

11.1 Exercise rights

A single or partial exercise or waiver by a party of any right under or relating to this deed will not prevent any other exercise of that right or the exercise of any other right.

11.2 Merger

If the liability of a party to pay money under this deed becomes merged in any deed, judgment, order or other thing, the party liable must pay interest on the amount owing from time to time under that deed, judgment, order or other thing at the higher of the rate payable under this deed and that fixed by or payable under that deed, judgment, order or other thing.

11.3 Moratorium legislation

Any law which varies prevents or prejudicially affects the exercise by a party of any right, power or remedy conferred on it under this deed is excluded to the extent permitted by law.

11.4 No assignment

A party must not assign, transfer or novate all or any part of its rights or obligations under or relating to this deed or grant, declare, create or dispose of any right or interest in it, without the prior written consent of each other party.

11.5 Remedies cumulative

The rights and remedies under this deed are cumulative and not exclusive of any rights or remedies provided by law.

11.6 Severability

If a provision of this deed is illegal, invalid, unenforceable or void in a jurisdiction it is severed for that jurisdiction and the remainder of this deed has full force and effect and the validity or enforceability of that provision in any other jurisdiction is not affected.

11.7 Further assurance

Each party must promptly at its own cost do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed and the transactions contemplated by it.

11.8 Costs

Each party is responsible for all its own costs incurred in the negotiation and performance of this deed including legal costs.

11.9 Taxes

Dacian must:

(a) pay all taxes which may be payable or determinable in connection with the execution, delivery, performance or enforcement of this deed or any payment or receipt or of any transaction contemplated by this deed; and

(b) indemnify NTM against any liabilities resulting from any delay or omission by Dacian to pay any taxes.

11.10 Time

(a) Time is of the essence of this deed.

(b) If the parties agree to vary a time requirement, the time requirement so varied is of the essence of this deed.

(c) An agreement to vary a time requirement must be in writing.

11.11 Variation

An amendment or variation to this deed is not effective unless it is in writing and signed by the parties.

11.12 Waiver

(a) A party's waiver of a right under or relating to this deed, whether prospectively or retrospectively, is not effective unless it is in writing and signed by that party.

(b) No other act, omission or delay by a party will constitute a waiver of a right.

11.13 Counterparts

This deed may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument. A party who has executed a counterpart of this deed may deliver it to, or exchange it with, another party by:

(a) faxing; or

(b) emailing a pdf (portable document format) copy of,

the executed counterpart to that other party.

11.14 **Whole agreement**

This deed:

(a) is the entire agreement and understanding between the parties relating to the subject matter of this deed; and

(b) supersedes any prior agreement, representation (written or oral) or understanding on anything connected with that subject matter.

Signing page

Executed as a deed

Executed by **Dacian Gold Limited (ACN 154 262 978)** in accordance with section 127 of the Corporations Act:

Signature redacted for public release

Signature of Director

Signature redacted for public

Name of Director in full

Signature redacted for public

Signature of Secretary/~~other Director~~

Signature redacted for public

Name of Secretary/~~other Director~~ in full

Annexure D – Notice of Scheme Meeting

Notice of Scheme Meeting of NTM Shareholders

Notice is hereby given that, by order of the Supreme Court of Western Australia (**Court**) made on 27 January 2021 pursuant to section 411(1) of the Corporations Act, a meeting of NTM Shareholders will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia, on 3 March 2021 commencing at 11:00am (Perth time).

The Court has also directed that Derek La Ferla act as chairman of the Scheme Meeting, or failing him, Hedley Roost, and has directed the chairman to report the result of the Scheme Meeting to the Court.

As a result of the potential health risks associated with large gatherings and the COVID-19 pandemic, NTM is granting NTM Shareholders the option to attend the Scheme Meeting electronically.

Purpose of the Scheme Meeting

The purpose of the Scheme Meeting is to consider and, if thought fit, to agree (with or without modification) to a scheme of arrangement proposed to be made between NTM and the NTM Shareholders.

A copy of the Scheme and the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet of which this notice forms part. Terms and abbreviations used in this notice and in the Scheme Booklet are defined in the Scheme Booklet.

Resolution – Approval of Scheme

To consider, and if thought fit, to pass the following resolution:

> *"That pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between NTM and NTM Shareholders, as contained in and more particularly described in the document of which the notice convening this meeting forms part, is approved (with or without modification as approved by the Supreme Court of Western Australia)."*

Majority Required

To pass the resolution approving the Scheme, votes in favour of the Scheme must be cast by:

- more than 50% in number of NTM Shareholders present and voting (whether in person, by proxy, by attorney or, in the case of a corporation, by corporate representative); and
- at least 75% of the total number of votes cast on the resolution by NTM Shareholders.

Voting at the Scheme Meeting will be by poll rather than by show of hands.

Dacian is excluded from voting on the Scheme by reason of the fact that it is the proponent of the Scheme. As at the date of the Scheme Booklet, neither Dacian nor any of its Associates hold any NTM Shares.

How to Vote

NTM Shareholders can vote in either of two ways:

- by attending the Scheme Meeting and voting in person or by attorney or, in the case of corporate NTM Shareholders, by corporate representative; or

- by appointing a proxy to attend and vote on their behalf, using the proxy form enclosed with the Scheme Booklet.

Voting in Person (or by Attorney or Corporate Representative)

NTM Shareholders or their attorneys who plan to attend the Scheme Meeting are asked to arrive at the venue 30 minutes prior to the time designated for the Scheme Meeting so that the shareholding can be checked against the NTM Register and attendances can be noted. If a NTM Shareholder wishes to appoint an attorney, that NTM Shareholder will need to provide NTM with an original or certified copy of the power of attorney under which they authorise the attorney to attend and vote at the Scheme Meeting at least 48 hours prior to the commencement of the Scheme Meeting. In order to vote in person at the meeting, a NTM Shareholder which is a corporation may appoint an individual to act as its representative. The appointment must comply with the requirements of section 250D of the Corporations Act. A corporate NTM Shareholder should obtain an "Appointment of Corporate Representative" form from Computershare and complete that form in accordance with its instructions. The representative should bring this form, duly completed, to the Scheme Meeting and any authority under which it is signed, unless this has already been provided and is kept at Computershare.

Voting Online

NTM Shareholders and their proxies, attorneys or corporate representatives will be able to participate in the Scheme Meeting through on online platform at http://web.lumiagm.com (Meeting ID - 376-594-502). This online platform will allow NTM Shareholders to attend the Scheme Meeting in real time and allow them to vote and ask questions in relation to the Resolution.

NTM Shareholders should try to log on to the online platform at least 15 minutes prior to the scheduled start time for the Scheme Meeting.

NTM Shareholders who wish to participate electronically may do so. For instructions on how to participate online please view the online meeting user guide at http:// www.computershare.com.au/virtualmeetingguide.

Online voting will be open between the commencement of the Scheme Meeting at 11:00am (Perth Time) on 3 March 2021 and the time at which the chairman announces that voting has closed.

Jointly Held NTM Shares

If the NTM Shares are jointly held, only one of the joint shareholders is entitled to vote. If more than one shareholder votes in respect of jointly held NTM Shares, only the vote of the shareholder whose name appears first on the NTM Share Register will be counted.

Proxy Instructions

- A NTM Shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Scheme Meeting.

- The appointment of a proxy may specify the proportion or the number of votes that the proxy may exercise. Where two proxies are appointed, unless the appointment specifies the proportion or number of the NTM Shareholder's votes, each proxy may exercise half of the votes. Fractions of votes will be disregarded.

- A proxy may, but need not be, a NTM Shareholder.

- If a proxy is instructed to abstain from voting on any item of business, that person is directed not to vote on the NTM Shareholder's behalf on a poll and the NTM Shares the subject of the proxy appointment will not be counted in computing the required majority.

- If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting, as that person thinks fit.

- NTM Shareholders who return their proxy forms with a direction on how to vote but without nominating the identity of their proxy will be taken to have appointed the chairman of the Scheme Meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the Scheme Meeting, the chairman of the Scheme Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the chairman of the Scheme Meeting, the secretary or any director which do not contain a direction will, in the absence of a change in circumstances, be used to vote in favour of the Scheme.

- A vote given in accordance with the terms of a proxy is valid despite the revocation of the proxy, unless notice in writing of the revocation has been received by NTM or Computershare before commencement of the Scheme Meeting.

- Appointing a proxy will not preclude you from attending the Scheme Meeting in person and voting at the Scheme Meeting instead of your proxy.

- Completed proxy forms may be lodged by:

  - using one of the reply paid envelopes enclosed with the Scheme Booklet (if a printed copy is requested);

  - by using the **COMPUTERSHARE ONLINE VOTING** facility detailed on the proxy form; OR

  - by posting, delivery or facsimile to the NTM share registry as follows:

    By Mail: Computershare Investor Services Pty Limited
    GPO Box 1282
    Melbourne Victoria 3001
    AUSTRALIA.

    Fax: 1800 783 447 (within Australia)
    +61 (03) 9473 2555 (outside Australia).

- To be valid for the Scheme Meeting, completed proxy forms (and any power of attorney under which they are signed) must be received by no later than **4:00pm (Perth Time) on 1 March 2021**.

- The proxy form must be signed by the NTM Shareholder or the NTM Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointor's attorney, a certified copy of the power of attorney, or the power itself, must be received by Computershare at the above addresses or by facsimile transmission by **4:00pm (Perth Time) on 1 March 2021**. If facsimile transmission is used, the power of attorney must be certified.

NTM Shareholders who are Entitled to Vote

Pursuant to section 411 of the Corporations Act and all other enabling powers, the Court has determined that the time for determining a person's entitlement to vote at the Scheme Meeting is

4:00pm (Perth Time) on 1 March 2021. Only those NTM Shareholders entered on the NTM Share Register as at that time will be entitled to attend and vote at the Scheme Meeting. Registrable transfers or transmission applications received after this time will be disregarded in determining entitlements to vote at the Scheme Meeting.

Court Approval

In accordance with section 411(4)(b) of the Corporations Act, the Scheme (with or without modification) will not be implemented unless it is approved by an order of the Court. If the resolution put to the Scheme Meeting is passed by the majority required, NTM intends to apply to the Court for the necessary orders to give effect to the Scheme.

Corporate Directory

NTM Gold Limited

Directors

Andrew Muir
Edward van Heemst
Eduard Eshuys
Michael Ruane

Company Secretary

Mark Maine

Registered & Principal Office

Unit 4, 20 Altona Street
West Perth WA 6005

Solicitors

Steinepreis Paganin
Level 4, 16 Milligan Street
Perth WA 6000

Auditor

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

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
PERTH WA 6000

Dacian Gold Limited

Directors

Ian Cochrane
Leigh Junk
Robert Reynolds

Company Secretary

Kevin Hart

Registered & Principal Office

Level 2, 1 Preston Street
Como WA 6152

Solicitors

HWL Ebsworth
Level 20, 240 St Georges Terrace
Perth WA 6000

Auditor

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

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
PERTH WA 6000