

FUNDING IN PLACE FOR EXPLORATION ON REDCLIFFE GOLD PROJECT

SHARE PLACEMENT TO SOPHISTICATED INVESTORS AND EQUITY AGREEMENT WITH MAJOR AUSTRALIAN MINING SERVICES COMPANY, AUSDRILL LIMITED

The Directors of NTM GOLD Limited (ASX:NTM) are pleased to announce a \$2.275 million funding programme to support exploration work at the Redcliffe Gold Project.

The funding programme comprises:

- A placement to raise \$1.275 million from Sophisticated Investors; and
- A \$1 million drilling for equity agreement with Ausdrill Limited.

Firm commitments have been provided for a placement to raise \$1.275 million from Sophisticated Investors. Under the placement 25.5 million shares will be issued price of 5 cents per share raising \$1.275 million before costs. Details of the Placement are set out below.

NTM has also secured an agreement with Ausdrill Limited (ASX:ASL) for \$1 million in a drilling for equity programme (the Agreement) in relation to the Redcliffe Gold Project in the Eastern Goldfields, Western Australia.

Under the Agreement, Ausdrill will:

- provide approximately 30,000 metres of Reverse Circulation and Air Core drilling; and
- receive payment for up to \$1 million of drilling services at the Redcliffe Gold Project via the issue of ordinary shares in NTM pursuant to a payment mechanism based upon the volume weighted average price of the ordinary shares for the invoice period against the value of each invoice.

Drilling rates proposed under the Agreement have been verified by NTM as commercially competitive. The Agreement will have immediate effect and apply to the Company's drilling programme recommencing in early 2017.



Ausdrill RC drill rig

NTM's Executive Director and CEO, Rodney Foster, said *"This agreement with Ausdrill is a tremendously encouraging development for NTM. Having the support of one of Australia's largest and most respected mining services companies underpins our drilling programmes over the next six months. Ausdrill's participation ensures progression of the project through what is anticipated to be an exciting period for the Company and all shareholders."*

In addition to the funding provided under the Agreement Ausdrill has also agreed to provide a direct \$200,000 equity investment in NTM through Ausdrill's participation in Sophisticated Investor placement.

The Placement, together with the \$1 million under the Agreement will bring NTM's **total funding and support to \$2.275 million.**

Placement Details

NTM Gold has received commitments to complete a private Placement of fully paid ordinary shares in the Company (Placement Shares). The placement will be made pursuant to the placement facility approved by the Company's shareholders at the Annual General Meeting held 9 November 2016.

Number of Placement Shares placed:	25,500,000 fully paid ordinary shares
Identity of investors under the Placement:	Sophisticated investors under Section 708 of the Corporations Act 2001 (Cth) include: L & M Group Limited; All State Finance Pty Ltd; Ajava Holdings; Ausdrill International Pty Ltd; Edward Van Heemst; and Alban Hasslinger.
Price per Placement Share:	A\$0.05
Date of issue of the Placement Shares:	The Placement Shares are to be issued on or about 19 December 2016.
Application for quotation:	Appendix 3B in regards to the issue of the Placement Shares will be lodged with the ASX on or about 19 December 2016.
Cleansing notice	It is anticipated that the cleansing notice (given under section 708A(5)(e) of the Corporations Act) will be lodged with the ASX on 20 December 2016.

Redcliffe Gold Project Overview

The Company's 100% owned Redcliffe Gold Project is located 45-60km northeast of Leonora in the Eastern Goldfields Region of Western Australia. The Redcliffe Gold Project area comprises ~ 160 km² of tenure.

The company currently has a resource inventory of **278,100 Oz** (5.48Mt @ 1.57 g/t Au) in both the Indicated (0.969Mt @ 2.7 g/t) and Inferred (4.512Mt @ 1.33 g/t) categories. Currently, the gold inventory for the Redcliffe Gold Project comprises eight (8) deposits contained within the Indicated and Inferred Categories. Resources estimations were carried out by independent consultants as detailed below:

Golden Terrace South (GTS)

– BGMS (Kalgoorlie, 2011)

Nambi – Coffey Mining (Perth, 2008)

Redcliffe – Coffey Mining (Perth, 2008)

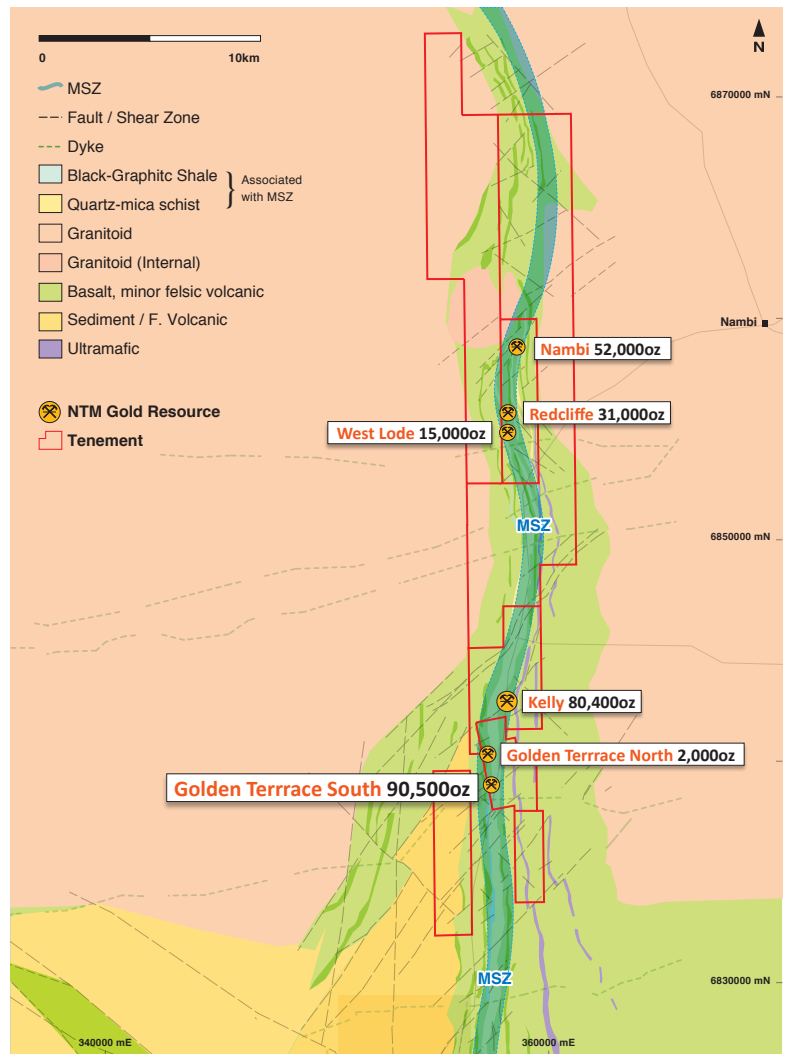
West Lode – Coffey Mining (Perth, 2008)

Mesa – Coffey Mining (Perth, 2008)

Golden Terrace North (GTN) – BGMS (Kalgoorlie, 2011)

Golden Spear – Coffey Mining (Perth, 2008)

Kelly – BGMS (Kalgoorlie, 2012)



Redcliffe Gold Project – Current Estimated Resource

Deposit	Indicated			Inferred			Total		
	T	Au(g/t)	Oz	T	Au(g/t)	Oz	T	Au(g/t)	Oz
GTS	707,000	2.46	56,100	684,000	1.56	34,400	1,391,000	2.02	90,500
Nambi	262,000	3.30	28,000	298,000	2.50	24,000	560,000	2.88	52,000
Redcliffe							560,000	1.70	31,000
West Lode							373,000	1.20	15,000
Mesa							95,500	1.50	5,000
GTN							64,000	1.53	3,200
Golden Spear							26,000	1.60	1,000
Kelly							2,412,000	1.04	80,400
TOTAL	969,000	2.70	84,100	4,512,000	1.33	194,000	5,480,000	1.57	278,100

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

Rodney Foster, Executive Director - CEO

Competent Person Statement

The information in this report, as it relates to Exploration Results, is based on information compiled and/or reviewed by Rodney Foster who is a Member of The Australasian Institute of Mining and Metallurgy. Rodney Foster is a Director of the Company. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Rodney Foster consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This information with respect to Resources was prepared and first disclosed under the JORC Code 2004. It has not been updated to comply with JORC 2012 on the basis that the information has not materially changed since it was last reported. A review process is underway.