



4 September 2017

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

By e-lodgement: <https://www.asxonline.com>

Dear Sir

Initial Substantial Shareholder Notice of Ausdrill Limited (ASX:ASL) for NTM Gold Limited (ASX:NTM)

Attached is a completed and signed Form 603 Notice of Initial Substantial Shareholder for NTM Gold Limited.

A copy of the Form 603 has been sent to the Company Secretary of NTM Gold Limited.

Yours sincerely

Efstratios Gregoriadis
Company Secretary
AUSDRILL LIMITED



Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To: Company Name/Scheme NTM Gold Limited (ASX: NTM)

ACN/ARSN 119 494 772

1. Details of substantial holder (1)

Name Ausdrill Limited (ASX: ASL) (**Ausdrill**) and subsidiaries of Ausdrill as set out in Annexure A (referred to together as the **Ausdrill Group**)

ACN/ARSN (if applicable) 009 211 474

The holder became a substantial holder on 1 / 9 / 2017

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

| Class of securities (4) | Number of securities | Person's votes (5) | Voting power (6) |
|-------------------------|----------------------|--------------------|------------------|
| Ordinary shares | 13,715,319 | 13,715,319 | 5.2% |

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

| Holder of relevant interest | Nature of relevant interest (7) | Class and number of securities |
|---|---|--------------------------------|
| Ausdrill International Pty Ltd (Ausdrill International) pursuant to a placement of securities issued on 20 Dec 2016 and subsequent securities issued under a drilling for equity programme as announced by NTM Gold to ASX on 15 Dec 2016. | Pursuant to section 608(1)(a) of the Corporations Act 2001 (Cwlth) | 13,715,319 ordinary shares |
| Other members of the Ausdrill Group | Pursuant to sections 608(1)(b), 608(1)(c) or 608(3)(b) of the Corporations Act or as associates | 13,715,319 ordinary shares |

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

| Holders of relevant interest | Registered holder of Securities | Person entitled to be registered as a holder (8) | Class and number of securities |
|------------------------------|---------------------------------|--|--------------------------------|
| The Ausdrill Group | Ausdrill International | Ausdrill International | 13,715,319 ordinary shares |

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

| Holder of relevant interest | Date of acquisition | Consideration (9) | | Class and number of securities |
|-----------------------------|---------------------|-------------------|-----------|--------------------------------|
| | | Cash | Non-cash | |
| The Ausdrill Group | 23 Jun 2017 | | \$106,800 | 1,959,633 ordinary shares |
| The Ausdrill Group | 24 Aug 2017 | | \$140,252 | 3,254,118 ordinary shares |
| The Ausdrill Group | 1 Sep 2017 | | \$89,044 | 2,226,100 ordinary shares |

6. Associates

The reasons the person named in paragraph 3 above are associates of the substantial holder are as follows:


| | |
|-----------------------------------|---|
| Name and ACN/ARSN (if applicable) | Nature of association |
| See Annexure A | Bodies corporate controlled by Ausdrill |

7. Addresses

The addresses of persons named in this form are as follows:

| | |
|-----------------------------------|--|
| Name | Address |
| All members of the Ausdrill Group | 6-12 Uppsala Place, Canning Vale, Western Australia 6155 |

Signature

| | | | |
|------------|---|----------|-------------------|
| print name | Efstratios Gregoriadis | capacity | Company Secretary |
| sign here |  | date | 4 / 9 / 2017 |

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant issues (eg. A corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in Section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
 See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. If the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A

This is Annexure A of 1 page referred to in Form 603 (Notice of initial substantial holder) given by Ausdrill Limited and its subsidiaries.



4 September 2017

Efstratios Gregoriadis
Company Secretary

Date

| ENTITY NAME | AUSTRALIAN BUSINESS NUMBER (WHERE APPLICABLE) |
|--|--|
| African Mining Services (Ghana) Pty Ltd | 32 076 301 472 |
| African Mining Services Burkina Faso SARL | |
| African Mining Services Mali SARL | |
| African Mining Services Guinee SARL | |
| African Mining Services Senegal SUARL | |
| AMCG Limited | |
| Ausdrill Finance Pty Ltd | 90 159 906 395 |
| Ausdrill Ghana Pty Ltd | 67 053 575 518 |
| Ausdrill International & Management Services Pty Ltd | 68 074 414 387 |
| Ausdrill International Pty Ltd | 49 069 769 811 |
| Ausdrill Northwest Pty Ltd | 58 103 661 374 |
| Ausdrill Properties Pty Ltd | 92 104 659 074 |
| Ausdrill Tanzania Limited | |
| Ausdrill Underground Mining Services Australia Pty Ltd | 85 002 822 522 |
| Ausdrill Utilities Pty Ltd | 99 103 016 771 |
| BTP Equipment Pty Ltd | 55 128 386 201 |
| BTP Parts Pty Ltd | 28 096 533 283 |
| Connector Drilling Pty Ltd | 14 148 853 561 |
| Diamond Communications Pty Ltd | 56 090 105 141 |
| Drill Rigs Australia Pty Ltd | 99 128 786 603 |
| ACN 103 534 087 | 32 103 534 087 |
| Energy Drilling Australia Pty Ltd | 74 137 680 221 |
| Golden Plains Pty Ltd | 79 006 307 179 |
| Logistics Direct Limited | |
| MinAnalytical Holdings Pty Ltd | 21 147 048 075 |
| MinAnalytical Laboratory Services Australia Pty Ltd | 54 146 875 774 |
| Mining Technology & Supplies Ltd | |
| Power Solutions Africa SUARL | |
| Supply Direct Pty Ltd | 29 059 611 862 |
| Supply Direct South Africa Pty Ltd | 70 087 063 303 |
| Synergex Holdings Pty Ltd | 11 103 420 971 |
| West African Mining Services Ltd | |



13th December 2016

Mr R Foster
Chief Executive Officer
Northern Manganese
Suite 1, 64 Thomas Street
West Perth WA 6005

Dear Rodney,

EXPLORATION DRILLING SERVICES FOR NTM GOLD LTD – LETTER AGREEMENT

I refer to our recent discussions regarding a proposal that Ausdrill Limited (**Ausdrill**) accept fully paid ordinary shares in NTM Gold Ltd ABN 24 119 494 772 (ASX:NTM) (**Company** or **NTM**) in payment for exploration drilling services (**Services**) to be undertaken by Ausdrill at the Company's Redcliffe Gold Project in the Northern Goldfields of Western Australia (**Project**) as set out in drilling proposals to be provided by Ausdrill from time to time for the Services (**Proposals**).

This letter sets out the terms on which Ausdrill is prepared to agree to the issue of shares by the Company in payment for Services up to a maximum of \$1 million (**Maximum Equity Amount**).

Upon acceptance by the Company, this letter will constitute a legally binding agreement between Ausdrill and the Company.

1. Definitions

The following definitions apply in this letter:

ASX means ASX Limited (ACN 008 624 691).

Business Day means a day other than a Saturday, Sunday or a public holiday in Perth, Western Australia.

Corporations Act means the *Corporations Act 2001* (Cth).

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
- (b) it has had a Controller (as defined in the Corporations Act) appointed or is in liquidation, in provisional liquidation, under administration or wound up or has had a Receiver (as defined in the Corporations Act) appointed to any part of its property; or
- (c) it is subject to any arrangement, assignment, moratorium or



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composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement); or

- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above; or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand unless the Company has applied to the court for an order setting aside the statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Listing Rules means the listing rules of ASX.

Ordinary Share means a fully paid ordinary share in the capital of the Company.

Shares means the shares to be issued in accordance with clause 3(a).

Trading Day has the meaning given to that term in Chapter 19 of the Listing Rules.

VWAP means volume weighted average price.

2. Drilling Program and Costs

- (a) The Services will be performed by Ausdrill subject to the Company at its sole discretion agreeing, from time to time, to accept the commercial rates and conditions provided from time to time by Ausdrill to the Company for Services set out in the Proposals.
- (b) Ausdrill will submit invoices in respect of Services provided at the Project on a monthly basis.
- (c) The Company will make payment for the Services in Ordinary Shares as set in Clause 3 below.
- (d) If any money payable by the Company under this agreement is not paid in accordance with clause 3 and after Austrill has given 5 Business Days' notice to the Company requiring it to be paid, Ausdrill may cease to provide



services and may commence to demobilise its plant and equipment from the site immediately.

3. Payment of invoices and issue of Shares

- (a) Subject to this agreement, the Company must pay the monthly invoice issued by Ausdrill in respect of the Services by the issue to Ausdrill within 10 Business Days after the receipt of the invoice such number of Ordinary Shares in the Company, issued as fully paid, as would equate to the value of the invoice on the basis of an issue price for each Share equal to the VWAP for Ordinary Shares in the 20 Trading Days immediately preceding the issue of the invoice by Ausdrill.
- (b) If the total Shares issued by the Company under clause 3(a) have equalled or exceeded the Maximum Equity Amount (or an issue under clause 3(a) would result in the total Shares issued under clause 3(a) equalling or exceeding the Maximum Equity Amount), the Company must pay any amounts invoiced by Ausdrill (if the total Shares issued by the Company under clause 3(a) have equalled or exceeded the Maximum Equity Amount) or any amounts which would result in the total Shares issued by the Company exceeding the Maximum Equity Amount in cash within 10 Business Days after the receipt of the invoice.
- (c) Notwithstanding any other provision, no Shares shall be issued (and Ausdrill will not be required to accept Shares) pursuant to this Agreement if the issue would result in Ausdrill acquiring a relevant interest in issued voting shares in the Company and, because of the transaction, Ausdrill or someone else's voting power in the Company would increase from 20% or below to more than 20% or from a starting point that is above 20% and below 90% (other than an acquisition that is exempt from the prohibition in subsection 606(1) under section 611 of the Corporations Act). If an issue would so result, the Company must pay the relevant amounts invoiced by Ausdrill in cash within 10 Business Days after the receipt of the invoice provided that Ausdrill may request in writing that shareholders of the Company approve the issue of the Shares to Ausdrill for the purposes of item 7, section 611 of the Corporations Act in which case the Company must forthwith at its expense convene a meeting for this purpose. In this clause 3(c), relevant interest and voting power have the meaning given in Chapter 6 of the Corporations Act.
- (e) Where payment is in dispute, the Company will notify Ausdrill of any disputed amounts within [5] Business Days after the receipt of the invoice and the Company must pay the undisputed amount within the time period specified in this agreement. The disputed amount may be withheld until the dispute is resolved.

4. ASX requirements

Immediately following each issue of Shares, the Company must:



- (a) unless any escrow restrictions are applied in relation to the Shares by ASX, apply for quotation of the Shares on ASX and use reasonable endeavours to have the Shares quoted on ASX;
- (b) issue a “cleansing notice” under section 708A(5)(e) of the Corporations Act 2001 (Cwlth) (“**Corporations Act**”) in respect of the Shares or, if the conditions in sections 708A(5)(a) to 708A(5)(d) of the Corporations Act are not satisfied or there is a determination in force under section 708A(2) of the Corporations Act in respect of the Company, the Company must, at its expense, prepare and issue such other documents as are required to permit the Shares to be immediately sold by Ausdrill without Ausdrill or any other person being in breach of Part 6D of the Corporations Act;
- (c) take any other action required under the rules of the ASX or any other securities exchange; and
- (d) otherwise do everything necessary or reasonably appropriate to ensure that the Shares are validly issued and able to be freely traded on ASX (subject to clause 7 or any escrow restrictions imposed by ASX) in compliance with the ASX listing rules and the Corporations Act.

If under the ASX Listing Rules the ASX imposes any escrow restrictions on any Shares, Ausdrill will comply with those restrictions including by executing a restriction agreement in the form required by the ASX Listing Rules.

5. Representations, warranties and agreements by the Company

Unless agreed in writing otherwise, on each occasion that it issues Shares pursuant to clause 3, the Company represents, warrants and agrees for the benefit of Ausdrill that:

- (a) either:
 - (i) the Company is able to issue a “cleansing notice” under section 708A(5)(e) of the Corporations Act in respect of the Shares, the conditions in sections 708A(5)(a) to 708A(5)(d) of the Corporations Act are satisfied, and there is no determination in force under section 708A(2) of the Corporations Act in respect of the Company;
or
 - (ii) the Company has prepared and lodged (or will within 21 days of issue of the Shares prepare and lodge) a disclosure document or such other documents as are required to permit the Shares to be sold by Ausdrill without Ausdrill or any other person being in breach of Part 6D of the Corporations Act;
- (b) it has received any necessary regulatory or shareholder approvals to effect the transactions contemplated by this letter;
- (c) prior to issuing such Shares it has disclosed to ASX (and any other relevant securities exchange) any information which would otherwise be required to be disclosed pursuant to a “cleansing notice” under section



708A(5)(e) of the Corporations Act or a disclosure document pursuant to Part 6D of the Corporations Act (and, accordingly, Ausdrill is not in possession of materially price sensitive information about the Company that is not generally available);

- (d) the Shares are fully paid and free from all encumbrances except as contemplated by clause 7; and
- (e) the Company is not Insolvent. For this purpose, the Company is Insolvent if:
 - i. it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
 - ii. it has had a Controller (as defined in the Corporations Act) appointed or is in liquidation, in provisional liquidation, under administration or wound up or has had a Receiver appointed to any part of its property; or
 - iii. it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement); or
 - iv. an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (i), (ii) or (iii) above; or
 - v. it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand unless the Company has applied to the court for an order setting aside the statutory demand; or
 - vi. it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject); or
 - vii. it is otherwise unable to pay its debts when they fall due; or
 - viii. something having a substantially similar effect to (i) to (vii) happens in connection with that person under the law of any jurisdiction.

The Company must ensure (and, if necessary, seek legal advice to confirm) that each of the above warranties is satisfied prior to issuing Shares to Ausdrill. If such warranties are not or cannot be satisfied by the time by which Shares are due to be issued to Ausdrill, then the amount owing for the Services which is to be satisfied by the issue of the Shares will be due and payable immediately and the Company must pay such amounts to Ausdrill in immediately available funds.



The Company does not issue the Shares with the purpose of Ausdrill selling or transferring them, or granting, issuing or transferring interests in, or options or warrants over, the Shares.

6. Acknowledgements and agreements by Ausdrill

On each occasion that it accepts Shares, Ausdrill acknowledges that:

- (a) it has made and relied upon its own assessment of the Company and has conducted its own investigations with respect to the Shares and the Company;
- (b) the offer made in this letter does not constitute a securities recommendation;
- (c) it is a "sophisticated" or "professional investor" within the meaning of section 708 of the Corporations Act;
- (d) the Company is not issuing the Shares for the purpose of Ausdrill selling or transferring them, or granting, issuing or transferring interests in, or options or warrants over them; and
- (f) it agrees to be bound by the Constitution of the Company.

7 Sale of Shares by Ausdrill

- (a) The Shares will not be issued with the purpose of section 707(3)(b), however, the Company acknowledges that Ausdrill is free to sell the Shares at any time subject to clauses 7(b) and 7(c).
- (b) If, at the time of any proposed sale by Ausdrill of Shares Ausdrill is in possession of information that is not generally available that, if it were generally available, a reasonable person would expect to have a material effect on the price or value of the Shares, then Ausdrill may request in writing that such information be released to ASX (so as to enable Ausdrill to trade Shares without breaching the "insider trading" provisions of the Corporations Act), in which case the Company must release such information within two Business Days of receipt of the request
- (c) Ausdrill agrees that prior to selling any Shares it will provide the Company with two weeks written notice of its intention to do so to allow the Company to locate a suitable buyer.

8. Chapter 6

Notwithstanding any other provision, the Company will not be required to issue (and Ausdrill will not be required to accept) Shares to the extent that such issue would cause a person (or any Associate of the person as defined in section 12 of the Corporations Act) to contravene section 606 of the Corporations Act. If requested by Ausdrill in writing, the Company must at its own cost seek any necessary shareholder approvals (including under item 7, section 611 of the Corporations Act) required to issue Shares to Ausdrill. To the extent that Shares



cannot be issued by the Company to Ausdrill (for whatever reason including following the holding of a meeting convened to seek any shareholder approval referred to above), then the amount owing for the Services which was to be satisfied by the issue of such Shares is due and payable immediately and the Company must pay such amounts to Ausdrill in immediately available funds.

9. Termination

This agreement may be terminated by Ausdrill or the Company upon the provision of six months' written notice to the other. This does not affect the obligation and rights accrued to either party prior to termination.

10. Variation

This agreement can be varied by the mutual written agreement of Ausdrill and the Company.

If the above terms are acceptable to the Company, would you please sign and return a copy of this letter where indicated below.

Yours sincerely,

Ron Sayers
Managing Director
AUSDRILL LIMITED

I, Rodney Foster, Chief Executive Officer of Northern Manganese Limited, duly authorised, agree to the above terms.

Rodney Foster
Director - Chief Executive Officer
NTM Gold Ltd
for and on behalf of
NTM Gold Ltd

Signature of Witness

Full Name of Witness

Date: 13 December 2016