TODD RIVER RESOURCES LIMITED

ABN 45 600 308 398

PROSPECTUS

For an offer of up to 30,000,000 Shares at an issue price of $0.20 per Share to raise up to $6,000,000 together with 1 free attaching Option for every 2 Shares subscribed for and issued.

This Prospectus has been issued to provide information on the offer of a minimum of 25,000,000 Shares and a maximum of 30,000,000 Shares to be issued at a price of $0.20 per Share to raise a minimum of $5,000,000 and a maximum of $6,000,000 (before costs) (**General Offer**).

The Prospectus also incorporates a priority offer as part of the General Offer to shareholders of TNG Limited registered on a record date of [insert] 2017 (**TNG Offer**).

Options with an exercise price of $0.25 each and an expiry date of 3 years from the date of issue will be issued free attaching on a 1 for 2 basis to every person issued Shares pursuant to this Prospectus.

Lead Manager: Sanlam PRIVATE Wealth

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered highly speculative.

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1. CORPORATE DIRECTORY

Directors and Proposed Chairman

Paul Burton
Non-Executive Technical Director

Geoffrey Crow
Non-Executive Director

Rex Turkington
Non-Executive Director

Eddie Fry
Proposed Non-Executive Chairman

Company Secretary

Simon Robertson

Proposed ASX Code

TRT

Registered Office

Level 1, 282 Rokeby Road
Subiaco WA 6008

Telephone: + 61 8 9327 0950
Facsimile: +61 8 9327 0901

Email: corporate@trrltd.com.au
Website: www.trrltd.com.au

Solicitors to the Offers

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Solicitors reporting on Tenements

Ward Keller
Northern Territory House
Level 7, 22 Mitchell Street
Darwin NT 0800

Investigating Accountant

BDO Corporate Finance (WA) Pty Ltd
38 Station Road
Subiaco WA 6008

Auditor*

KPMG
235 St Georges Terrace
Perth WA 6000

Independent Geologist

Snowden Group
Level 6, 130 Stirling Street
Perth WA 6000

Lead Manager

Sanlam Private Wealth
Level 7, 100 Collins Street
Melbourne VIC 3000

Telephone: + 61 3 8640 5506

Share Registry*

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

Telephone within Australia: 1300 787 272
Telephone outside Australia: +61 8 9323 2000
Facsimile: +61 8 9323 2033

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

2. IMPORTANT NOTICE

This Prospectus is dated 31 January 2017 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

2.1 Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with Section 724 of the Corporations Act. Applications for Securities under this Prospectus will not be processed by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

2.2 Electronic Prospectus and Application Forms

A copy of this Prospectus can be downloaded from the website of the Company at www.trrltd.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand. Applications will only be accepted by applying online at www.trrltd.com.au or on the relevant Application Form attached to, or accompanying this Prospectus or in its paper copy form as downloaded in its entirety from www.trrltd.au.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

2.3 Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

2.4 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.

The Company cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 8 of this Prospectus.

2.5 Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

2.6 Competent Persons statement

The information in this Prospectus and the Independent Geologist's Report, included at section 9 of the Prospectus, which relates to the Sandy Creek Mineral Resource estimate is based on information complied by John Graindorge who is a Chartered Professional (Geology) and a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to 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' (the **JORC Code**). John Graindorge is a full-time employee of Snowden Mining Industry Consultants Pty Ltd and consents to the inclusion in this Prospectus and the Independent Geologist's Report of the matters based on this information in the form and context in which it appears.

The information in this Prospectus which relates to all other exploration results is based on, and fairly represents, information and supporting documentation compiled by the Company's Exploration Manager Mr Kim Grey B.Sc. and M. Econ. Geol. Mr Grey is a member of the Australian Institute of Geoscientists, and a full time employee of TNG Limited. Mr Grey 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 JORC Code. Mr Grey consents to the inclusion of the matters based on his information in this Prospectus noted above in the form and context in which it appears. For further details on the NT Base Metal Assets, please refer to TNG's 2016 Annual Report and previous announcements which are available from TNG's ASX announcements platform and website (www.tngltd.com.au).

3. KEY DATES

Indicative timetable*

Lodgement of Prospectus with the ASIC	31 January 2017
TNG Offer Record Date	5.00pm (WST) on 1 February 2017
TNG Offer Opening Date	8 February 2017
General Offer Opening Date	8 February 2017
TNG Offer Closing Date	5.00pm (WST) on 24 February 2017
General Offer Closing Date	5.00pm (WST) on 3 March 2017
Record Date for the In-specie Distribution	8 March 2017
Issue of Securities under the Offers	10 March 2017
Completion of the In-specie Distribution	13 March 2017
Despatch of holding statements	15 March 2017
Expected date for quotation on ASX	24 March 2017

** The above dates are indicative only and may change without notice subject to the Corporations Act, ASX Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the closing dates of the Offers or close the Offers early without notice, which may have a consequential effect on other dates set out above. The Company also reserves the right to not proceed with the Offers at any time before the issue of Securities to applicants.*

4. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A. Company		
Who is the issuer of this Prospectus?	Todd River Resources Limited (ACN 600 308 398) (**Company** or **Todd River**).	Section 7.1
Who is the Company?	The Company was incorporated as an Australian public company limited by shares on 24 June 2014 by its current parent company TNG Limited (**TNG**). Following a strategic review by TNG of its assets, TNG decided to demerge its NT Base Metal Assets (defined below) situated in the Northern Territory by transferring (or arranging for the transfer by various of its subsidiaries of) 100% ownership of the NT Base Metal Assets to the Company's wholly owned subsidiary Todd River Metals Pty Ltd in consideration for being issued 35,000,000 Shares in the Company. 28,000,100 of the 35,000,000 Shares issued by the Company to TNG will, subject to the satisfaction of certain conditions, be transferred and distributed in-specie to TNG Shareholders on a pro rata basis shortly after the date upon which the Company issues the Securities the subject of the Offers. TNG shareholder approval for the in-specie distribution was obtained on 29 November 2016. TNG will retain a holding of 7,000,000 Shares in the Company. The Company's corporate structure upon Official Quotation will be as set out in Section 7.1. Other than as disclosed in this Prospectus, the Company presently has no business operations other than by virtue of the holding and proposed exploration of the NT Base Metal Assets and has not undertaken any activities since incorporation.	Section 7.1
What is the Company's interest in the NT Base Metal Assets?	The Company, via its wholly owned subsidiary Todd River Metals Pty Ltd, holds the interests in the following twelve mineral exploration projects in the Northern Territory:	Sections 7.1 and 11

Item	Summary	Further information
	• Manbarrum (Zn-Pb-Ag) (100%); • McArthur River (Cu) (100%); • Walabanba (Cu-Fe-Ti) (100%); • Mount Hardy (Cu) (100%); • Tomkinson (Zn-Pb-Ag-Cu) (100%); • Stokes Yard (Zn-Cu-Pb-Au) (100%); • Soldiers Creek (Sn-Ta-Li) (100%); • Sandover (Cu) (100%); • Croker Island (Al) (100%); • Goddards (Cu) (100%); • Petermanns (Au-Cu-U) (100%); and • Rover (Cu-Au) (100%), (together the **NT Base Metal Assets**). The Manbarrum project has an existing JORC estimated resource at Sandy Creek comprising 22.5Mt @ 1.81% Zn, 0.44% Pb, and 4.56g/t Ag comprising; • Indicated 5.1Mt @ 1.94% Zn, 0.82% Pb and 5.82g/t Ag; and • Inferred 17.4Mt @ 1.77% Zn, 0.33% Pb, and 4.19g/t Ag. Investors should note that there is a lower level of geological confidence associated with an Inferred Mineral Resource and that there is no certainty that further exploration work will result in the estimation of Indicated Mineral Resources. Please refer to Section 9 for the full resource table in respect of the Manbarrum project and further details required by the JORC Code. Full details of the mineral leases, exploration licenses, mineral authorities, mineral lease applications and exploration licence applications which make up the NT Base Metal Assets are set out in the Solicitor's Report on Tenements contained in Section 11.	
B. Business Model		
What is the Company's business model?	Following completion of the Offers, the Company's proposed business model will be to further explore and develop deposits located within the NT Base Metal Assets (where possible) in proximity to established	Section 7.3

Item	Summary	Further information
	mining operations and infrastructure which demonstrate the ability to be developed into early production opportunities. A detailed explanation of the Company's business model is provided at Section 7.3.	
What are the key business objectives of the Company?	The Company's management strategy and purpose of the Offers is to provide funding to: • commence work aimed at developing the existing JORC estimate resource at the Manbarrum Project (refer to Sections 7.2.1 and 9 for full details); • systematically commence (or continue) exploration of the Mount Hardy, Wallabanba and McArthur River projects followed by other NT Base Metal Assets aimed at the discovery of additional JORC resources; • implement a growth strategy to seek out further exploration, acquisition and joint venture opportunities in Australia; and • provide working capital for the Company.	Section 7.3
What are the key dependencies of the Company's business model?	The key dependencies of the Company's business model include: • retaining and recruiting key personnel skilled in the mining and resources sector; • access to capital to develop the NT Base Metal Assets and potentially make future acquisitions; • sufficient worldwide demand for base metals; and • the market price of base metals remaining higher than the Company's costs of any future production.	
C. Key Advantages and Key Risks		
What are the key advantages of an investment in the Company?	The Directors are of the view that an investment in the Company provides the following non-exclusive list of advantages: • the potential of the existing JORC estimate resource at the Manbarrum	Section 7.3

Item	Summary	Further information
	Project (refer to Section 9 for full details); • a portfolio of quality assets in the Northern Territory considered by the Board to be highly prospective for base metals (Zinc, Copper, Lead) and other non-specific elements including but not limited to Gold, Lithium, Tin, Tantalum and graphite; • the Company has a highly credible and experienced team to progress exploration and accelerate potential development of the NT Base Metal Assets; and • the Board has excellent working relationships with the Northern Territory Government.	
What are the key risks of an investment in the Company?	The business, assets and operations of the Company, including following admission to the Official List, are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the Securities of the Company. The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited. Based on the information available, a non-exhaustive list of the specific key risk factors affecting the Company are set out below. Additional risk factors which will affect the Company are disclosed at Section 8 of this Prospectus.	Section 8
Limited History	The Company has no operating history and limited historical financial performance. Exploration has previously been conducted on certain of the NT Base Metal Assets, however, the Company is yet to conduct its own exploration activities and will not commence these activities until the Company has been admitted to the Official List. No assurance can be given that the Company will achieve commercial production through the successful exploration and/or mining of the NT Base Metal Assets. Until the Company is	

Item	Summary	Further information
	able to realise value from its projects, it is likely to incur ongoing operating losses. Achievement of the Company's objectives will depend on the Board's and the executive team's ability to successfully implement its development and growth strategy. Depending on the Company's ability to generate income from its operations, future outlays of funds from the Company are likely to be required (in addition to amounts raised under the Offers) for the future operations of the NT Base Metal Assets (in particular, potential mine development).	
Additional Requirements for Capital	As noted above, the Company's future capital requirements will depend on numerous factors and it is likely further financing will be required unless the Company generates revenue from the NT Base Metal Assets. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes. There is also no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.	
Lack of Executive Management	On admission to the Official List of ASX, the Company's management will consist of four non-executive directors. The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) the development of the projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company. The Company has identified positions which the Board intends to fill at the operational and executive levels upon the Company's admission to the Official List to ensure proper management of the Company's projects. To this end, the Company has appointed a recruitment consultant to assist in the appointment of two independent persons with relevant suitable experience in mining exploration in the Northern Territory and the resources	

Item	Summary	Further information
	sector to fill the positions of Chief Executive Officer and Senior Geologist. In the meantime, the current Board is confident it has suitable experience to cope without an executive director and has the contacts to enable it to appoint a consultant should this be deemed necessary. Further, Paul Burton as Non-Executive Technical Director will oversee the technical aspects of the NT Base Metal Assets while suitable candidates are sought. There is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete all of its preferred exploration programmes in its preferred timetable. The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on the Board. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these Directors cease their employment.	
Exploration Success	The mineral leases, exploration licenses, mineral authorities, mineral lease applications and exploration licence applications comprising the NT Base Metal Assets (assuming all are granted) are at exploration stage, and potential investors should understand that mineral exploration and development are high-risk undertakings. Despite the level of Mineral Resource currently estimated for the Manbarrum Project, there can be no assurance that the Manbarrum Project will be brought into commercial production or that future exploration of the other NT Base Metal Assets, or any other mineral leases, exploration licenses or mineral authorities that may be acquired in the future, will result in the discovery of an economic resource.	
Estimation of Mineral Resources	There is a degree of uncertainty to the estimation of mineral resources and corresponding grades being mined or dedicated to future production. Until mineral resources are actually mined and processed, the quantity of mineral resources must be considered as estimates only. Any material change in quantity and grades of mineral resources or stripping ratio may affect the economic viability of	

Item	Summary	Further information
	the NT Base Metal Assets. There can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Fluctuation in the price of base metals, results of drilling, metallurgical testing and the evaluation of mine plans subsequent to the date of any mineral resource estimate may require revision of such estimate. Any material reductions in estimates of mineral resources could have a material adverse effect on the Company's financial condition.	
Status of NT Base Metal Assets	All mining tenements which the Company holds or will hold an interest in or may acquire either by application, sale and purchase or farm-in are regulated by the applicable State mining legislation. There is no guarantee that applications will be granted as applied for (although the Company has no reason to believe that tenements will not be granted in due course). Various conditions may also be imposed as a condition of grant. In addition, the relevant minister may need to consent to any transfer of tenement to the Company. Renewal of titles is made by way of application to the relevant department. There is no guarantee that a renewal will be automatically granted other than in accordance with the applicable State mining legislation. In addition, the relevant department may impose conditions on any renewal, including relinquishment of ground. Further, there are a number of conditions that the Company must satisfy with respect to the NT Base Metal Assets to keep them in good standing. These include but are not limited to licence fee payments, annual reporting requirements and annual filing requirements. Any failure by the Company to satisfy these conditions may lead to tenements being forfeited by the Company. Please refer to the Solicitor's Report on Tenements contained in Section 11 for further details.	
Exploration Costs	The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual	

Item	Summary	Further information
	costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.	
Environmental	The Company's operations will be subject to environmental regulation. Environmental regulations are likely to evolve in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance and assessments of proposed projects. Environmental regulations could impact on the viability of the NT Base Metal Assets. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining or other activities for which it was not responsible.	
Dilution	On completion of the Offers (assuming the maximum subscription is raised) and completion of the In-specie Distribution, the number of Shares on issue will increase from 35,000,100 to 65,000,100 (i.e. representing an increase of 85.7%). On this basis, TNG Shareholders participating in the In-specie Distribution should note that their shareholdings in the Company will technically be diluted by up to 46.2% if they do not participate in the TNG Offer (and may still be diluted even if they do participate).	
TNG Class Ruling	TNG has received a draft Class Ruling from the Australian Taxation Office (**ATO**) in respect of the availability of demerger tax relief for income tax purposes to TNG Shareholders in respect of the In-specie Distribution. TNG Shareholders should note that the tax consequences of the Spin-out of the Company and the NT Base Metal Assets from TNG are subject to a final Class Ruling from the ATO and that neither the Company nor TNG can give any guarantee in respect of the content of such ruling.	
D. Directors and Key Management Personnel		
Directors	The Board is comprised of:	Section 12.1

Item	Summary	Further information
	• Paul Burton (Non-Executive Technical Director); • Rex Turkington (Non-executive Director); and • Geoffrey Crow (Non-executive Director). Further, Eddie Fry will be appointed as Non-Executive Chairman upon the date the Company is admitted to the Official List.	
Other Key Management Personnel	Simon Robertson (Company Secretary) Kim Grey (Exploration Manager) Other than the Directors listed above and Messrs Robertson and Grey, the Company does not currently have any other key management personnel. However, the Company has identified positions which the Board intends to fill at the operational and executive levels upon the Company's admission to the Official List. To this end, the Company has appointed a recruitment consultant to assist in the appointment of two independent persons with relevant suitable experience in mining exploration in the Northern Territory and the resources sector to fill the positions of Chief Executive Officer and Senior Geologist.	Section 12.1
What experience do the Directors have?	Mr Burton is a highly experienced Exploration Geologist/Geochemist with over 30 years' experience in exploration and mining in Australia and overseas on a range of commodities, and is the Managing Director of TNG. Mr Burton has been involved in either the discovery or detailed exploration of most of the Base Metal Assets. Mr Turkington is a highly experienced corporate advisor and economist who has worked extensively in financial services in Australia, specialising in the exploration and mining sectors and is a Non-Executive Director of TNG. Mr Turkington is also the Chairman of ASX listed oil and gas exploration company Key Petroleum Limited. Mr Crow has more than 28 years' experience in all aspects of corporate finance, stockbroking and investor relations	Section 12.1

Item	Summary	Further information
	in Australia and international markets and is a Non-Executive Director of TNG. Mr Fry has extensive experience within the Australian resource sector and is a specialist in Indigenous and Native Title issues. Mr Fry will be considered an independent Director.	
What benefits are being paid to the Directors?	Each of Messrs Burton, Turkington, Crow and Fry has entered into a non-executive appointment letter with the Company pursuant to which, upon the Company being admitted to the Official List, Mr Burton will be paid a director's fee of $75,000 per annum, Mr Fry will be paid a director's fee of $80,000 per annum and Messrs Turkington and Crow will each be paid a director's fee of $60,000 per annum. In addition, the Company intends to offer Mr Burton 4,000,000 Options and intends to offer Messrs Turkington, Crow and Fry 2,000,000 Options each, all on the terms and conditions set out in Section 15.4, subject to the Company raising the minimum subscription to the Offers.	Sections 10 and 12.2
What are the Director's interests in the Company?	At the date of this Prospectus, no Director or proposed Director holds any Securities in the Company. Assuming completion of the In-specie Distribution, the Directors and proposed Chairman will have the following interests in the Shares of the Company. Further, the Company intends to offer the Directors and proposed Director the following Options subject to the Company raising the minimum subscription to the Offers: • Paul Burton – 464,303 Shares and 4,000,000 Options; • Rex Turkington – 278,744 Shares and 2,000,000 Options; • Geoffrey Crow – 246,516 Shares and 2,000,000 Options; and • Eddie Fry - 34,847 Shares and 2,000,000 Options.	Section 12.2 and 15.6
What related party agreements are the Company a party to?	The Company has entered into the following related party transactions: • Non-Executive Letters of Appointment with Messrs Burton, Turkington, Crow and Fry; • Deeds of Indemnity, Insurance and Access with the Directors and	Section 10

Item	Summary	Further information
	proposed Chairman on standard terms; • the Costs Reimbursement Agreement with TNG; and • the Services Agreement with TNG.	
Who will the substantial shareholders of the Company be?	As at the date of this Prospectus, the Company is a wholly owned subsidiary of TNG. Based on information known at the date of this Prospectus and assuming the Company raises the maximum subscription amount of $6,000,000 under this Prospectus, on completion of the Offers and the In-specie Distribution, TNG will be the only person holding 5% or more of the Shares on issue in the Company, with a holding of approximately 10.77%. Investors should note that the above calculation does not include any investor (including a TNG Shareholder) who participates in the General Offer.	Section 6.6
E. Financial Information		
What is the Company's financial position?	The Company was incorporated on 24 June 2014 and has not operated as a trading business or undertaken any activities since incorporation other than by virtue of the holding and proposed exploration of the NT Base Metal Assets. As such, the Company has not generated any revenue or incurred any expenses (other than the expenses of the Offers which, to the date of this Prospectus, have been funded by TNG under the Costs Reimbursement Agreement). Section 10 contains audited financial statements of the Company for the financial periods ended 30 June 2015 and 30 June 2016, reviewed financial statements for the half year ended 31 December 2016 and the pro forma historical statement of financial position as at 31 December 2016 showing the effects of the Offers. The historical financial statements for the Company which are referred to in Section 10 were lodged with ASIC on 31 January 2017 and are incorporated by reference into this Prospectus by operation of section 712 of the Corporations Act. The Company will give a copy of these statements to any person who requests a copy during the offer period, free of charge.	Section 10

Item	Summary	Further information
What is the financial outlook for the Company?	Given the current status of the NT Base Metal Assets, the Directors do not consider it appropriate to forecast future earnings. Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.	Section 10
F. Offers		
What is being offered?	The Offers offer of up to 30,000,000 Shares at an issue price of $0.20 per Share to raise up to a maximum of $6,000,000 (before costs). The Offers are not underwritten. The minimum amount to be raised under the Offers is $5,000,000. The Offers comprise the public General Offer which includes the priority TNG Offer to Eligible TNG Shareholders. Options with an exercise price of $0.25 each and an expiry date of 3 years from the date of issue will be issued free attaching on a 1 for 2 basis to every person issued Shares pursuant to this Prospectus. The purpose of the Offers is to facilitate an application by the Company for admission to the Official List, to position the Company to seek to achieve the objectives stated at section B above and to provide the Company with future access to equity capital markets for funding. The Board believes that on completion of the Offers, the Company will have sufficient working capital to achieve its objectives.	Section 6
Who is eligible to participate in the Offers?	The General Offer is open to all investors resident in Australia and New Zealand and to eligible investors resident in certain other jurisdictions. The TNG Offer is open to all Eligible TNG Shareholders registered on the TNG Record Date.	Sections 6.1 and 6.12
How do I apply for Securities under the Offers?	Applications for Securities under the Offers must be made by completing the relevant Application Form attached to this Prospectus in accordance with the instructions set out in the Application Form.	Section 6.9

Item	Summary	Further information
What is the allocation policy for the Offers?	The Company will give priority to Eligible TNG Shareholders (under the TNG Offer) in the allocation of Securities under the Offers. However, the final allocation of Securities under the Offers remains at the sole discretion of the Directors to ensure the Company has an appropriate Shareholder base on admission to the Official List. The Company gives no assurance that any applicant will be allocated the Securities applied for.	Sections 6.1 and 9
What will the Company's capital structure be completion of the Offers?	The Company's capital structure on a post-Offers basis is set out in Section 6.4.	Section 6.4
What are the terms of the Securities offered under the Offers?	A summary of the material rights and liabilities attaching to the Shares offered under the Offers is set out in Section 15.2. The terms and conditions of the Options free attaching to the Shares offered under the Offers are set out in Section 15.3.	Sections 15.2 and 15.3
Will any of the Securities issued under the Offers be subject to escrow?	None of the Securities offered under the Offers will be subject to ASX imposed escrow. The 7,000,000 Shares in the Company to be retained by TNG will be subject to escrow for a period of 24 months from the date the Company is admitted to the Official List. The Company has obtained a waiver from ASX that the Shares issued to TNG and to be distributed and transferred under the In-specie Distribution to TNG Shareholders who are unrelated parties of both TNG and the Company will be free from ASX imposed escrow. At the date of this Prospectus, the Company expects the following Securities to be subject to ASX imposed escrow for a period of 24 months: • 7,000,000 Shares held by TNG; • 1,024,410 Shares to be distributed and transferred to related parties of	Section 6.9

Item	Summary	Further information
	TNG and/or the Company pursuant to the In-specie Distribution; • 11,500,000 Options intended to be offered to Directors and management; and • 3,500,000 Options to be issued to the Lead Manager.	
Will the Securities issued under the Offers be quoted?	The Company will make an application to ASX for quotation of all Shares and Options to be issued under the Offers.	Section 6.9
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in Section 3.	Section 3
What is the minimum investment size under the Offer?	Applications under the Offers must be for a minimum of $2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of $500 worth of Shares (2,500 Shares).	Section 6.8
G. Use of proceeds		
How will the proceeds of the Offers be used?	The proceeds from the Offers will be used for: (a) undertaking exploration across the NT Base Metal Assets; (b) paying the costs of the Offers; (c) covering corporate and administrative costs, overheads and tenement rents; and (d) general working capital. further details of which are set out in Section 6.6.	Section 6.6
H. Additional information		
Is there any brokerage, commission or stamp duty payable by applicants?	No brokerage, commission or duty is payable by applicants on the acquisition of Securities under the Offers.	Section 6.7
What are the tax implications of investing in Securities?	Securities may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Securities issued under this Prospectus. The tax consequences of any investment in Securities will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to	Section 6.7

Item	Summary	Further information
	deciding whether to subscribe for Securities offered under this Prospectus.	
What is the Company's dividend policy?	The Company does not expect to declare any dividends during, at least, the first two year period following the date of this Prospectus as significant expenditure will be incurred in the evaluation and development of the NT Base Metal Assets. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.	Section 7.5
What are the corporate governance principles and policies of the Company?	To the extent applicable, in light of the Company's size and nature, the Company has adopted *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**Recommendations**). The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined in Section 13 of this Prospectus and the Company's compliance and departures from the Recommendations are set out in Section 13.12 of this Prospectus. In addition, the Company's full Corporate Governance Plan is available from the Company's website (www.trrltd.com.au).	Section 13
Where can I find more information?	• By speaking to your sharebroker, solicitor, accountant or other independent professional adviser. • By contacting the Company Secretary on +61 8 9327 0950. By contacting the Share Registry on 1300 787 272 within Australia or +61 8 9323 2000 outside Australia.	

This section is a summary only and not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

5. LETTER TO INVESTORS

Dear Investor,

On behalf of the directors of Todd River Resources Limited (**Company**), I am delighted to invite you to become a shareholder of the Company.

The Company was incorporated on 24 June 2014 as a wholly owned subsidiary of TNG. Following a strategic review of its assets, TNG decided to demerge its base metal assets situated in the Northern Territory (consisting of the Petermans, Sandover, Mount Hardy, Walabanba, Rover, Goddards, McArthur River, Croker Island, Manbarrum, Tomkinson, Stokes Yard, Soldiers Creek and Rover projects) (**NT Base Metal Assets**) via the Company (**Spin-out**).

TNG transferred the NT Base Metal Assets to the Company in consideration for being issued 35,000,000 Shares in the Company. Subject to the minimum subscription to the Offers being reached and ASX granting conditional approval for the Company to be admitted to the Official List, 28,000,100 of these Shares will be distributed and transferred to TNG Shareholders and 7,000,000 will be retained by TNG.

The Company is seeking to raise a minimum of $5,000,000 and up to $6,000,000 through an issue of up to 30,000,000 Shares at a price of $0.20 per Share. The Offers include a priority offer to existing TNG Shareholders under the TNG Offer.

The purpose of the Offers is to expand the Company's shareholder base, facilitate a listing of the Company on ASX and provide sufficient funds for the commencement (or continuation) of exploration on the NT Base Metal Assets. Exploration programs have been developed to provide the Company with the opportunity to unlock the value from the NT Base Metal Assets. The Board believe that the cumulative results of previous exploration work undertaken by TNG on the NT Base Metal Assets have provided a platform on which the Company can progress further exploration thereby adding value for Shareholders.

The Board represent an experienced management and exploration team which is well qualified to exploit the potential of the NT Base Metal Assets. The Board has significant expertise and experience in mineral exploration, project development and corporate finance and aims to ensure that funds raised through the Offers will be utilised in a cost-effective manner to advance the Company's projects.

Before making your decision to invest, I ask that you carefully read this Prospectus, including the risk factors set out in Sections 2C and 8, and seek professional advice if required.

On behalf of the Board, I commend the Offers to you and look forward to welcoming you as a Shareholder.

Yours sincerely,

Paul E Burton
Non-Executive Technical Director

31 January 2017

6. DETAILS OF THE OFFERS

6.1 The General Offer and the TNG Offer

Pursuant to this Prospectus, the Company invites applications for up to 30,000,000 Shares at an issue price of $0.20 per Share to raise up to $6,000,000 together with one free attaching Option for every two Shares subscribed for and issued.

TNG Shareholders who receive Shares under the In-specie Distribution will **not** and are **not** entitled to receive free attaching Options in respect of the Shares issued to them under the In-specie Distribution.

The minimum amount which must be raised under this Prospectus is $5,000,000 (**Minimum Subscription**). The Offers comprise the public General Offer which incorporates the priority TNG Offer to Eligible TNG Shareholders.

The Company is offering Eligible TNG Shareholders priority to subscribe for Shares through the TNG Offer. Although priority will be given to Eligible TNG Shareholders in the allocation of Securities under the Offers, the Directors will allocate Securities under the Offers at their sole discretion to ensure the Company has an appropriate Shareholder base on admission to the Official List. While it is intended that as many Eligible TNG Shareholders as possible receive at least the minimum allocation of 10,000 Shares ($2,000) under the TNG Offer, there is no guarantee and the Company gives no assurance that all Eligible TNG Shareholders will be allocated the Securities applied for. Eligible TNG Shareholders are encouraged to submit a TNG Offer Application Form as soon as possible.

The TNG Offer closes 7 days before the General Offer closes. This allows the Company to accept applications under the General Offer for Securities not applied for (or for applications not accepted by the Company) under the TNG Offer.

Applications for Securities under the General Offer must be made on the General Offer Application Form attached to this Prospectus and applications for Securities under the TNG Offer must be made on the TNG Offer Application Form also attached to this Prospectus. Please refer to Section 6.8 for further details and instructions on how to apply for Securities under the Offers.

The Shares offered under this Prospectus will rank equally with the existing Shares on issue. A summary of the material rights and liabilities attaching to the Shares offered under the Offers is set out in Section 15.2. The Options offered under the Offers will be issued on the terms and conditions set out in Section 15.3. All Shares issued on conversion of the Options will rank equally with the Shares on issue at the date of this Prospectus.

6.2 Minimum subscription

If the Minimum Subscription to the Offers of $5,000,000 has not been raised within 4 months after the date of this Prospectus, the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

6.3 Oversubscriptions

No oversubscriptions will be accepted by the Company.

6.4 Capital Structure

The capital structure of the Company following completion of the Offers (assuming both minimum and full subscription) is summarised below[1]:

Shares[2]

	Minimum Subscription	Full Subscription
	Number	**Number**
Shares currently on issue[3]	35,000,100	35,000,100
Shares to be issued pursuant to the Offers	25,000,000	30,000,000
Total Shares on completion of the Offers	**60,000,100**	**65,000,100**

Options

	Minimum Subscription	Full Subscription
	Number	**Number**
Options currently on issue	Nil	Nil
Options to be issued pursuant to the Offers[4]	12,500,000	15,000,000
Options to be issued to the Lead Manager[4]	3,500,000	3,500,000
Options intended to be offered to Directors and management[5]	11,500,000	11,500,000
Total Options on completion of the Offers	**27,500,000**	**30,000,000**

Notes:

1. Refer to the Investigating Accountant's Report set out in Section 10 of this Prospectus for further details.
2. The rights attaching to the Shares are summarised in Section 15.1 of this Prospectus.
3. 100 Shares were issued to TNG on incorporation of the Company and 35,000,000 Shares were issued to TNG as consideration for the acquisition of the NT Base Metal Assets by the Company. 28,000,100 of these Shares will be transferred and distributed to TNG Shareholders under the In-specie Distribution and 7,000,000 will be retained by TNG. Please refer to Section 7.1 for further information in respect of the In-specie Distribution and the Shares to be retained by TNG.
4. The Options to be issued under the Offers and the Options to be issued to the Lead Manager will be quoted and will be exercisable at 25 cents on or before the third anniversary of their date of issue. Refer to Section 14.1 for a summary of the Lead Manager Mandate.
5. The Options intended to be offered to Directors and management will be unquoted and exercisable at 30 cents on or before the third anniversary of their date of issue. The Company intends to offer these Options, subject to the Company raising the minimum subscription to the Offers.

6.5 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offers (assuming full subscription) and In-specie Distribution are set out in the respective tables below.

As at the date of the Prospectus

Shareholder	Shares	Options	% (undiluted)	% (fully diluted)
TNG Limited	35,000,100	nil	100%	100%

On completion of the Offers (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offers) and In-specie Distribution

Shareholder	Shares	Options	% (undiluted)	% (fully diluted)
TNG Limited	7,000,000	nil	10.77%	7.37%

The Company will announce to the ASX details of its top-20 Shareholders (following completion of the Offers) prior to the Securities commencing trading on ASX.

6.6 Use of Funds

The Company intends to apply funds raised from the Offers, together with existing cash reserves, over the first two years following admission of the Company to the Official List of ASX as follows:

Funds available	Minimum Subscription ($) ($5,000,000)	%age of Funds	Full Subscription ($) ($6,000,000)	%age of Funds
Funds raised from the Offers	5,000,000	100	6,000,000	100
Total	**5,000,000**	**100.00**	**6,000,000**	**100.00**
Allocation of funds				
Expenses of the Offer to be paid by the Company post listing[1]	271,313	5.43	331,313	5.52
Geological Activities – mapping, core logging etc[2]	382,445	7.65	535,500	8.93
Geochemical Activities – surveys and analysis[2]	197,829	3.96	277,000	4.62
Geophysical – surveys, processing and interpretation[2]	115,698	2.31	162,000	2.70
Drilling[2]	953,435	19.07	1,335,000	22.25
Prefeasibility – including metallurgical and environmental[2]	224,968	4.50	315,000	5.25
Office Based Studies and Reporting[2]	321,740	6.43	450,500	7.51
Corporate and administrative costs and overheads, tenement rents[3]	2,103,301	42.07	2,224,416	37.07
Repayment of TNG Costs Reimbursement Agreement[1]	300,000	6.00	300,000	5.00

Working capital	129,271	2.59	69,271	1.15
Total	**5,000,000**	**100.00**	**6,000,000**	**100.00**

Notes:

1. $300,000 has been paid by TNG on behalf of the Company including to cover the costs of the Offers to the date of this Prospectus under the Costs Reimbursement Agreement (refer to Section 14.4 for further details). The balance of the expenses of the Offers will be met directly from the proceeds of the Offers as will the repayment of the amounts owing under the Costs Reimbursement Agreement. Refer to Section 15.9 of this Prospectus for further details.
2. Refer to Section 7 and the Independent Geologist's Report in Section 9 of this Prospectus for further information on the planned exploration activities and expenditure budget for the projects.
3. Includes director fees, employee and executive salaries, overheads, office rent, tenement rents, corporate services and company secretarial fees.

It is anticipated that the funds raised under the Offers will enable 2 years of full operations (if the minimum subscription is raised). It should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity funding. Future capital needs will also depend on the success or failure of the Company's exploration of the NT Base Metal Assets. The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration on the NT Base Metal Assets or to capitalise on acquisition opportunities in the resources sector.

In the event the Company raises more than the Minimum Subscription of $5,000,000, the additional funds raised will be first applied towards the additional expenses of the Offers, then toward the exploration works on the NT Base Metal Assets noted above, then toward corporate and administrative costs, overheads and tenement rents and lastly toward working capital. On completion of the Offers, the Board believes the Company will have sufficient working capital to achieve its objectives.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

6.7 Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

No brokerage, commission or duty is payable by applicants on the acquisition of Securities under the Offers.

6.8 Applications

If you wish to apply for Shares under the General Offer or the TNG Offer, you may:

(a) apply online using an online Application Form at trrltd.com.au and pay the application monies electronically; or

(b) complete a paper-based application using the relevant Application Form attached to, or accompanying this Prospectus or a printed copy of the relevant Application Form attached to the electronic version of this Prospectus.

6.8.1 Online Applications

Investors may apply online under the General Offer and Eligible TNG Shareholders may apply online under the TNG Offer by following the instructions at www.trrltd.com.au and completing a BPAY® payment (or, and only if directed by your broker, an EFT payment). Follow the instructions below to complete your payment. If you do not make a BPAY® (or, if directed by your broker, an EFT payment), your application will be incomplete and will not be accepted. Your online Application Form and payment must be completed and received by no later than 5.00pm (WST) on the TNG Offer Closing Date in the case of the TNG Offer and by no later than 5.00pm (WST) on the General Offer Closing Date in the case of the General Offer.

If you are applying online using an online Application Form and making your application payment by BPAY®, you will be given a BPAY® biller code and unique customer reference number for your application once you have completed your online Application Form.

BPAY® payments must be made from an Australian dollar account of an Australian financial institution. Using these BPAY® details, you must:

(a) access your participating BPAY® financial institution either through telephone or internet banking;

(b) select to use BPAY® and follow the prompts;

(c) enter the suppled biller code and unique customer reference number;

(d) enter the total amount to be paid which corresponds to the value of Shares you wish to apply for under each application;

(e) select which account you would like your payment to come from;

(f) schedule your payment to occur on the same day that you complete your online Application Form. Applications without payment will not be accepted; and

(g) record and retain the BPAY® receipt number and date paid.

You should be aware that your own financial institution may implement earlier cut-off times with regard to BPAY® or other electronic payments and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY® or other electronic payments are received by 5.00pm (WST) on the relevant Closing Date.

6.8.2 Completing an Application Form

Applications for Securities under the General Offer and the TNG Offer can also be made using the General Offer Application Form or TNG Offer Application Form respectively attached to this Prospectus.

TNG Offer Application Forms will be made available to the TNG Shareholders who are registered as a TNG Shareholder on the TNG Offer Record Date.

By completing the General Offer Application Form or TNG Offer Application Form, each applicant will be taken to have declared that all details and statements made are complete and accurate and that the applicant has personally received the relevant Application Form together with a complete and unaltered copy of the Prospectus.

The TNG Offer is not renounceable and it cannot be transferred. Further, the TNG Offer is not a rights issue or entitlement offer.

Applications for Securities under either General Offer or the TNG Offer must be for a minimum of 10,000 Shares and thereafter in multiples of 2,500 Shares and payment for the Shares must be made in full at the issue price of $0.20 per Share.

Although priority will be given to Eligible TNG Shareholders in the allocation of Securities under the Offers (via the TNG Offer), the Directors will allocate Securities at their sole discretion to ensure the Company has an appropriate Shareholder base on admission to the Official List. While it is intended that as many Eligible TNG Shareholders as possible receive at least the minimum allocation of 10,000 Shares ($2,000) under the TNG Offer, there is no guarantee and the Company gives no assurance that all Eligible TNG Shareholders will be allocated the Securities applied for.

The TNG Offer closes 7 days before the General Offer closes. This allows the Company to accept applications under the General Offer for Securities not applied for (or for applications not accepted by the Company) under the TNG Offer.

Completed General Offer Application Forms and TNG Offer Application Forms and accompanying cheques, made payable to "**Todd River Resources – IPO Trust Account**" and crossed "**Not Negotiable**", (or EFT payment if directed by your broker) must be mailed or delivered to the address set out on the Application Form by no later than 5:00pm (WST) on the General Offer Closing Date in the case of the General Offer or 5:00pm (WST) on the TNG Offer Closing Date in the case of the TNG Offer. The Company reserves the right to close the General Offer or the TNG Offer early.

It is the responsibility of applicants outside Australia to obtain all necessary approvals for the issue of Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained.

If you require assistance in completing a General Offer Application Form or TNG Offer Application Form, please contact the Company on +61 8 9327 0950 or the Share Registry on 1300 787 272 within Australia or +61 8 9323 2000 outside Australia.

6.9 ASX listing

Application for Official Quotation by ASX of the Shares and Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus.

If the Shares and Options are not admitted to Official Quotation by ASX before the expiration of 3 months after the date of issue of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Securities and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

The Securities issued under the Offers will not be subject to escrow under the ASX Listing Rules.

6.10 Issue

Subject to the Minimum Subscription to the Offers being reached and ASX granting conditional approval for the Company to be admitted to the Official List, issue of Securities offered by this Prospectus will take place as soon as practicable after the General Offer Closing Date. The transfer and distribution of Shares to TNG Shareholders pursuant to the In-specie Distribution will occur shortly after the Securities offered by this Prospectus are issued.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Directors reserve the right to reject any application or to allocate any applicant fewer Securities than the number applied for. Where the number of Securities issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the General Offer Closing Date.

6.11 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Securities or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia and New Zealand. Applicants who are resident in countries other than Australia and New Zealand should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia or New Zealand it is your responsibility to obtain all necessary approvals for the issue of the Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

New Zealand

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 (Aust) and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (http://www.fma.govt.nz). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

Singapore

This Prospectus and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore. Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a Prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of (**CWUMP**) Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong by means of any document other than (a) to "professional investors" (as defined in the SFO) or (b) in other circumstances which do not result in the document being a "Prospectus" as defined in the CWUMP or which do not constitute an offer to the public within the meaning of the CWUMP.

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person issued Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such Securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offers. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

Israel

The Securities have not been registered, and no prospectus will be issued, under the Israeli Securities Law 1968. Accordingly, the Securities will only be offered and sold in Israel pursuant to an applicable private placement exemption namely, the Offers will be made to no more than 35 offerees, subject to certain conditions. This Prospectus and any activities in connection with it shall not be deemed to be the provision of investment advice or invest marketing services. If any recipient in Israel of this Prospectus is not the intended recipient, such recipient should promptly return it to the Company. This Prospectus has not been reviewed or approved by the Israeli Securities Authority in any way.

China

The information in this Prospectus does not constitute a public offer of Securities, whether by way of sale or subscription, in the People's Republic of China (**PRC**) (excluding, for the purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The Securities may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors".

Japan

The Securities have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the Securities may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires Securities may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of Securities is conditional upon the execution of an agreement to that effect.

Malaysia

No approval from the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Securities. The Securities may not be offered or sold in Malaysia except pursuant to an exemption from the prospectus requirements under the Malaysian Capital Markets and Services Act.

Switzerland

The Securities may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Securities may be publicly distributed or otherwise made publicly available in Switzerland. The Securities will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations.

United Kingdom

Neither the information in this Prospectus nor any other document relating to the Offers has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**) has been published or is intended to be published in respect of the Securities offered pursuant to this Prospectus. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the Securities offered pursuant to this Prospectus may not be offered or sold in the United Kingdom by means of this Prospectus, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This Prospectus should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Securities offered pursuant to this Prospectus has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this Prospectus is being distributed only to, and is directed at, persons:

(a) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**);

(b) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or

(c) to whom it may otherwise be lawfully communicated,

(together, **relevant persons**).

The investments to which this Prospectus relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

6.12 Not underwritten

The Offers are not underwritten.

6.13 Lead Manager

The Offers are lead managed by Sanlam Private Wealth. Refer to Section 14.1 for a summary of the material terms and conditions of the mandate between the Company and Sanlam Private Wealth.

6.14 Restricted Securities

Subject to the Company being admitted to the Official List, certain Securities will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period

in which these Securities are prohibited from being transferred, trading in Securities may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Securities in a timely manner.

It is estimated that 8,024,410 Shares and 15,000,000 Options will be subject to escrow as follows:

(a) 7,000,000 Shares for 24 months from the date of Official Quotation (held by TNG);

(b) 1,024,410 Shares for 24 months from the date of Official Quotation (held by Directors and the proposed Director pursuant to the In-specie Distribution);

(c) 11,500,000 Options for 24 months from the date of Official Quotation (intended to be offered to Directors and management); and

(d) 3,500,000 Options for 24 months from the date of Official Quotation (held by the Lead Manager).

The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Securities commencing trading on ASX.

6.15 Commissions payable

The Company reserves the right to pay a commission of 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

7. COMPANY AND PROJECTS OVERVIEW

7.1 Background

The Company was incorporated on 24 June 2014 as a wholly owned subsidiary of TNG and, other than as disclosed in this Prospectus, has not undertaken any activities since incorporation. At the date of this Prospectus, the Company remains a wholly owned subsidiary of TNG.

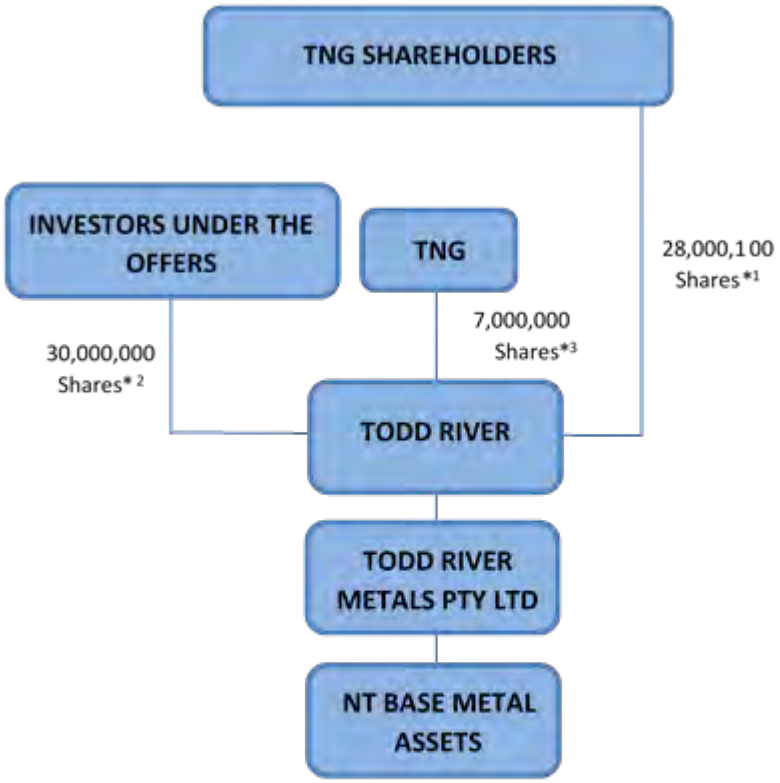
On 25 July 2016, TNG announced that, following a strategic review and subject to obtaining shareholder approval, it would demerge its base metal assets situated in the Northern Territory (consisting of the Petermanns, Sandover, Mount Hardy, Walabanba, Rover, Goddards, McArthur River, Croker Island, Manbarrum, Tomkinson, Stokes Yard, Soldiers Creek and Rover projects) (**NT Base Metal Assets**) via the Company (**Spin-out**).

The rationale for the Spin-out is that TNG's activities have been dominated by the exploration of its world class Mount Peake project and such success has overshadowed the significant potential and value that the TNG Directors believe is in the NT Base Metal Assets. The Spin-out is also considered by TNG to be an opportunity for TNG Shareholders to realise maximum value from the NT Base Metal Assets as it will allow TNG to divest these assets which it considers non-core to its strategic objectives and incubate them in a dedicated company (being the Company) whilst focusing on its flagship Mount Peake project.

As part of the Spin-out, TNG transferred (or procured the transfer from its subsidiaries of) the NT Base Metal Assets to the Company in consideration for being issued 35,000,000 Shares in the Company. TNG will distribute and transfer 28,000,100 of these Shares in specie to TNG's Shareholders on a pro-rata basis (**In-specie Distribution**). The In-specie Distribution will be effected by an equal reduction of TNG's capital on a pro rata basis. TNG will retain a holding of 7,000,000 Shares in the Company. TNG Shareholder approval for the Spin-out and In-specie Distribution was obtained on 29 November 2016.

Subject to satisfaction of the In-specie Conditions, the Company will be de-merged from TNG following completion of the Offers and In-specie Distribution. The Company's corporate structure upon Official Quotation (assuming the maximum subscription is raised under the Offers) will be as follows:

STRUCTURE ON COMPLETION OF THE IN-SPECIE DISTRIBUTION AND OFFERS



*1 To be distributed and transferred to TNG Shareholders under the In-Specie Distribution.

*2 Includes Shares to be issued to TNG Shareholders participating in the TNG Offer.

*3 To be retained by TNG.

TNG's present intention as a substantial shareholder of the Company is to maintain its shareholding in the Company to attempt to realise value in the NT Base Metal Assets.

The Company's Board presently consists of the current directors of TNG, being:

(a) Paul Burton (Non-Executive Technical Director);

(b) Rex Turkington (Non-Executive Director); and

(c) Geoffrey Crow (Non-Executive Director).

Further, Eddie Fry will be appointed as Non-Executive Chairman upon the date the Company is admitted to the Official List.

The Company has identified positions which the Board intends to fill at the operational and executive levels upon the Company's admission to the Official List to ensure proper management of the Company's projects. To this end, the Company has appointed a recruitment consultant to assist in the appointment of two independent persons with relevant suitable experience in mining exploration in the Northern Territory and the resources sector to fill the positions of Chief Executive Officer and Senior Geologist. Paul Burton as Non-Executive Technical

Director will oversee the technical aspects of the NT Base Metal Assets while suitable candidates are sought.

Refer to Section 12.1 for further information on the Board.

7.2 Overview of the NT Base Metal Assets

The NT Base Metal Assets are situated in the Northern Territory as shown in the map below:

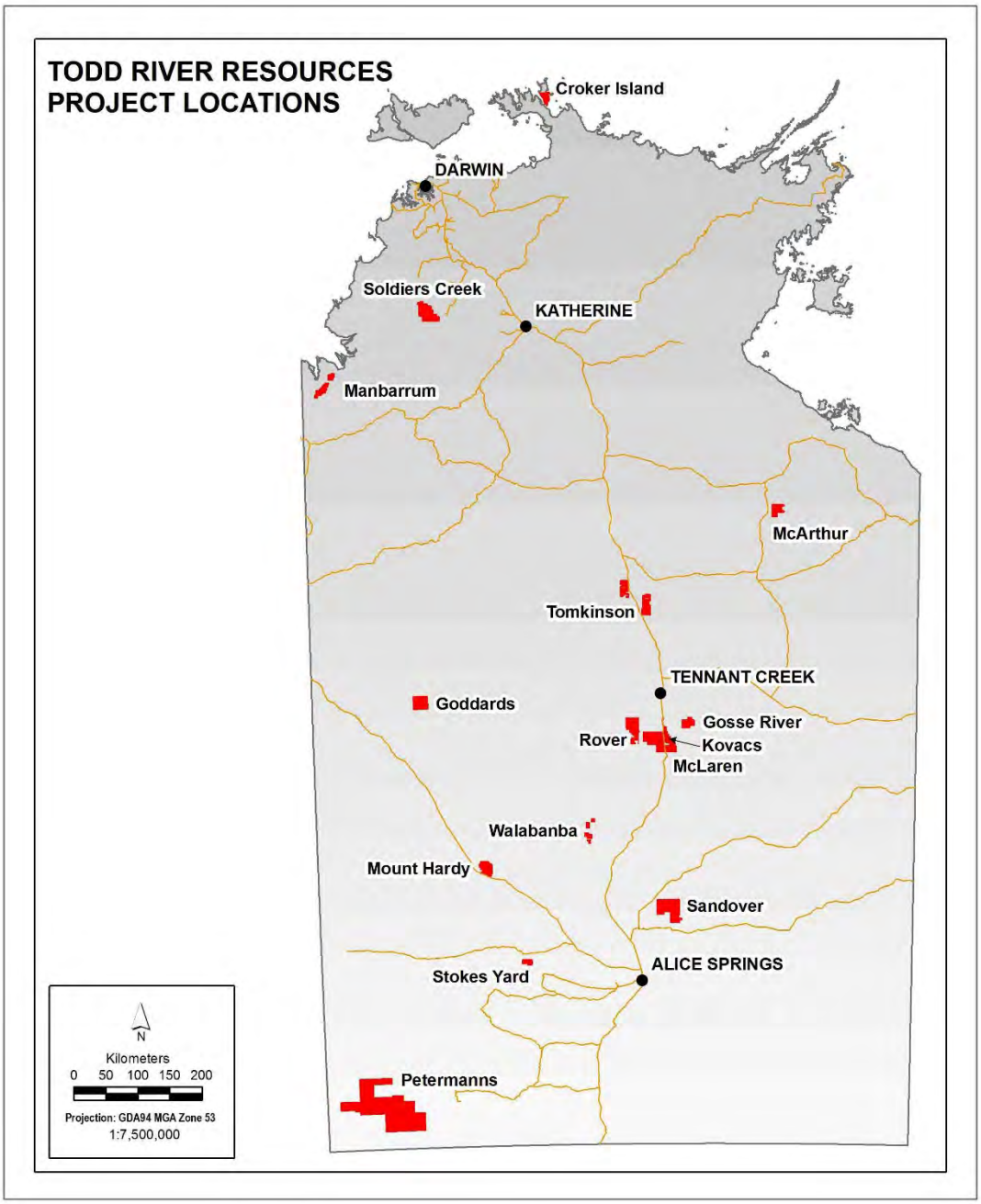


Figure 7.1. Location of NT Base Metal Assets

Full details of the mineral leases, exploration licenses, mineral authorities, mineral lease applications and exploration licence applications which make up the NT Base Metal Assets are set out in the Solicitor's Report on Tenements contained in Section 11. A summary of each of the NT Base Metal Assets including information on prospectivity is set out in the Independent Geologist's Report contained in Section 9. Set out below are summaries of the main projects which make up the NT Base Metal Assets.

7.2.1 Manbarrum

The Manbarrum Project is located in the north-western part of the Northern Territory, immediately east of the Western Australian border and some 40-90 kilometres northeast of Kununurra (Figure 7.2). The project ground can be accessed from Kununurra via a sealed road through the irrigation areas to the border and the Legune Station access road thereafter. It comprises two granted exploration licences, two granted mineral authorities and a mineral lease application that are spread south-west/north-east over 40 kilometres along the onshore section of the eastern margin of the Bonaparte Basin.

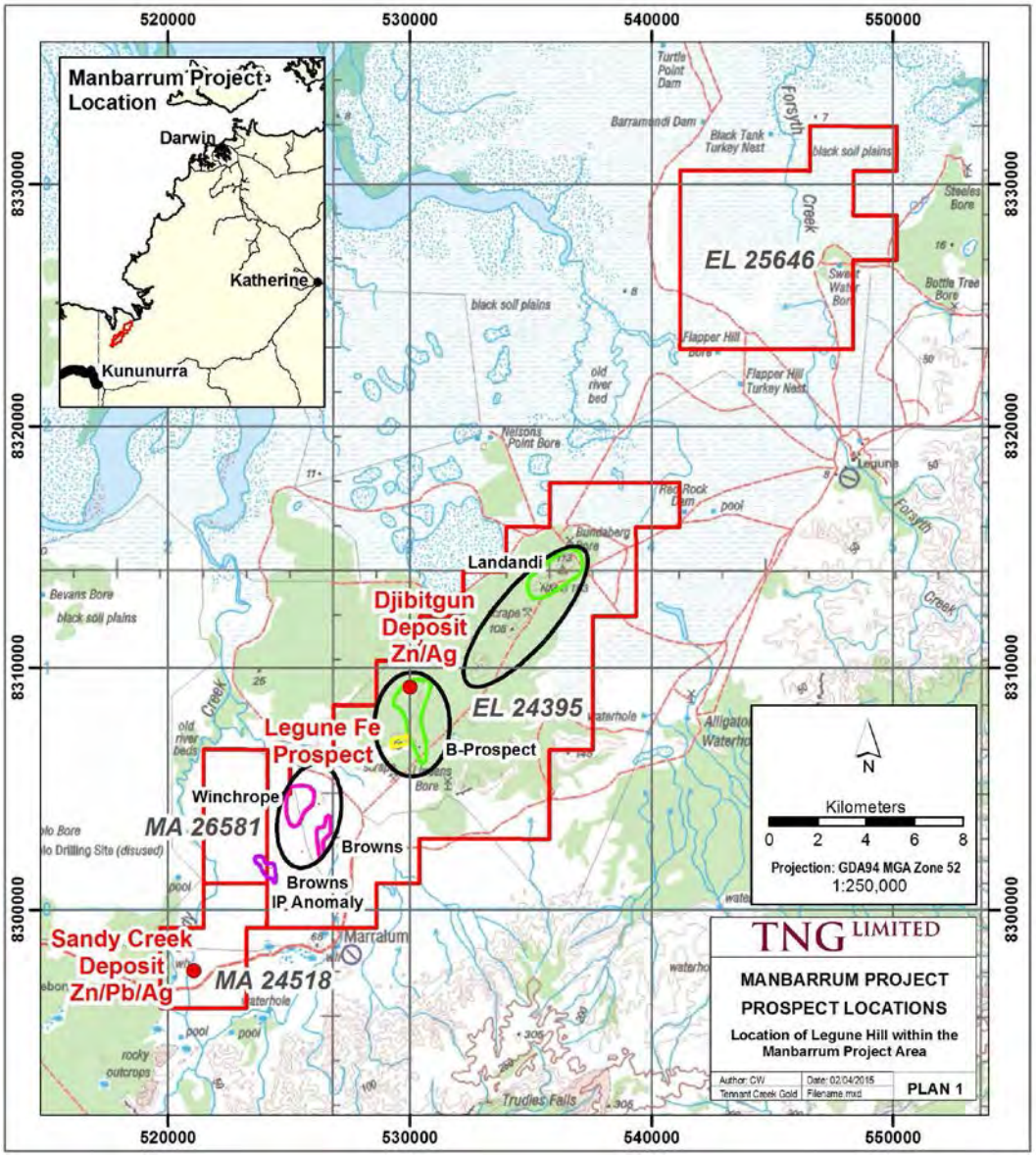


Figure 7.2. Manbarrum Project location diagram showing named prospects.

The Bonaparte Basin margin exposes Paleozoic clastic and carbonate sediments adjoining and overlying the Paleoproterozoic Halls Creek Orogen, to the south-east of the Halls Creek Fault Zone. The Bonaparte Basin is a north-opening sedimentary basin with a five kilometre thickness of Cambrian to Tertiary sediments, mostly under the Timor Sea, formed, in part, during Late Devonian continental rifting.

The Devonian to Middle Carboniferous dirty sandstones and carbonates host Mississippi Valley Type (**MVT**) Zn-Pb-Ag mineralisation within the tenement package as well as to the west at Sorby Hills. Sorby Hills, a series of MVT Ag-Pb

dominated shallow lodes outlined along an eight kilometre strike, is controlled by KBL Mining Limited. MVT mineralisation along the Bonaparte Basin margin is considered to be controlled by extensional splays and growth fault structures feeding low temperature metal-rich brines into reduced depositional sites in favourable permeable stratigraphy.

TNG has been active on this project for several years and defined an estimated Mineral Resource at Sandy Creek in 2010. This has recently been upgraded to comply with JORC 2012 Mineral Resource reporting guidelines and comprises:

22.5 Mt @ 1.81% Zn, 0.44% Pb and 4.56g/t Ag

Indicated 5.1 Mt @ 1.94% Zn, 0.82% Pb and 5.82g/t Ag, and

Inferred 17.4 Mt @ 1.77% Zn, 0.33% Pb and 4.19g/t Ag

Investors should note there is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources.

A historic resource estimate has been published for the Djibitgun deposit under the 2004 edition of the JORC Code which is no longer current. Both deposits warrant further drill testing, to both step-out/grow and infill/upgrade the Sandy Creek estimated Mineral Resource, metallurgical testwork and economic valuation.

Please refer to the Independent Geologist's Report in Section 9 for the full Mineral Resource table in respect of the Manbarrum project and further details required by the JORC Code and also for further details of the exploration work which has already been undertaken on the NT Base Metal Assets.

The Sandy Creek deposit consists of sphalerite-galena-marcasite-pyrite mineralisation hosted by a 100-120 metre thick sandy carbonate portion of the Burt Range Formation. Higher grades are found within more porous and fractured sections and adjacent to major faults and breccias (conduit zones).

Other MVT prospects requiring further evaluation include Browns, Winchrope and Landandi. The northern part of the tenements (EL 24395 and 25646) has similar potential, over 15 kilometres of strike extent, but has had little targeted exploration due to thin Tertiary cover.

The project is considered to have potential for the discovery of new MVT style mineralisation within the lesser explored north-eastern portions of the tenure, as well as scope to expand the resources at the known prospects, focusing on listric-faulting to target higher grade mineralisation. Metallurgical studies to evaluate the economics of the known resources will be undertaken concurrently.

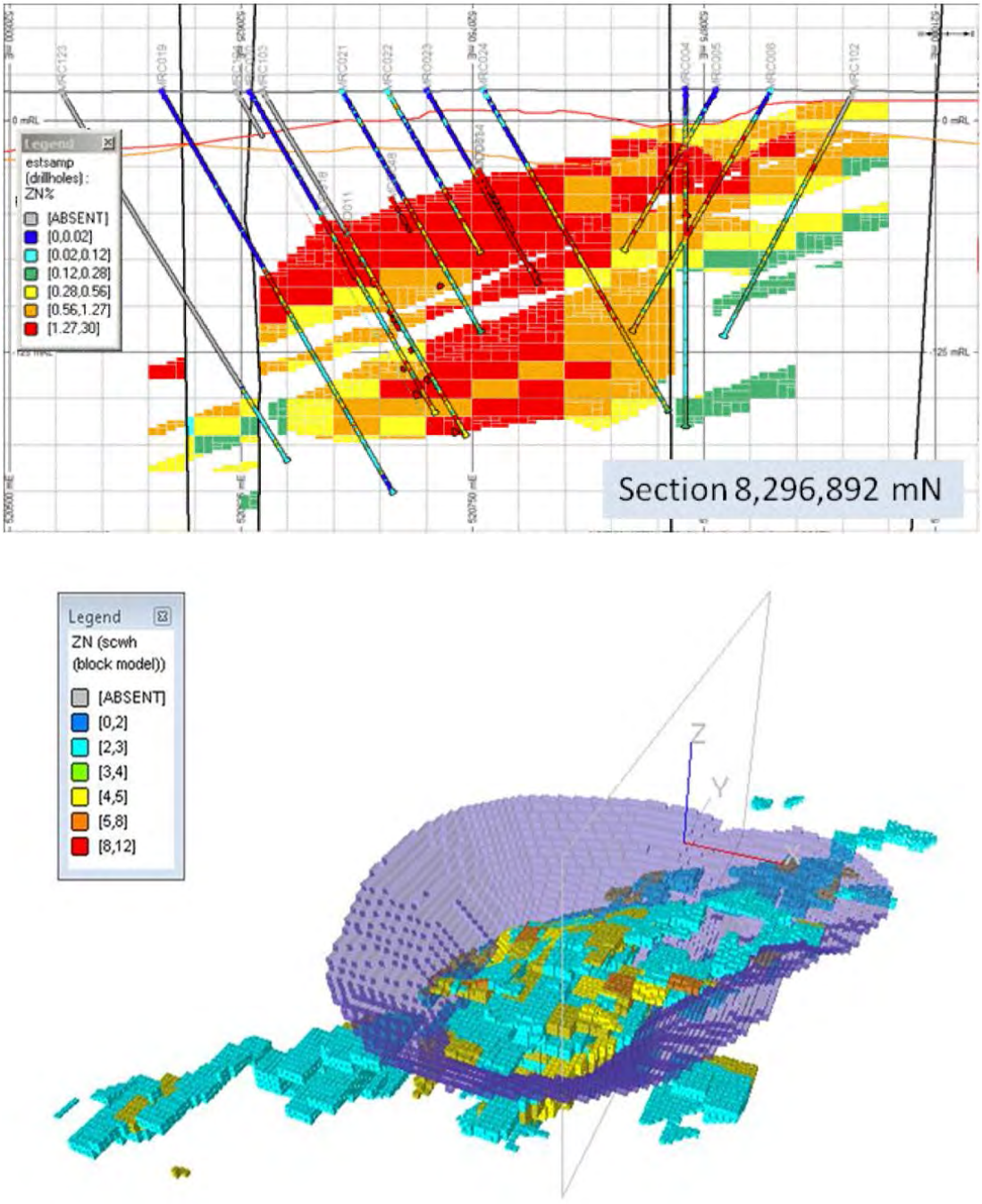


Figure 7.3. Manbarrum Project. Sandy Creek Mineral Resource. Upper image – cross section showing zinc grades in drill holes and the block model. Lower image – 3D view of the resource block model and optimised pit outline.

7.2.2 McArthur River

The McArthur River Project is located 550 kilometres south-east of Darwin and 60 kilometres south of the world class McArthur River (HYC) Zinc Mine (Figure 7.4). The project is being explored for Sedex Zn-Pb-Ag-Cu targets and has 25 kilometres of prospective stratigraphy exposed and contains both geochemical and geophysical anomalies.

Tenure is accessed from Cape Crawford down the Tablelands Highway and then along the Mallapunyah-Kiana station road. Tenements cover part of Kiana, Mallapunyah and McArthur River pastoral stations and are accessible during the April-October dry season.

The two granted exploration licences (EL 27711 and EL 30085) cover the Mallapunyah Dome, which exposes the Tawallah Group Settlement Creek Dolerite in the core. This is flanked by gently-dipping upper Tawallah Group stratigraphy and the lower units of the McArthur Group.

The central "ovoid-rich" portion of the Wollogorang Formation displays similarities to the younger McArthur Group Barney Creek Formation, which hosts the HYC deposit and several other Sedex Zn-Pb-Ag deposits within the Batten Fault Zone. The Wollogorang Formation has several features that demonstrate potential for Sedex mineralisation: an intracratonic basin setting, mixed dolostone, mudstone, evaporate sequence, voluminous footwall mafic volcanics (metal source rocks), organic rich sequence (black bituminous shales with >5% total organic content), proximal long-lived major faults (pathway) and anomalous geochemistry (Zn-Pb-Ag plus pathfinders As, Sb, Cd, Hg, In, Tl).

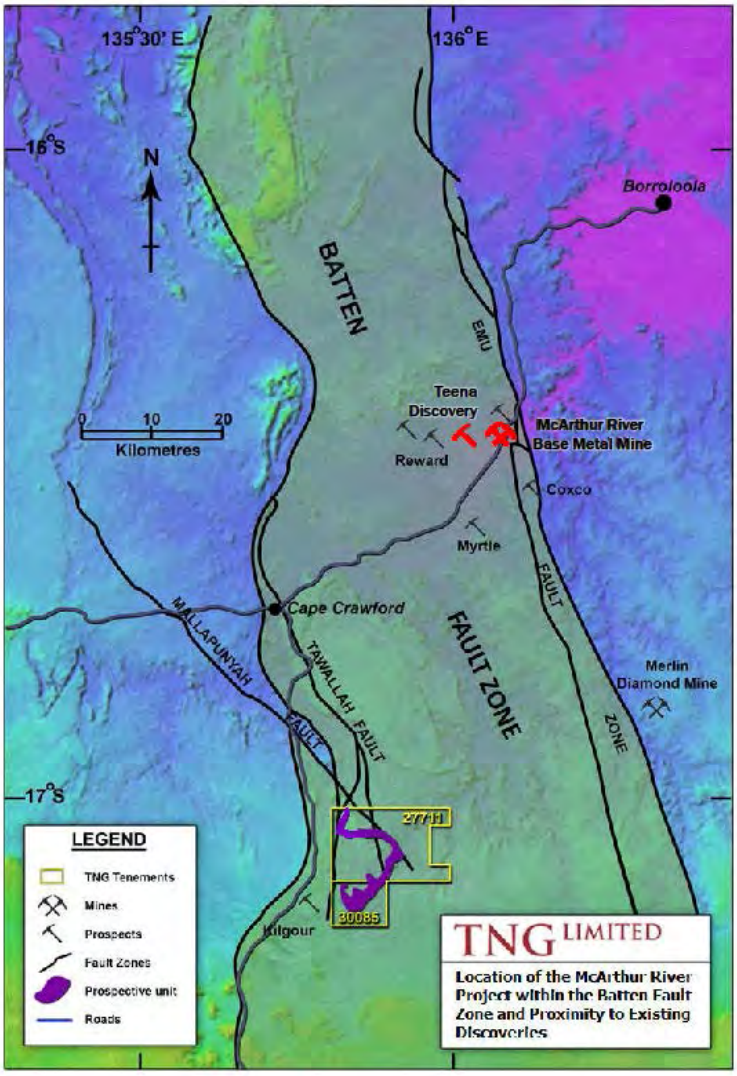


Figure 7.4. McArthur River Project location relative to the Batten Fault Zone, regional structures and known mines/prospects.

Historic geophysical work around the Mallapunyah Dome has also outlined induced polarisation anomalies associated with the down-dip position of the Wollogorang Formation.

TNG work since 2012 has highlighted the geochemical anomalism of this sequence. Three significant Zn-Pb anomalies were outlined by soil sampling in 2013, the largest a 3000 metre long and up to 450 metre wide zone with up to 1400 part per million (**ppm**) Zn and 670ppm Pb. All Zn-Pb anomalism is focused on the central portion of the Wollogorang Formation and the whole 25 kilometre strike length of exposed Wollogorang Formation has moderate levels (>150ppm Zn) of anomalism.

Drilling in 2014 outlined significant low level zinc-lead mineralisation (Figure 7.5).

The Company's exploration program which includes structural analysis, targeted geophysical work and geochemical vectoring is envisioned, leading potentially to further drill testing.

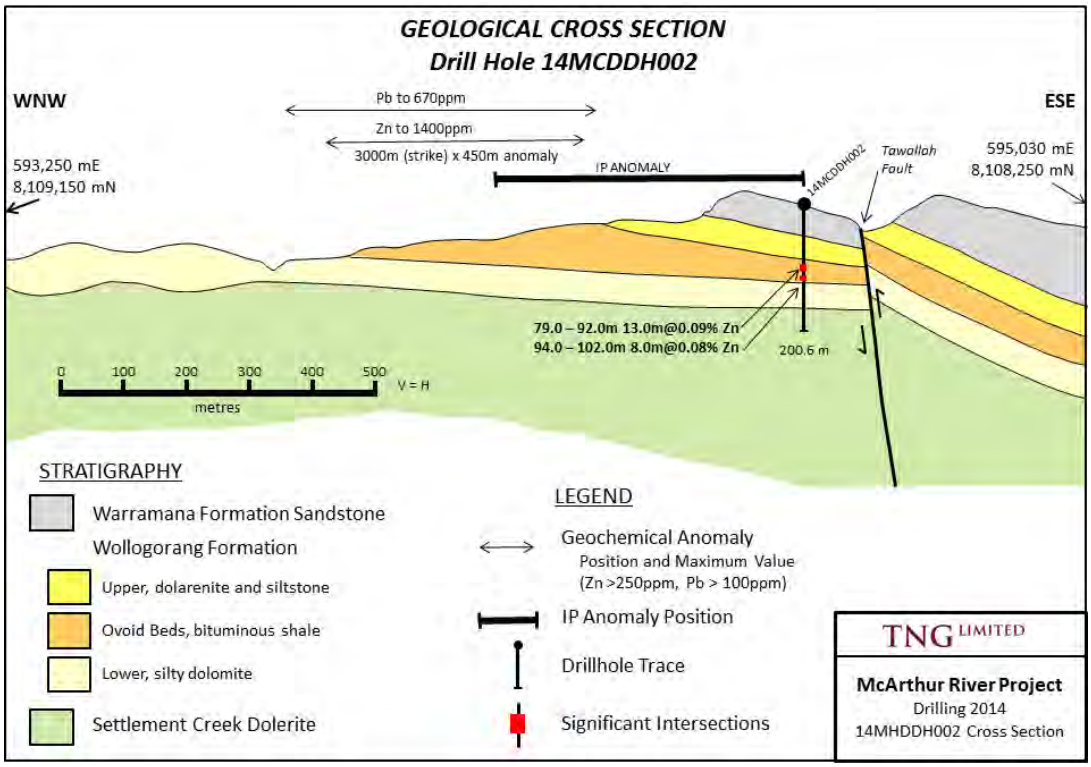


Figure 7.5. McArthur River Project. Cross Section through 2014 drilled 14MCDDH002, showing stratigraphic control on Zn-Pb mineralisation. Please refer to the Independent Geologist's Report in Section 9 for further details required by the JORC Code.

7.2.3 Mount Hardy

The Mount Hardy Project, located 300 kilometres north-west of Alice Springs, comprises several base and precious metal structurally-controlled syn/epigenetic drill-ready targets. Tenure straddles the Tanami Road some 20 kilometres to the west of the Yeundumu community. Three granted exploration licences (27892, 28694, and 29219) cover 308 square kilometres.

The Mount Hardy Copper Field was discovered in the 1930s and numerous small workings were active into the 1970s. TNG has pursued a program to assess the base metal potential of the field utilising airborne/ground electromagnetic (**EM**) and gravity/ induced polarisation (**IP**) surveys and have several targets requiring further work.

The area lies within the Aileron Province of the Arunta region, and has predominantly Lander Rock Formation schists and granulites exposed in the

Ngadarunga Hills north of Mount Hardy. Base metal mineralisation within this sequence is structurally controlled, has associated sericite/pyrite alteration, silica flooding/quartz veins, associated pegmatites and displays massive to semi-massive sulphides (chalcopyrite-pyrite-sphalerite-galena). Historically mined areas have shallow pits with oxide, carbonate and supergene sulphide base metal mineralogy (malachite, chysocolla, brochantite, cerussite, hemimorphite, chalcocite and native copper).

Work completed since 2012 includes 900 line kilometres of HELITEM (a type of EM survey) (which generated 23 anomalies), ground EM over 6 of these (Figure 7.6), IP surveys over two prospects, portable XRF soil sampling over 12 targeted areas and mapping and sampling over eight targets.

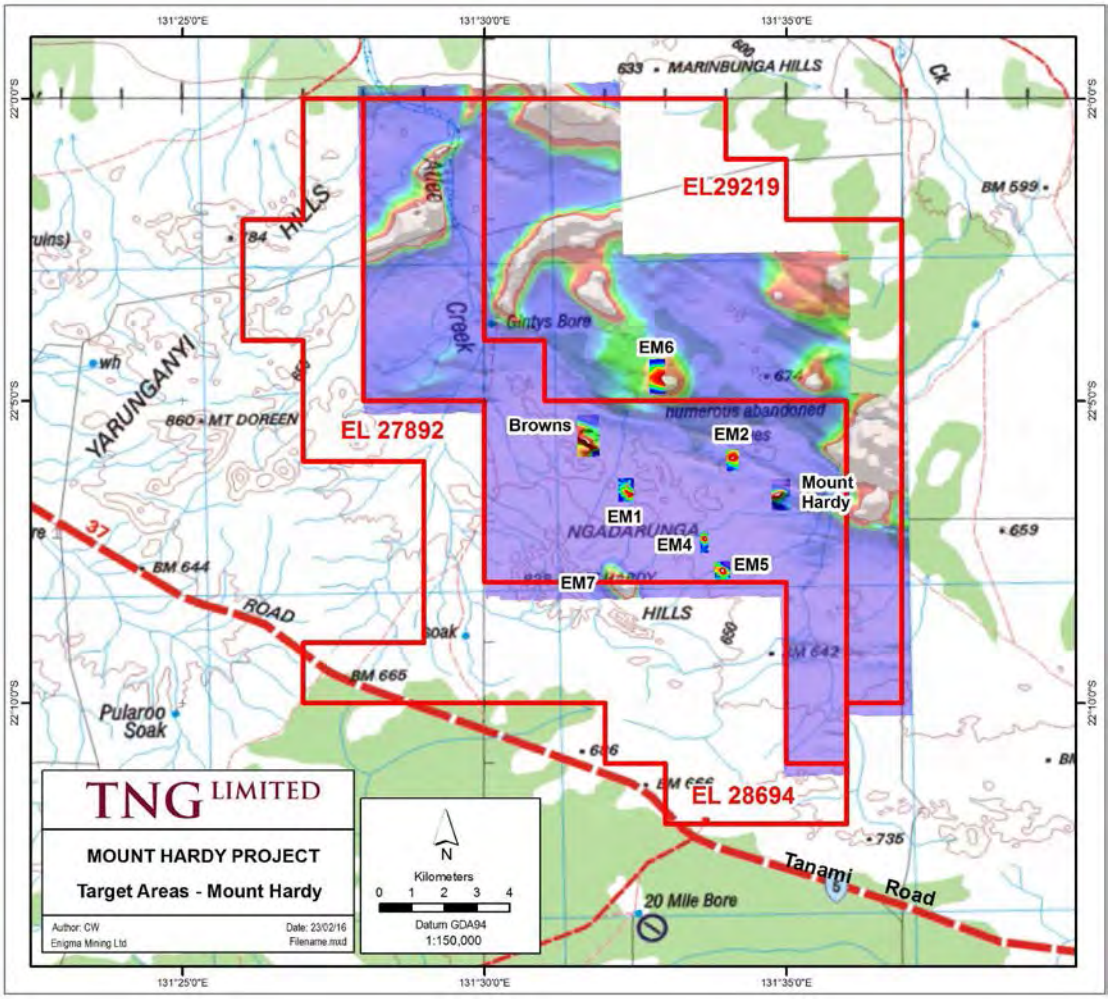


Figure 7.6 Mount Hardy Project. Project location showing geophysical work completed (HELITEM and ground EM images) with anomalies outlined.

Six regional structural targets require mapping and soil geochemistry follow-up. Eight of the HELITEM targets require ground EM follow-up and four prospects have drill-ready targets, such as EM Target #2 (Figure 7.7).

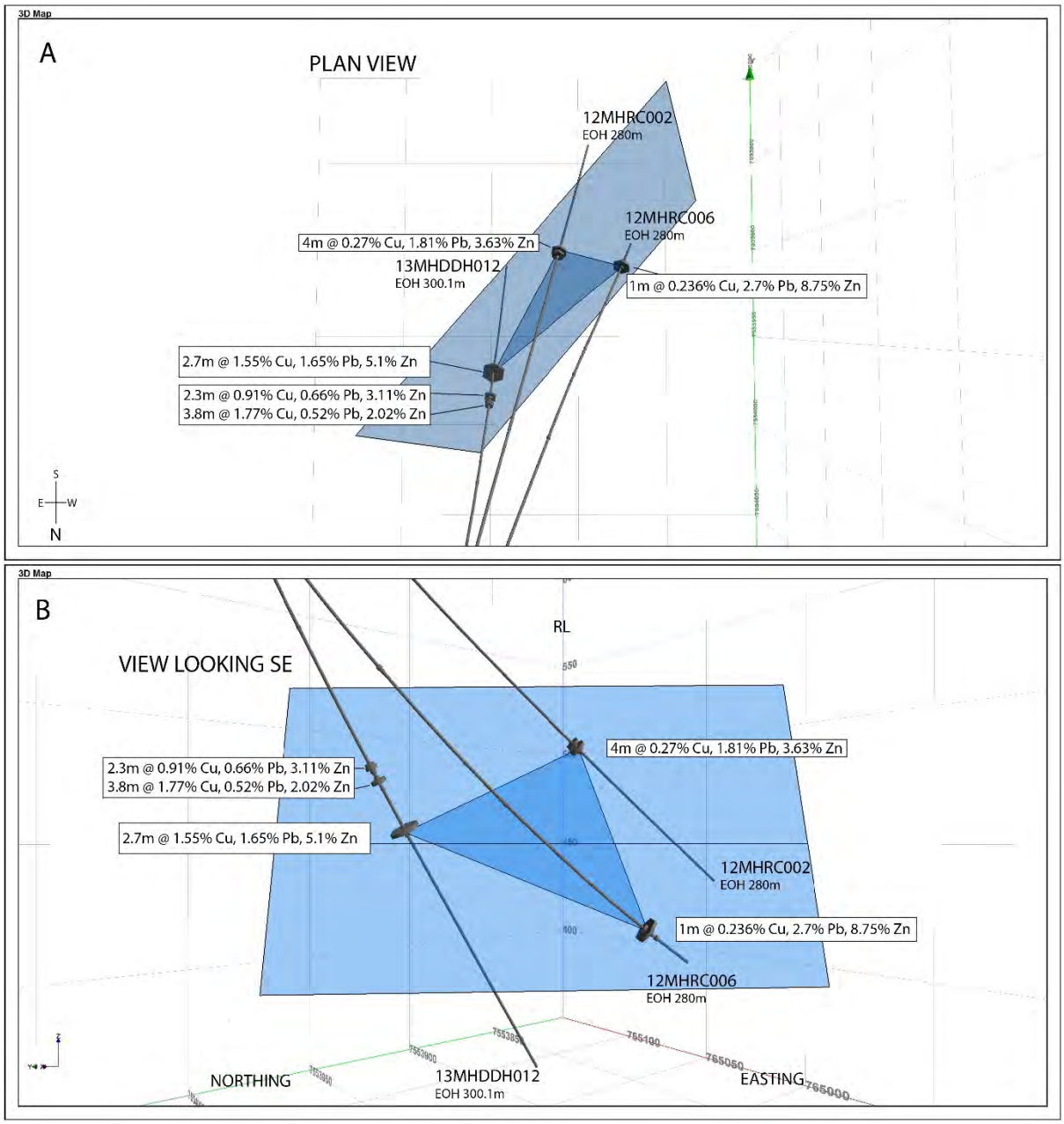


Figure 7.7. Mount Hardy Project. Oblique sectional views of the mineralisation at EM Target#2 showing assay results and plate orientation. Please refer to the Independent Geologist's Report in Section 9 for further details required by the JORC Code.

7.2.4 Other Projects

(a) Walabanba

The Walabanba Project tenure, 250 kilometres north-north-west of Alice Springs has been the target of exploration for Mount Peake style magnetite-hosted V-Ti-Fe mineralisation as well as getting a broad geophysically driven program. Three areas have well defined drill-ready EM targets outlined. These are likely base and precious metal sulphide zones, of a type similar to that seen at Jervois, to the east, and Mount Hardy. The project tenements also cover the Anningie Tin field with several mapped Sn-W pegmatites. The Company will drill test the EM targets and assess the lithium potential within the Anningie Tin field.

(b) **Stokes Yard**

The Stokes Yard exploration licence 30131 to the west of Alice Springs exposes Ikuntji Metamorphics of the Warumpi Province, and contains the historic Stokes Yard prospect. The Company intends to assess the area of known workings while committing to a broader program driven by airborne geophysics.

(c) Tomkinson

The Tomkinson Project comprises three tenements covering the Namerini Group fine grained siltstones, carbonates and sandstones of the Tomkinson Basin. This sequence is time-equivalent with the McArthur Group in the McArthur Basin, to the north-east, which hosts the world-class HYC McArthur River Zinc Mine. No field work has been done to date, but a program of stratigraphic orientation, surface geochemistry and geophysics has been outlined.

(d) Soldiers Creek

The Soldiers Creek tenement covers three historic tin mining areas in the Wingate Mountain District to the south of the Bynoe Tin Field some 200 kilometres south of Darwin. Pegmatites associated with the Allia Creek and Soldiers Creek Granites host the known tin mines and will be assessed for lithium.

(e) Rover

Three tenements comprise the Rover project 50 kilometres to the south of Tennant Creek. The Rover field is similar to the Tennant Creek field but with high grade ironstone-hosted Au-Cu-Bi deposits targeted. Numerous magnetic targets have been identified on the tenure and require drill testing. Ground magnetics and targeted diamond drilling is planned to progress this project.

(f) Petermanns

The five exploration licence applications comprising the Petermanns Project are 400 kilometres south-west of Alice Springs. Little exploration has been carried out in this remote area, but the large landholding within the Musgrave Province is considered highly prospective for mafic magmatic Ni-Cu, gabbro-hosted V-Ti, gold, and base metals. Considerable interest has been generated for the Musgrave Province as a result of the Wingellina Ni-Co laterite and Nebo-Babel Ni-Cu-PGE deposit discoveries. The Company intends to explore this ground using both airborne geophysics and a broad spaced multi-element geochemical approach.

Refer to the Independent Geologist's Report in Section 9 of this Prospectus for more detailed information on the NT Base Metal Assets.

7.3 Business Model

The Company will primarily focus on development and exploration in the Northern Territory, using the cumulative results of previous exploration work undertaken by TNG on the NT Base Metal Assets which have provided a platform on which the Company can progress further exploration thereby adding value for Shareholders.

The Company's business will be created, initially, via the consolidation of the NT Base Metal Assets and later through the pursuit of other opportunities in the resources sector. The Board's strategy is to advance the exploration and development of deposits located within the NT Base Metal Assets (where possible) in proximity to established mining operations and infrastructure which demonstrate the ability to be developed into early production opportunities.

The Board proposes to undertake exploration across the NT Base Metal Assets as outlined in Section 7.4 below with the intention of demonstrating the economic potential of any potential deposits (including the existing JORC estimate resource at the Manbarrum Project) and defining additional initial JORC compliant resources across the NT Base Metal Assets. The Company also intends to evaluate and pursue other prospective opportunities in the resources sector in line with its strategy to develop high quality assets. Details of the development plan for each project are set out below.

Funds raised from the Offers will ensure the Company is financed to continue (or commence) exploration activities on the NT Base Metal Assets aimed at the discovery of JORC resources, in some cases based on evaluation of targets previously defined by TNG during previous exploration undertaken by TNG.

7.4 Proposed Exploration Program and Development Plan

It is currently proposed that the initial exploration program proposed by the Company for the NT Base Metal Assets will include a total of approximately $2,500,000 budgeted for the first two financial years based on the minimum subscription being raised (as set out in table 1 below) and a total of approximately $3,500,000 budgeted for the first two financial years based on the full subscription being raised (as set out in table 3 below). These budgets include exploration expenditure, tenement rents and rates, office and administration costs and salaries as set out in tables 2 and 4 below.

Table 1: Expenditure Breakdown by Project Area Based on Minimum Subscription

Project Area	Year 1	Year 2	TOTAL
Manbarrum	$214,255	$271,390	$485,645
McArthur	$285,673	$285,673	$571,347
Walabanba	$142,837	$174,975	$317,812
Mount Hardy	$249,964	$285,673	$535,638
Tomkinson	$54,099	$117,840	$171,940
Stokes Yard	$71,418	$117,840	$189,259
Soldiers Creek	$32,852	$45,708	$78,560
Sandover	$47,136	$64,277	$111,413
Croker Island	$16,426	$20,711	$37,138
TOTAL	**$1,114,662**	**$1,384,088**	**$2,498,750**

Table 2: Expenditure Breakdown by Activity Based on Minimum Subscription

Expenditure Activity	Year 1	Year 2	TOTAL
Geological Field Activities – mapping, core logging etc	$197,472	$184,974	$382,445
Geochemical and metallurgical Activities – surveys and analysis,	$102,842	$94,986	$197,829
Geophysical – surveys, processing and interpretation	$94,272	$21,426	$115,698
Drilling	$382,088	$571,347	$953,435
Rehabilitation	-	$49,993	$49,993
Prefeasibility – including metallurgical and environmental	$74,989	$149,979	$224,968
Geological Studies, research, analysis, exploration planning and Reporting	$147,836	$173,904	$321,740
Field costs and tenement administration	$115,162	$137,480	$252,642
TOTAL	**$1,114,662**	**$1,384,088**	**$2,498,750**

Table 3: Expenditure Breakdown by Project Area Based on Full Subscription

Project Area	Year 1	Year 2	TOTAL
Manbarrum	$300,000	$380,000	$680,000
McArthur River	$400,000	$400,000	$800,000
Walabanba	$200,000	$245,000	$445,000
Mount Hardy	$350,000	$400,000	$750,000
Tomkinson	$75,750	$165,000	$240,750
Stokes Yard	$100,000	$165,000	$265,000
Soldiers Creek	$46,000	$64,000	$110,000
Sandover	$66,000	$90,000	$156,000
Croker Island	$23,000	$29,000	$52,000
TOTAL	**$1,560,750**	**$1,938,000**	**$3,498,750**

Table 4: Expenditure Breakdown by Activity Based on Full Subscription

Expenditure Activity	Year 1	Year 2	TOTAL
Geological Activities – mapping, core logging etc	$276,500	$259,000	$535,500
Geochemical Activities – surveys and analysis	$144,000	$133,000	$277,000
Geophysical – surveys, processing and interpretation	$132,000	$30,000	$162,000
Drilling	$535,000	$800,000	$1,335,000
Rehabilitation	-	$70,000	$70,000
Prefeasibility – including metallurgical and environmental	$105,000	$210,000	$315,000
Office Based Studies and Reporting	$207,000	$243,500	$450,500
Administrative costs and overheads, tenement rents	$161,250	$192,500	$353,750
TOTAL	**$1,560,750**	**$1,938,000**	**$3,498,750**

The above tables are statements of the Company's intentions as of the date of this Prospectus and assumes completion of the Offers. As with any budget, intervening events including, but not limited to, exploration success or failure and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Company reserves the right to alter the way funds are applied on this basis.

Refer to Sections 9 and 11 for details of the licences which cover each project and previous exploration undertaken. The key risks which will face the Company and exploration of the NT Base Metal Assets are set out in Sections 8.

7.5 Dividend Policy

The Company anticipates that significant expenditure will be incurred in the evaluation and development of the NT Base Metal Assets. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two year period following the date of Official Quotation. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

7.6 Financial Information

The Company was incorporated on 24 June 2014 and has no operating history and limited historical financial performance and has not generated any revenue or incurred any expenses (other than the expenses of the Offers which have been funded by TNG under the Costs Reimbursement Agreement).

As a result, the Company is not in a position to disclose any key financial ratios other than its balance sheet which is included in the Investigating Accountant's Report set out in section 10 of this Prospectus.

8. RISK FACTORS

8.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

8.2 Company specific

(a) Commodity price volatility and exchange rate risks

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(b) Failure of the Company to raise capital

The Company has no operating revenue and is unlikely to generate any operating revenue unless and until one of the NT Base Metal Assets is successfully developed and production commences.

The Company's capital requirements will depend on numerous factors. Exploration costs and pursuit of its business plan will reduce the Company's cash reserves, which may not be replaced through future operations, should these prove unsuccessful or perform below expectations. The Company would in such cases be dependent on seeking additional capital elsewhere, whether through equity, debt or joint venture financing, to support long term exploration and evaluation of the NT Base Metal Projects.

The Company is likely to require further financing and undertake future capital raisings. There is a risk that the Company may fail to raise sufficient capital to develop the NT Base Metal Assets in the future in addition to

amounts raised under the Offers. The current downturn in international equity markets and general instability and uncertainty in the global economic environment means that equity funding may be difficult to obtain and the Directors may form the view that any fundraising activities should be deferred until the global economic environment stabilises.

The Board can give no assurance as to the levels of future borrowings or further capital raisings that will be required to meet the aims of the Company to develop the NT Base Metal Assets. No assurance can be given that the Company will be able to procure sufficient funding at the relevant times on the terms acceptable to it.

Any additional future equity financing will dilute existing Shareholders, and any debt financing, if available, may involve restrictions on the Company's operating activities and business strategy. If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope of its operations or scale back its business plans or exploration programmes, as the case may be or forfeit rights to some or all of its projects which could have a material adverse effect on the Company's activities.

(c) **Exploration and Development Success**

The NT Base Metal Assets are prospective and are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. Notwithstanding the experience, knowledge and careful evaluation the Company will bring to exploration of the NT Base Metal Assets, there is no assurance that a significant mineral resource will be identified. Even if identified, other factors such as technical difficulties, geological conditions, adverse changes in Government policy or legislation or lack of access to sufficient funding may mean that the resource is not economically recoverable or may otherwise preclude the Company from successfully exploiting the resource.

The exploration costs of the Company will be based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability. The prospects of the Company should be considered in the light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the exploration sector which has a high level of inherent uncertainty.

(d) **Operations**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical 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.

Having been incorporated on 24 June 2014, the Company does not have any significant operating history, although it should be noted that the Company's directors have between them significant operational experience. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the NT Base Metal Assets. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses. Further, regulatory approvals are required prior to any work being undertaken on the ground. The granting of such approvals may take time to achieve and no guarantees can be given that the approvals will be granted in the required timeframe or at all.

(e) Insurance risks

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive. The Company is currently covered by TNG's insurance policies and intends to put in place its own insurance policies before the Company is admitted to the Official List.

8.3 Industry specific

(a) **Tenure and access**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved. The NT Base Metal Assets are subject to the applicable mining acts and regulations in the Northern Territory. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. Please refer to the Solicitor's Report on Tenements in Section 11 for further details.

(b) **Mine development**

Possible future development of mining operations at the NT Base Metal Assets is 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 Company commences production on one of the NT Base Metal Assets, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the NT Base Metal Assets.

The risks associated with the development of a mine will be considered in full should the NT Base Metal Assets reach that stage and will be managed with ongoing consideration of stakeholder interests.

(c) **Environmental**

The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(d) **Native title and Aboriginal Heritage**

In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. Please refer to the Solicitor's Report on Tenements in Section 11 of this Prospectus for further details.

The Directors will closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

(e) Force Majeure

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(f) Government policy changes

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in the Northern Territory may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(g) Litigation Risks

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company 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 Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(h) Regulatory Risks

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time consuming process and there is a risk that Company will 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 Company 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 Company's activities or forfeiture of one or more of the tenements comprising the NT Base Metal Assets.

8.4 General risks

(a) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration,

development and production activities, as well as on its ability to fund those activities.

(b) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(c) **Currently No Market**

There is currently no public market for the Company's Securities, the price of its Securities is subject to uncertainty and there can be no assurance that an active market for the Company's Securities will develop or continue after the Offers. The price at which the Company's Securities trade on ASX after listing may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.

There can be no guarantee that an active market in the Company's Securities will develop or that the price of the Securities will increase. There may be relatively few or many potential buyers or sellers of the Securities on ASX at any given time. This may increase the volatility of the market price of the Securities. It may also affect the prevailing market price at which Shareholders are able to sell their Securities. This may result in Shareholders receiving a market price for their Securities that is above or below the price that Shareholders paid.

(d) **Market conditions**

Share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the

Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(e) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

8.5 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

9. INDEPENDENT GEOLOGIST'S REPORT

Todd River Resources Limited

Todd River Resources Competent Person's Report

Project Number AU9782

January 2017

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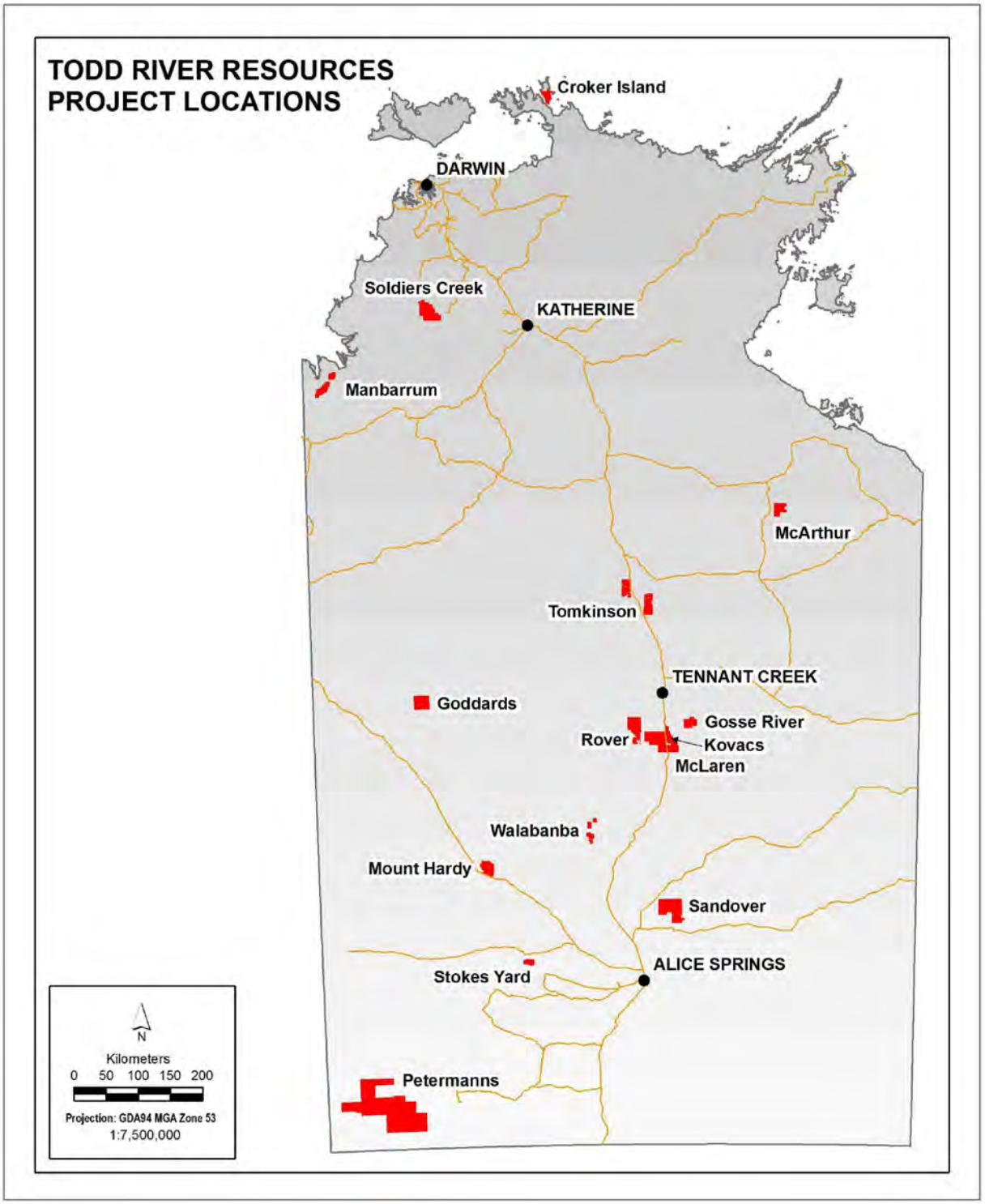
1 EXECUTIVE SUMMARY

Snowden Mining Industry Consultants (Snowden) was requested by Todd River Resources (TRT) to prepare a Competent Person's Report (CPR) on selected Mineral Assets in the Northern Territory (Figure 1.1).

Figure 1.1 TRT assets schematic location



Source: TRT

Snowden understands that this CPR is to be included in a prospectus to be issued by Todd River Resources (TRT) for an initial public offer of shares to raise up to $6,000,000 to facilitate a listing on the Australian Stock Exchange (ASX).

Snowden understands that the Mineral Assets be owned by TRT's wholly owned subsidiary company Todd River Metals Pty Ltd (TRM). The Mineral Assets will be referred to as being the assets of TRT in this report.

Snowden has sighted evidence, in the form of Northern Territory Government Stamp Duty receipts, that ownership of the Mineral Assets has been transferred to TRM's ownership from TNG and its wholly owned subsidiaries, Enigma Mining Limited and Tennant Creek Gold (NT) Pty Ltd.

This report has an Effective Date of 24 January 2017 and Snowden is unaware of any material change since this date.

The TRT Mineral Assets being described are all located within the Northern Territory (Table 1.1). This document is prepared in accordance with the 2012 guidelines of the Australian Joint Ore Reserves Committee (the JORC Code) and the 2015 Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (the "VALMIN Code").

Table 1.1 TRT exploration assets

Project	Commodity	Region	Geology	Status
Manbarrum	Pb, Zn, Ag	East Kimberley	Mississippi Valley Type	Active exploration
McArthur River	Cu, Zn, Pb, Ag	Gulf of Carpentaria	Sedimentary-exhalative Zn-Pb and red bed Cu	Active exploration
Walabanba	Cu, Ni, Ti, V, Pb, Zn, Li, Sn, Ta	Arunta	Mafic intrusive	Active exploration
Mount Hardy	Cu, Pb, Zn, Ag, Au	Arunta/Tanami	Syngenetic/volcanogenic massive sulphide base metals and Au	Active exploration
Sandover	Multi-commodity	Arunta	High grade metamorphic	Exploration concept
Stokes Yard	Cu, Pb, Zn, Ag	Arunta	High grade metamorphic	Exploration concept
Soldiers Creek	Li, Sn, Ta	Pine Creek	Granite	Exploration concept
Tomkinson	Zn, Pb, Cu, Ag	Tomkinson Basin	Sedimentary-exhalative Zn-Pb	Exploration concept
Croker Island	Bauxite	Arafura Sea	Laterite	Application, exploration concept
Joint venture projects				
Goddards	Au, Cu	Tennant Creek	Replacement	WDRJV
Petermanns	Multi-commodity	Musgraves	High grade metamorphic	WDRJV
Rover	Au, Cu, Bi	Tennant Creek	Tennant Creek style	WDRJV
Gosse River				
McLaren	Analogous to the Rover project. Kovacs is excluded from the WDRJV, but included in Rover			
Kovacs				

1.1 Summary of Mineral Resources and Ore Reserves

The Mineral Assets do not contain any current Ore Reserve estimates.

Snowden has updated its 2010 Mineral Resource estimate for the Sandy Creek deposit at Manbarrum for the purpose of this CPR and a current JORC Code Table 1 is included in this CPR. A historic resource estimate has been published for the Djibitgun deposit[1] at Manbarrum (Table 1.2) under the 2004 edition of the JORC Code.

Table 1.2 Manbarrum current and historic Mineral Resource estimates (1.0% Zn cut-off)

Prospect	Tonnes (Mt)	Zn (%)	Pb (%)	Ag (g/t)
Sandy Creek[2]	22.5	1.8	0.5	4.6
Djibitgun[3]	6.7	1.8	0.6	14.0

1.2 Summary of geology and mineralisation

TRT's assets cover a wide variety of geological styles and regions within the Northern Territory. The mineralisation associated with each is varied, as are the individual exploration concepts and stages of development.

1.2.1 Wholly owned projects

TRT operates a number of projects in its own right and is responsible for target generation, tenement management, exploration and expenditure on these projects.

Manbarrum

Manbarrum covers part of the eastern Bonaparte Basin. Carboniferous Upper Burt Range Formation dolomites host numerous occurrences of classic Mississippi Valley Type (MVT) base metal mineralisation. Mineralisation is both structurally controlled and strata-bound, hosted by northerly-trending fault breccias and sedimentary breccias host lower grade, strata-bound mineralisation. Mineralisation is believed to be controlled by extensional splay faults from the regional Halls Creek fault system.

McArthur River

The Palaeoproterozoic Wollogorang Formation of the Tawallah Group underlies the McArthur Group lithology which hosts the world-class, Proterozoic, sedimentary-exhalative McArthur River Mine, some 60 kilometres (km) to the north. TRT has identified geophysical and base metal geochemical targets on its tenements. The Wollogorang Formation wraps around the Mallapunyah Dome and is exposed over some 25 km of strike extent, being bound to the west by regional fault structures seen as being similar to the Emu Fault, which forms the eastern boundary. The Emu Fault at the McArthur River mine is considered to provide the conduit for base metals.

[1] TNG Annual Report, 2012
[2] Snowden, 2017, 1.0% Zn cut off
[3] CSA Global, 2008, 1.0% Zn cut-off, this is reported in accordance with the guidelines of the 2004 edition of the JORC Code and is no longer current.

Walabanba

The Walabanba project lies within the Arunta region and basement is comprised of Aileron Province Palaeoproterozoic to Mesoproterozoic metasedimentary and granitic rocks, including the Reynolds Range Group. The Reynolds Range granites and orthogneisses are highly-radiogenic and host veins and pegmatites anomalous in uranium and thorium. Locally the Aileron Province rocks are overlain by Tertiary to recent clastic sequences, derived from erosion of the radiogenic granites in the Reynolds Range. The Mount Peake gabbro Ti-V-Fe orebody lies to the east. The project area is considered to be prospective for base metals and tin-tantalum-lithium.

Mount Hardy

Copper was discovered at Mount Hardy in 1935 in the Palaeoproterozioc Aileron Province Lander Group Formation (of which Walabanba is a member), which is the dominant host rock for copper and gold mineralisation in the area. The Lander Group is interpreted to be stratigraphically equivalent to the Tanami Group, which hosts the significant gold discoveries at The Granites, Dead Bullock Soak and Callie. Previous near surface gold exploration has identified base metal mineralisation, with only limited drilling to shallow depths.

Stokes Yard

The Stokes Yard tenement is within the central-eastern portion of Warumpi Province of the Arunta Block. Basement is medium to high grade metavolcanics and metasediments, including calcsilicates and schists of the Palaeoproterozoic Iwapataka Metamorphic Complex and Ikuntji Metamorphics. Historical rock chip samples have returned results of up to 26% Zn, 7.5% Cu, 7.5% Pb and 130 ppm Ag.

Tomkinson

The Mesoproterozoic to Palaeoproterozoic Tomkinson Province forms part of the Tennant Region and contains unmetamorphosed and weakly deformed, predominantly shallow marine sedimentary rocks and is continuous with the McArthur and Birrindudu Basins. In addition to hosting substantial manganese deposits, north-northwest trending growth faults in the area potentially host stratiform sediment hosted Pb-Zn mineralisation. The Namerinni Group has been correlated with the McArthur Group, which hosts the McArthur River mine, and the recent Teena discovery by Rox Resources and Teck.

Sandover

The Sandover project is underlain by the Palaeoproterozoic Aileron Province and Neoproterozoic Irindina Province of the Arunta Block and is considered to be prospective for base metal, gold and rare earth deposits.

Soldiers Creek

The Soldiers Creek exploration licence covers the Soldiers Creek Pegmatite Field in the Pine Creek Pegmatite Province, both within and surrounding the highly differentiated S-type Soldiers Creek Granite. There are a number of tin and tantalum prospects within the area that have both alluvial and colluvial/eluvial placer workings and hard rock pegmatite-hosted cassiterite and tantalite content. The area is considered prospective for significant economic concentrations of tin and tantalum, as well as other pegmatite-hosted elements including lithium and greissen related elements and minerals.

Croker Island

This project has potential for lateritic pisolite bauxite deposits within the extensive deeply-weathered Cretaceous sediments of the Bathurst Island Formation. Previous work by Rio Tinto and Reynolds Metals Company has indicated bauxite potential elsewhere on the island.

1.2.2 Joint venture projects

TRT has joint ventures in place, including:

- Rover (including Gosse River and McLaren), Goddards and Petermanns with Western Desert Resources (WDR), Liquidators Appointed.
- Snowden is advised that negotiations with the Liquidators are continuing regarding reassignment of these projects to TRT.
- Another tenement, Kovacs, is contained within the Rover holding, but is not subject to the Joint Venture.

Rover and Kovacs (includes Gosse River and McLaren)

Rover is considered to be prospective for Tennant Creek-style Au-Cu mineralisation. The Kovacs mining lease is enclosed by the Rover holding, but remains wholly owned and is not subject to the Joint Venture.

Goddards

Copper mineralisation is associated with veins hosted in a dolomite unit discovered in the mid-1970s by Peko Mines Limited through aerial geophysical surveys, rock chip sampling and general geological reconnaissance.

Petermanns

The Proterozoic Petermann Orogeny has exposed the deep crustal roots of the previous Musgrave Orogen and parts of several poorly exposed Proterozoic orogenic belts and igneous provinces. This area is underexplored but is considered to be highly prospective by the Australian mining industry. The remote location has historically deterred exploration, but mineralisation identified to date includes undeveloped Ni-Cu-PGE (Nebo-Babel, BHP Billiton), laterite Ni (Wingelina, Westgold) and historically mined shear hosted Cu (the Warburton mineral field).

1.3 Summary of exploration strategy

Snowden considers TRT's projects to vary from a basic level of exploration but with attractive geology (such as Petermanns) to advanced greenfields projects (such as Manbarrum, Mount Hardy or McArthur River). The most advanced of these, Manbarrum and McArthur, enjoy relative ease of access and the regional presence of significant infrastructure, when compared to other Australian greenfields projects.

TRT has prioritised its exploration such that the initial focus will be those projects considered to have the greatest potential to yield economic mineralisation in the short term and those proximal to established infrastructure.

This includes Manbarrum, where two mineral resources have been previously estimated by TNG and McArthur River and Mount Hardy, where the geology indicates high potential for substantial economic mineralisation. Snowden considers this to be sound strategy and comments that in its view, the understanding of the geology of these projects is more valuable than exploration results returned to date. This is particularly the case with Manbarrum and McArthur River, where technically sound geological thinking is directing efforts toward areas overlooked by other explorers.

Snowden has been advised that TRT has budgeted approximately A$2.5 million, in the case of the IPO minimum subscription being raised (Table 1.3) and A$3.5 million, for full subscription (Table 1.4), for exploration expenditure on its tenements over two years and considers this to be appropriate to support the strategy described.

Table 1.3 Summary of proposed exploration expenditure, minimum subscription case

Project area	Year 1 (A$M)	Year 2 (A$M)	Total (A$M)
Manbarrum	0.21	0.27	0.49
McArthur River	0.29	0.29	0.57
Walabanba	0.14	0.17	0.32
Mount Hardy	0.25	0.29	0.54
Stokes Yard	0.05	0.12	0.17
Sandover	0.07	0.12	0.19
Soldiers Creek	0.03	0.05	0.08
Tomkinson	0.05	0.06	0.11
Croker Island	0.02	0.02	0.04
Total	**1.11**	**1.38**	**2.50**

Table 1.4 Summary of proposed exploration expenditure, full subscription case

Project area	Year 1 (A$M)	Year 2 (A$M)	Total (A$M)
Manbarrum	$0.30	$0.38	$0.68
McArthur River	$0.40	$0.40	$0.80
Walabanba	$0.20	$0.24	$0.44
Mount Hardy	$0.35	$0.40	$0.75
Stokes Yard	$0.08	$0.16	$0.24
Sandover	$0.10	$0.16	$0.26
Soldiers Creek	$0.05	$0.06	$0.11
Tomkinson	$0.07	$0.09	$0.16
Croker Island	$0.02	$0.03	$0.05
Total	**$1.56**	**$1.94**	**$3.50**

Snowden considers that TRT staff are suitably qualified and experienced to successfully implement the proposed program.

1.4 Conclusions and recommendations

Snowden concludes that TRT holds tenure over some highly prospective mineral tenements in the Northern Territory and recommends that it proceed to implement its exploration strategy on listing of TRT.

1.4.1 Conclusions

Snowden concludes that several of TRT's projects are at an advanced stage of exploration and could conceivably result in estimation of Ore Reserves within the two-year budget timeframe presently contemplated.

TRT will benefit from a long period of well executed exploration performed by TNG that has resulted in an excellent geological database, which represents considerable value.

TRT has collaborated with government and academic institutions to reinterpret historical results and ideas and Snowden considers that this approach will yield results. Snowden considers that this is particularly the case at Manbarrum, McArthur River and Tomkinson.

Snowden has examined the proposed exploration budget of A$2.5 million and A$3.5 million, dependent on subscription and the proposed work program for the first two years after TRT's listing (refer Section 5). Snowden concludes that these are reasonable and achievable.

1.4.2 Recommendations

Snowden recommends that any exploration activities undertaken by TRT be carried out in accordance with the guidelines of the JORC Code.

Snowden observes a wide geological and geographical range for TRT's interests and strongly recommends basic reconnaissance be undertaken on the less developed projects, with a view to early divestment or farming out to other parties, allowing concentration of resources on the more advanced projects with demonstrated potential.

2 INTRODUCTION

Snowden was requested by TRT to prepare a CPR on selected Mineral Assets in the Northern Territory. Snowden understands that this CPR is to be included in a prospectus to be issued by TRT for an initial public offer of shares to raise up to $6,000,000 to facilitate a listing on the Australian Securities Exchange (ASX).

Snowden understands that the Mineral Assets are owned by TRT's wholly owned subsidiary company Todd River Metals Pty Ltd (TRM). The Mineral Assets will be referred to as being the assets of TRT in this report.

Snowden has sighted evidence, in the form of Northern Territory Government Stamp Duty receipts, that ownership of the Mineral Assets has been transferred to TRM's ownership from TNG Limited (TNG) and its wholly owned subsidiaries, Enigma Mining Limited and Tennant Creek Gold (NT) Pty Ltd.

The previous operator of these tenements, TNG, is a public company listed on the ASX, originally incorporated in 1970 as Lightning Ridge Mining NL. The company changed its name to Hallmark Consolidated Ltd in the early 2000s. In 2004, the company changed its name to Tennant Creek Gold Ltd and then listed on the Frankfurt Stock Exchange. In 2005, the company again changed its name to TNG Limited[4].

The TRT Mineral Assets are all located within the Northern Territory and comprise:

- Manbarrum
- McArthur River
- Walabanba
- Mount Hardy
- Sandover
- Stokes Yard
- Tomkinson
- Soldiers Creek
- Croker Island
- A Joint Venture with Western Desert Resources (Liquidators appointed) including the Goddards, Petermanns and Rover projects. Rover incorporates Gosse River and McLaren projects and also the Kovacs mining lease, which is not subject to the Joint Venture.

This document is prepared in accordance with the 2012 guidelines of the Australian Joint Ore Reserves Committee (the "JORC Code") and the 2015 Australasian Code for Public Reporting of technical assessments and valuations of mineral assets (the "VALMIN Code").

2.1 Effective date and no material change

The effective date of this report is 24 January 2017, this being the date at which no further information was supplied to the author by TRT or TNG, and the author is not aware of any material change in the status of the projects in the period between receipt of data and completion of the report.

[4] RIU; Register of Australian Mining, 2011/2012

Unless otherwise stated, information and data contained in this report or used in its preparation has been provided by TRT or TNG or has been gathered from public sources.

2.2 Mineral Assets

The Mineral Assets that are the subject of this CPR are for the most part granted tenements or Applications under mandatory statutory moratorium or consideration under Northern Territory mining legislation[5].

Snowden has sighted evidence, in the form of Northern Territory Government Stamp Duty receipts that ownership of the Mineral Assets have been transferred to TRM's ownership from TNG and its wholly owned subsidiaries, Enigma Mining Limited and Tennant Creek Gold (NT) Pty Ltd.

Table 2.1 TRT tenements

Project	Tenement	Status	Blocks	Grant date	Expiry date
Manbarrum	EL24395	Granted	45	16/08/2005	15/08/2017
	A24518	Granted	6	25/08/2005	24/08/2017
	A26581	Granted	6	01/08/2008	31/07/2018
	EL25646	Granted	19	23/08/2007	22/08/2017
	MLA27357	Application	204 ha[6]		
McArthur River	EL27711	Granted	52	09/07/2010	08/07/2018
	EL30085	Granted	16	11/04/2014	10/04/2020
	ELA28509	Moratorium	9	Veto date 31/05/12	
Walabanba	EL26848	Granted	45	04/03/2009	03/03/2017
	EL27115	Granted	9	18/09/2009	17/09/2017
Mount Hardy	EL27892	Granted	32	04/08/2010	03/08/2018
	EL29219	Granted	34	17/09/2012	16/09/2018
	EL28694	Granted	32	01/03/2012	28/02/2018
Stokes Yard	EL30131	Granted	16	11/08/2014	10/08/2020
Tomkinson	EL30348	Granted	50	20/01/2015	19/01/2021
	EL30359	Granted	71	20/01/2015	19/01/2021
	EL31265	Granted	51	5/12/2016	4/12/2022
Sandover	ELA29252	Application	212		
	ELA29253	Application	71		
Soldiers Creek	EL31209	Granted	181	5/12/2016	4/12/2022
Croker Island	ELA29164	Application	62		
Joint Venture Projects					
Rover[7]	EL25581	Granted	187	12/05/2009	11/05/2017

[5] For a detailed explanation of Northern Territory legislation, refer to: https://minerals.nt.gov.au/__data/assets/pdf_file/0008/256715/NTMineralTitlesRegulation_ClaytonUtz.pdf

[6] Mining Leases may be irregular in shape and areas are expressed in hectares

[7] Subject to Rover Joint Venture agreement, signed with WDR. Licences currently 80% WDR, 20% Tennant Creek Gold. Negotiations taking place with Liquidators in order to transfer back to 100% TCG.

Project	Tenement	Status	Blocks	Grant date	Expiry date
Gosse River[7]	ELA25587	Application	82		
McLaren[7]	ELA25582	Application	401		
Kovacs[8]	MLC647	Granted	8Ha[6]	09/09/1970	31/12/2020
Goddards[7]	ELA24260	Application	143		
Petermanns[9]	ELA25562	Application	305		
	ELA25564	Application	500		
	ELA26382	Application	131		
	ELA26383	Application	420		
	ELA26384	Moratorium	293	Veto date 10/12/14	

2.3 Sources of information and site visit

The Competent Person for preparation of the report is Mr Jeremy Peters, FAusIMM CP (Mining, Geology), who visited the Manbarrum, McArthur, and Stokes Yard project sites and the Tennant Creek area in August 2016. Mr Peters visited the geology of the Walabanba project in March 2015, in the course of working on the Mount Peake Project. Mr Peters has extensive professional experience with the geology of and has worked extensively in the Northern Territory.

TRT's projects are at various stages of exploration and in Mr Peters' opinion, not all warrant a site visit at this stage, particularly those at a conceptual stage of exploration, with no physical evidence of current exploration efforts. Mr Peters consequently considers that there is no material value in physically examining these sites and accepts representations made by TRT and bases his inferences on his own experience and observations.

In preparing this report, Mr Peters has extensively relied on information collated by other parties, as described in Section 2.8 below. Mr Peters has critically examined this information, made his own enquiries and applied his general geological competence to conclude that the information presented in this CPR complies with the definitions and guidelines of the JORC Code.

The responsibility of the author is provided in Table 2.2.

Table 2.2 Responsibilities of the author

Author	Responsible for sections
Jeremy Peters, FAusIMM CP (Min, Geo)	1, 2, 3, 4, 5, 6, 7

Unless otherwise stated, all currencies are expressed in Australian dollars (A$) and units of measurement are metric. Historic units have been converted to metric units.

Snowden is responsible for this report as part of TRT's listing documentation and declares that it has taken all reasonable care to ensure that the information contained in this report is, to the best of its knowledge, in accordance with the facts and contains no material omissions.

[8] Snowden is informed by TRT that the Kovacs mining lease is considered to be part of the overall Rover exploration project, but remains 100% owned by TRT and is not subject to the Joint Venture arrangements.

[9] Subject to Heads of Agreement (HOA) with WDR. WDR is to negotiate through to grant then can earn into licences. Negotiations taking place with Liquidators to negate HOA.

2.4 Mineral Resources and Ore Reserves

The projects do not contain any Ore Reserves, as defined by the JORC Code and Snowden has updated its February 2010 Sandy Creek (Manbarrum Project) Mineral Resource estimate to comply with the guidelines of the 2012 JORC Code. Snowden appends Table 1 of the JORC Code for this update to this CPR.

2.4.1 Mineral Resources

The Manbarrum project includes a Mineral Resource estimate of 22.50 Mt at 2.25% lead plus zinc at Sandy Creek and a historic resource, estimated under the 2004 guidelines of the JORC Code at Djibitgun.

The validity of the Djibitgun estimate has expired in relation to use in economic evaluations, but it is reported as being material to the project.

2.4.2 Ore Reserves

The work completed to date by TNG on the projects has not included the completion of a Prefeasibility Study or Feasibility Study, as defined by the JORC Code. Consequently, Ore Reserves, as defined by the JORC Code, have not been estimated. Given this, and for the avoidance of doubt, this report does not refer to Ore Reserves.

2.5 Limitations

TNG has agreed to indemnify Snowden for any liability arising as a result of or in connection with the information provided by or on behalf of TNG being incomplete, incorrect or misleading in any material respect. TNG has confirmed in writing to Snowden that, to its knowledge, the information provided by it (when provided) was complete and not incorrect or misleading in any material respect. Snowden has no reason to believe that any material facts have been withheld and TNG has confirmed in writing to Snowden that it believes it has provided all material information available to it.

2.6 Reliance on information

Snowden believes that its opinion must be considered as a whole and that selection of portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in this CPR. The preparation of a CPR is a complex process and does not lend itself to partial analysis or summary.

2.7 Declaration

Snowden will receive a fee for the preparation of this report in accordance with normal professional consulting practice. This fee is not contingent on the outcome of the CPR and Snowden will receive no other benefit for the preparation of this report. Snowden does not have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the assets and the projections and assumptions included in the various technical studies completed by TNG, opined upon by Snowden and reported herein.

Neither Snowden, the Competent Person, Mr Peters, who is responsible for authoring this CPR, nor any Directors of Snowden have at the date of this report, nor have had within the previous two years, any shareholding in TNG or any of its advisors or related parties. Consequently, Snowden, Mr Peters and the Directors of Snowden consider themselves to be independent of TNG and its related parties.

2.7.1 Copyright

2.8 Reliance on other experts

In preparing this report, Snowden has been reliant on information provided by TNG and publicly available information regarding geology and operations in the relevant project area.

The principal source of information regarding TNG's assets is private and statutory reports that have been prepared by TNG staff and submitted to the Department of Mines and Energy (DME) of the Northern Territory Government.

3 PROJECT DESCRIPTION

TRT's projects are all located within the Northern Territory of Australia and are directed toward the discovery of economic deposits of base and precious metals. These metals are internationally traded and backed by international exchanges.

This CPR does not value TRT's projects, an exercise that has been undertaken separately.

Snowden considers TRT's assets to comprise three projects that it considers to be at an advanced exploration stage: The Manbarrum lead-zinc-silver project; the McArthur River base metals project and the Mount Hardy copper project. The Manbarrum project has a current Mineral Resource estimate and a historic estimate, no longer current under the JORC Code. The McArthur River and Mount Hardy projects have identified drill targets.

Of the remaining projects, the Walabanba base metals project has drill targets and significant exploration completed to date. The Tomkinson and Sandover base metals project, Soldiers Creek tin and lithium project, Croker Island bauxite project and Stoke's Yard project are all at a lesser stage of exploration, but with what Snowden considers to be attractive geology. This is particularly the case with Sandover.

The failure of TNG's former joint venture partner is expected to result in transfer of its interest in a number of gold projects in the vicinity of Tennant Creek and significantly, a large application in the Petermann Ranges, considered by Snowden to be the most geologically attractive.

3.1 Manbarrum

The Manbarrum zinc-lead-silver project covers a 50 km strike length of the south-east margin of the Bonaparte Basin, which is considered prospective for MVT zinc-lead-silver mineralisation. The project was managed as part of a joint venture agreement with Kimberley Metals Ltd, later to become KBL Mining Limited (KBL) in the period February 2011 to May 2013. KBL subsequently relinquished its interest in the project on 21 May 2013.

3.1.1 Location and access

The Manbarrum project is located in the north-western part of the Northern Territory, on Legune station, approximately 70 km northeast of the regional centre of Kununurra, Western Australia (WA) and at approximate latitude -15º24'21", longitude 129º11'48" on the Auvergne 1:250,000 map sheet (Figure 3.1).

Access is via sealed road, and thereafter on well-maintained but unsealed station tracks, which can only be accessed during the dry season. Travel time by road from Kununurra is approximately one hour.

3.1.2 Tenements

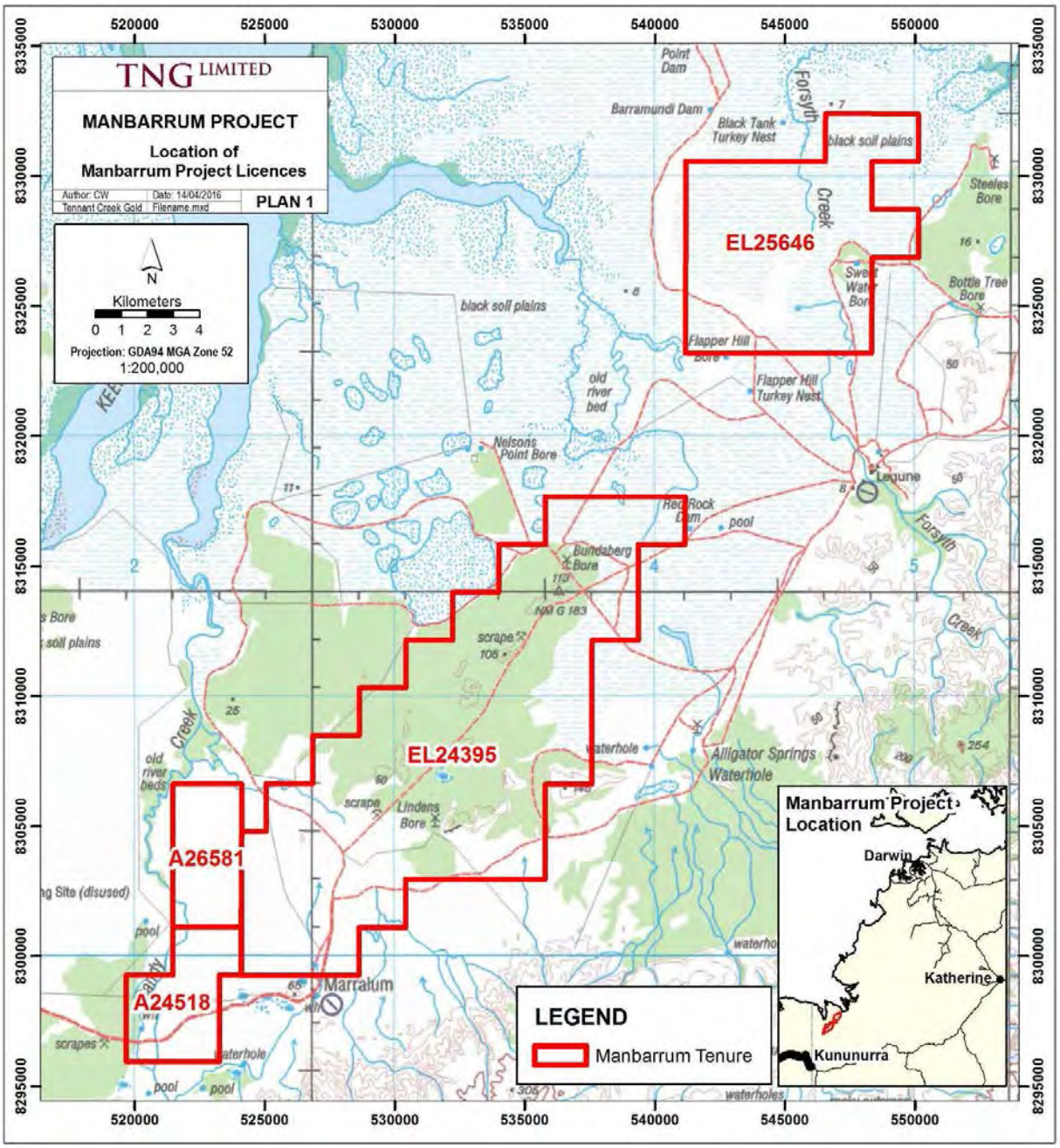
The Manbarrum project comprises four granted tenements (Table 3.1) and one application (Figure 3.2) and is owned and operated by TRT, having been transferred to TRM from TNG in January 2017.

Table 3.1 Manbarrum project tenements

Title	Title holder	Area (blocks)	Area (ha)	Status	Expiry date
EL 24395	TRT – 100%	45		Granted	15/08/2017
A 24518		6		Granted	24/08/2017
A 26581		6		Granted	31/07/2018
EL 25646		19		Granted	22/08/2017
MLA 27357			204	Application	Application

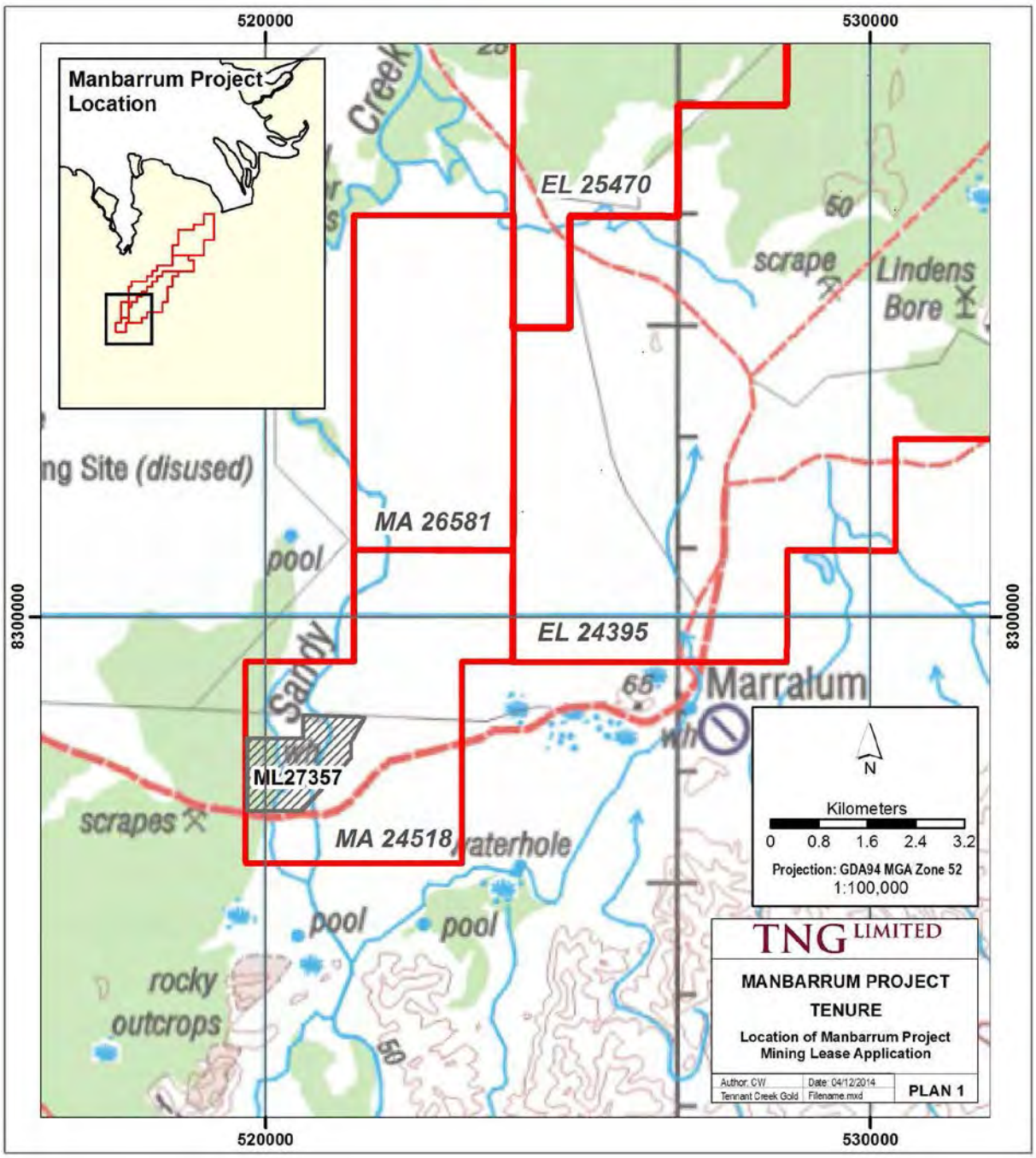
MLA 27357 has been applied for as a Mining Lease to provide security of tenure over the Sandy Creek project.

Figure 3.1 Manbarrum project tenements map



Source: TRT

Figure 3.2 Location of MLA 27357 within MA 24518



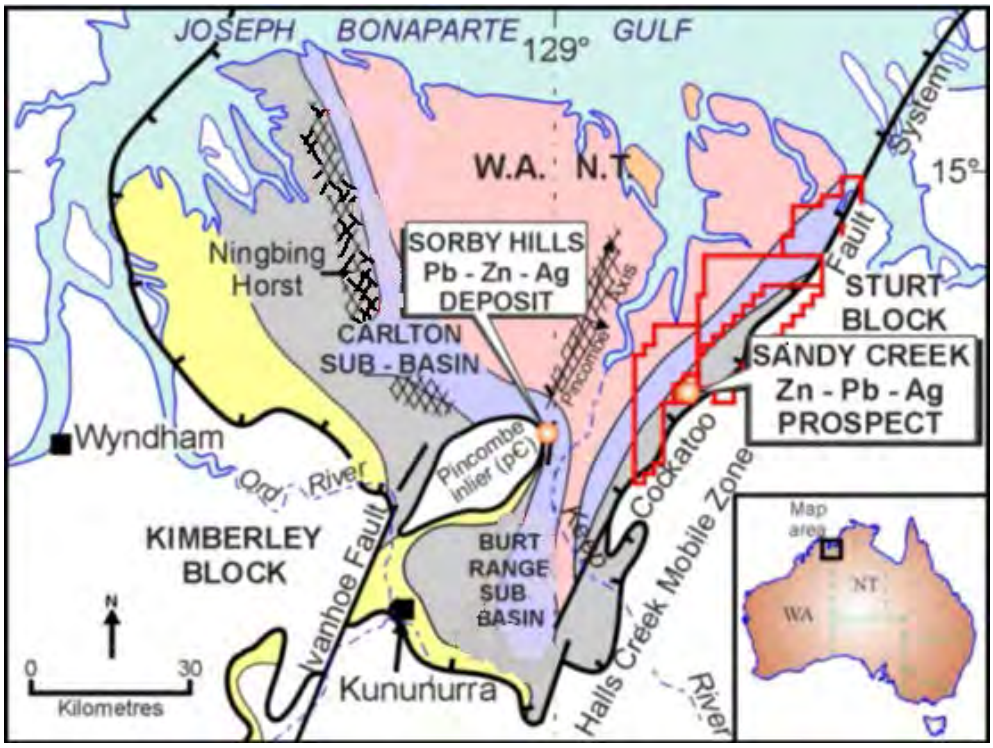
Source: TRT

3.1.3 Geology and mineralisation

The Manbarrum project tenements are located in the Bonaparte Basin, a north opening sedimentary basin, Cambrian to Tertiary in age with a maximum thickness of 5 km. About 10% of the basin is above sea level, with the remaining portion being submerged below the Timor Sea. These rocks were deposited in an evolving continental rift system during the Late Devonian followed by thermal sagging and widespread subsidence in the Early and Middle Carboniferous.

The onshore portion of the basin is dominated by carbonate and clastic sediments. The oldest exposed strata are the Antrim Plateau Basalt, a sequence of tholeiitic flood basalts which unconformably overlies the Palaeoproterozoic basement of the Halls Creek orogen. The basin is dominantly controlled by faulting, particularly in the southeast where extensions of the Halls Creek Mobile Zone fault systems are present (Figure 3.3).

Figure 3.3 Manbarrum regional geology



Source: TRT

Sandy Creek

The Sandy Creek deposit, located on licence MA 24518, is in the eastern portion of the basin and hosted within a sequence of Devonian-to-Carboniferous shelf carbonate sediments (the Burt Range Formation). The association of base metal mineralisation with carbonate host rocks and epigenetic characteristic of the deposit are typical of MVT mineral deposits. This and other known base metal occurrences such as Sorby Hills occur along two major northeast trends which run parallel to the eastern basin margin and basement controlled fault structures related to the Halls Creek Mobile Zone.

The mineralisation at Sandy Creek consists of a primary sphalerite-galena-pyrite/marcasite sulphide deposit hosted within a 100 m to 120 m thick sandy carbonate/dolomite unit. Ore formation is related to increased fracturing and porosity within favourable stratigraphies. Higher grade breccia-hosted mineralisation has been identified adjacent to major faults.

Djibitgun

The Djibitgun deposit is hosted by Lower Carboniferous carbonate rocks, located 16 km northeast of the Sandy Creek deposit. The stratigraphy consists of Upper Devonian sandstones of the Cockatoo Formation overlain by the Lower Carboniferous Burt Range Formation of which the upper unit, a dolomitic sandstone, hosts the Zn-Pb-Ag mineralisation.

The host rocks are weathered to a depth of more than 100 m and dip at a shallow angle to the east. Weathered sandy and silty dolomite and limestone occur as partly indurated friable and ferruginous aggregates of quartz grains and silt. The mineralisation occurs predominantly in the supergene zone of the regolith profile, usually as secondary minerals but with some sulphides. It is contained within two sub-horizontal, north trending strata-bound lenses. The deposit is covered by a layer of unconsolidated sand, silt and clay and in the weathered zone, zinc mineralogy consists of franklinite and zincite oxides.

3.1.4 Exploration potential

The Manbarrum project is considered to have potential for base metals, particularly zinc, silver and lead. The Sandy Creek base metal deposit has a Mineral Resource estimate of 22.5 million tonnes at 2.26% zinc plus lead, at a cut-off grade of 1% zinc. The Djibitgun deposit contains significant silver, zinc and lead.

Snowden considers that there is also potential for a modest resource of a niche iron ore product at the Legune prospect.

Historical exploration

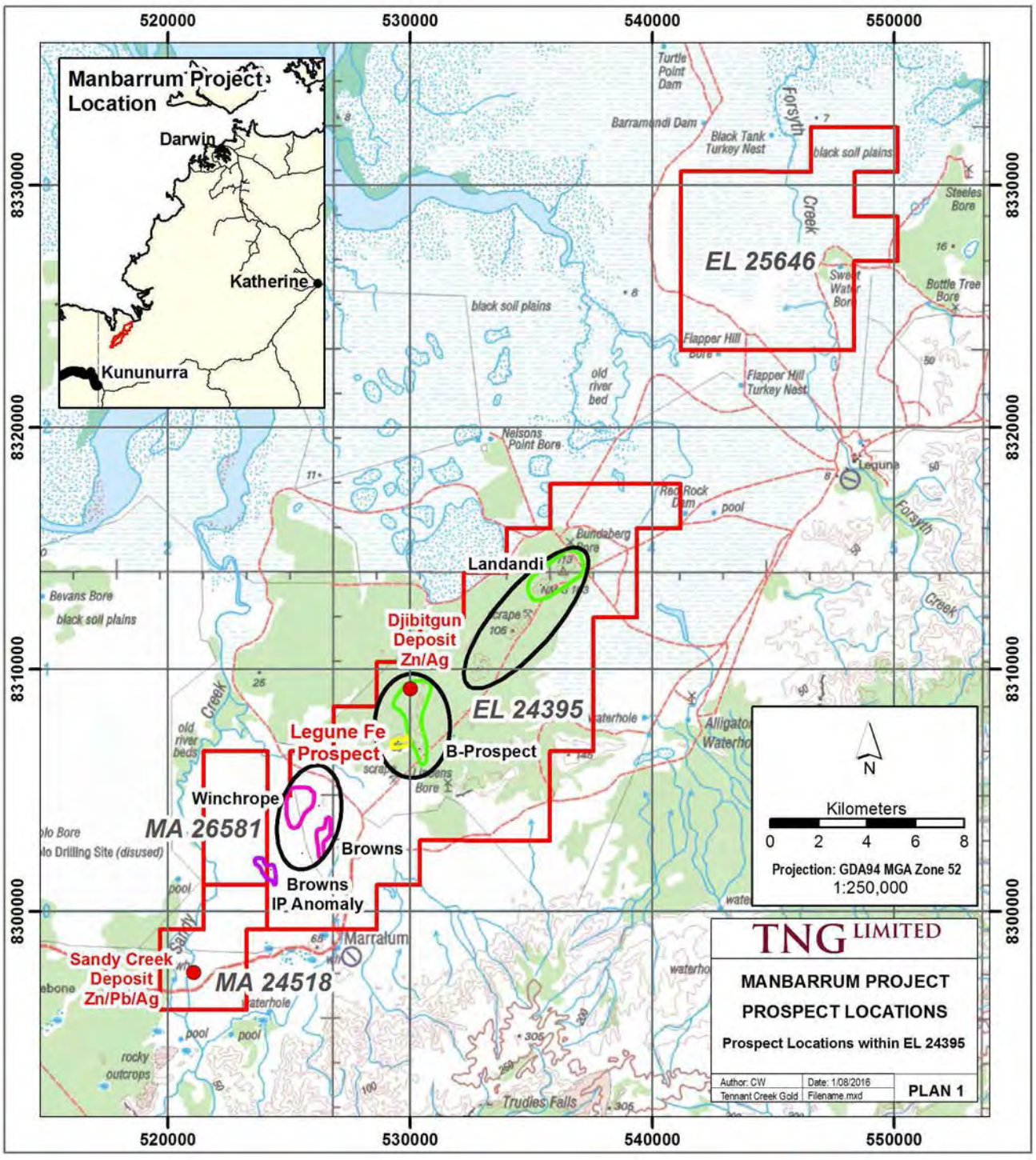
The basin has been subject to petroleum exploration since the 1960s and a number of gas fields have been discovered. Exploration for base metals started in 1971 by Aquitaine and its joint venture partners using induced polarisation (IP) surveys, seismic surveys, soil and rock sampling and drilling. By 1984 a total of 19 diamond and 50 reverse circulation (RC) holes had been drilled into the Sandy Creek deposit. Aquitaine spent some time exploring the Legune Hill/Ochre Mine area undertaking geophysics surveys, RC and diamond drilling campaigns.

In 1989, BHP (now BHP Billiton), as part of a large scale joint venture exploration program with Triako Resources, carried out an IP survey over the deposit and later completed a fence of diamond drillholes 800 m north of the Sandy Creek deposit. During the 1990s additional geophysical surveys, RC and diamond drilling was undertaken in the region by North Limited and later Wilga Mines.

Recent exploration (2008 to 2016)

TNG has identified a number of prospects within the Manbarrum project (Figure 3.4), together with anomalous rock chip and soil sample results from preliminary work aimed at identifying mineralised structures within the basin. In 2014, TNG drilled three holes aimed at testing iron mineralisation at Legune Hill.

Figure 3.4 Manbarrum project prospect location



Source: TRT

3.1.5 Sandy Creek

Drilling

One diamond drillhole (MD055) was drilled to 198.6 m at the Sandy Creek prospect in 2009 to test the continuity of mineralisation through the previously defined “high-grade zinc pipe” zone. Five zinc-lead mineralisation styles were identified in the drillhole, namely:

- Medium-grained galena with yellow sphalerite on vein margins
- Fine-grained yellow sphalerite-medium grained galena sedimentary breccia fill
- Botryoidal pyrite-marcasite-sphalerite and zinc-oxide on fracture surfaces
- Coarse-grained massive pyrite-marcasite±galena veins
- Medium-grained botryoidal pyrite-brown sphalerite needles and zinc-oxide as veins or on fracture surfaces.

TNG has undertaken several campaigns of drilling in the years 2006 to 2007. During this time, Snowden reports that 120 RC and 54 diamond holes were completed.

Mineral Resource

A Mineral Resource for the Sandy Creek deposit was estimated in April 2008 and reported at a cut-off grade of 1% zinc. An updated Mineral Resource estimate prepared in 2010 by Snowden resulted in an increase of 54% to 24.4 million tonnes at 2.26% zinc plus lead, at a cut-off grade of 1% zinc.

Snowden considered the revised geological interpretation provided by TNG, which incorporates geological data from drilling carried out in 2009, and modelled the deposit within which the resource is contained. This has primarily been defined on lithological and fault controls on the distribution of the zinc-dominated mineralisation.

Snowden has subsequently updated the 2010 estimate to comply with the guidelines of the 2012 edition of the JORC Code and presents an updated Table 1 of the JORC Code for this estimate (Appendix A). For the 2017 Mineral Resource estimate, Snowden revised its specific gravity estimate from 3.0 to 2.7, resulting in a reduction in tonnage from 24.4 Mt to 22.5 Mt.

Snowden’s 2017 Sandy Creek Zinc Mineral Resource estimate is reported at a cut-off grade of 1% zinc (Table 3.2).

Table 3.2 Sandy Creek Mineral Resource (1.0 % zinc cut-off)

Classification	Material	Tonnes (millions)	Zn %	Pb %	Ag g/t
Indicated	Oxide	0.6	1.45	0.43	5.14
	Primary	4.5	2.00	0.88	5.91
Total Indicated		5.1	1.94	0.82	5.82
Inferred	Oxide	0.9	1.26	0.28	3.24
	Primary	16.5	1.80	0.33	4.24
Total Inferred		17.4	1.77	0.33	4.19
Grand total		**22.5**	**1.81**	**0.44**	**4.56**

Snowden refers to the JORC Code and advises that there is a low level of geological confidence associated with an Inferred Mineral Resource and that there is no certainty that further exploration work will result in the estimation of Indicated Mineral Resources.

Metallurgical work

TNG contracted METS to develop a preliminary testwork program for an initial evaluation of the oxide material from the Sandy Creek zinc-silver deposit. A composite ore sample was prepared from available drill samples including diamond core and RC rock chips for the initial test program, which was conducted by Australian Metallurgical and Mineral Testing Consultants (AMMTC).

Mineralogical tests on the ore identified the main zinc-bearing minerals as franklinite (Zn, Fe, Mn) (Fe, $Mn)_2O_4$ and zincite ZnO with smaller quantities of sphalerite (Zn, Fe)S. Pyrite and quartz are the dominant gangue minerals present, and the carbonate minerals present, which can affect ore extraction are siderite $FeCO_3$ and dolomite Ca, $Mg(CO_3)_2$. The following testwork was carried out:

- Acid and alkaline leaching
- Cyanidation
- Gravity concentration (Falcon Concentrator)
- Heavy liquid separation
- Flotation (sulphidising and reverse flotation)
- Magnetic separation.

Acid and alkaline leaching methods were tested for the extraction of zinc from the ore. Acidic leaching at ambient conditions achieved low recoveries, being restricted by the slow leaching of franklinite and sphalerite. Zincite is a fast leaching component of the ore and accounts for 40% of the zinc. Elevated temperatures resulted in the majority of leaching being completed immediately. High carbonate levels in the composite led to high acid consumptions for each test. The second set of test conditions were not practical in a commercial process due to excessive acid cost and high energy input. However, they proved that franklinite and sphalerite can be leached to near completion given the appropriate conditions. Extraction from the alkaline leaching was low, and the leached portion was attributable to zincite. The testwork suggests that franklinite or sphalerite would not be recoverable using this technique.

Cyanidation was tested as a means of silver recovery. Residue from the ambient acid leach test was used and the total silver recovery was 61%, with an additional 12% of zinc also recovered. The recovery of zinc is unusual under these conditions, and depends on the specific mineralogy of the composite. Low silver extraction is attributed to the silver being locked within other minerals, and cyanidation will therefore not be a cost effective method of silver extraction.

To reduce acid consumption in the leach tests, the amenability of the ore to beneficiation was assessed, to separate the carbonates from the zinc oxide minerals.

Aside from gold recovery, the results of gravity concentration tests were very poor. This is probably due to the fact that the majority of the zinc is found in the -45 micron fraction, which has poor settling properties.

Heavy liquid separation proved successful in rejecting carbonate minerals. The majority of carbonate was rejected to the float fraction, while zinc and iron upgraded in the sinks fraction.

Neither the sulphidising nor reverse flotation techniques were successful in separating the carbonates from the zinc minerals.

Iron and silver were the only elements to upgrade in the magnetic concentrates. The total concentrates recovered 46% of the zinc (franklinite), but not the zincite or sphalerite.

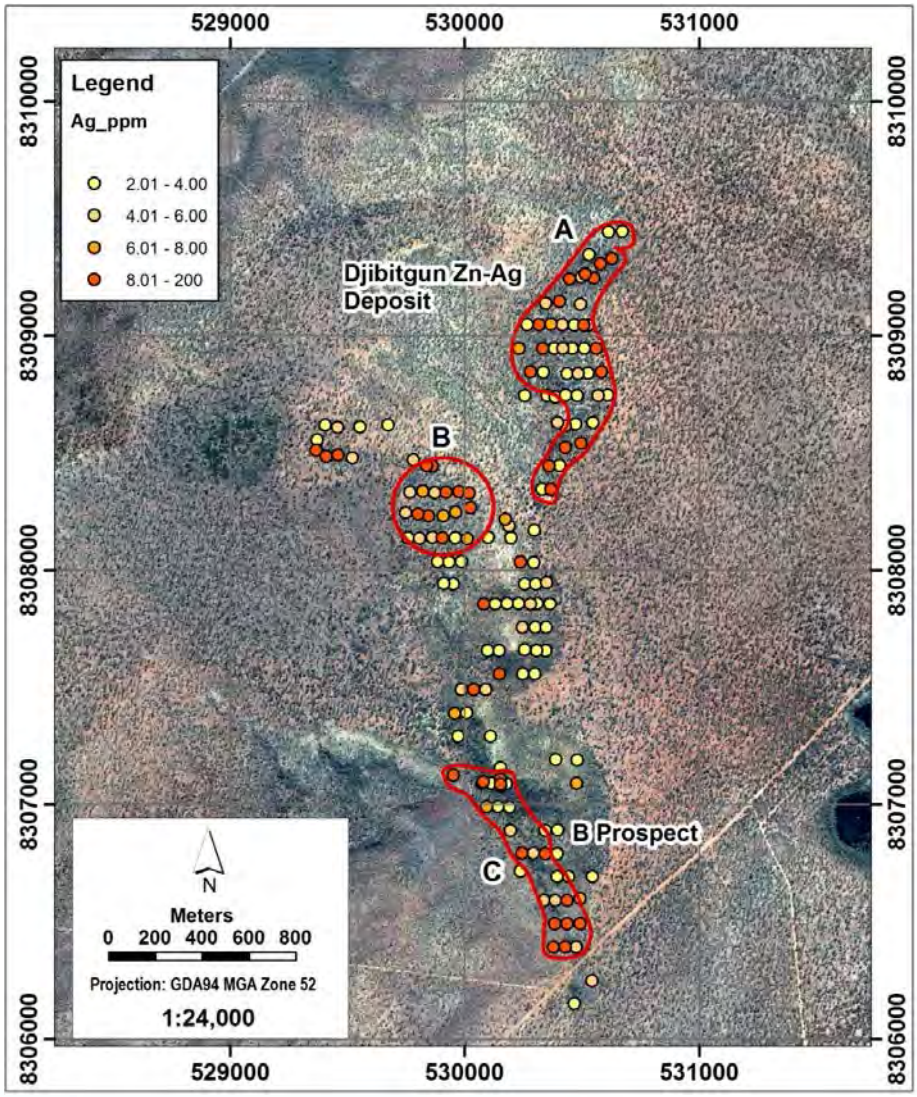
The presence of carbonates in the ore indicates that the ore will need to be beneficiated prior to any extraction process, or else acid consumption will be prohibitive. The only beneficiation test that successfully rejected the gangue carbonate was the heavy liquid separation. More testwork is required to determine the ideal conditions for heavy media separation and its effectiveness at finer sizes.

3.1.6 Djibitgun

The Djibitgun area contains the Djibitgun zinc-silver deposit, and the B Prospect (Figure 3.5). It is located approximately 17 km to the northeast of the Sandy Creek deposit. High rock chip silver assays are reported to the east (Area A), southwest (Area B) and south (Area C) of the Djibitgun deposit. The area southwest of Djibitgun has not been drilled and has returned rock chip assay results up to 72.8 g/t silver (OCH341) and several above 10 g/t silver. The western ridge to the south of the Djibitgun area (Area C) has fewer, but high grade (184 ppm silver) samples, which may indicate some economic potential.

Geophysical surveys and a total of 52 RC holes and five diamond drillholes were completed by TNG to undertake an initial evaluation of the Djibitgun area in the years 2007 to 2008.

Figure 3.5 Djibitgun area



Source: TRT

Mineral Resources

There are no current Mineral Resources, as defined by the JORC Code, estimated for Djibitgun.

In March 2008, a resource estimate was prepared by CSA Australia Pty Ltd (CSA) and reported in accordance with the 2004 edition of the JORC Code. It consists of a zinc-lead-silver deposit and a separate silver deposit (Table 3.3).

Table 3.3 Djibitgun resource

Classification	Resource	Commodity	Tonnes	Zn (%)	Pb (%)	Ag (g/t)
Inferred	Oxide	Zinc, lead, silver	6,720,000	1.8	0.6	14.0
Inferred	Oxide	Silver	6,320,000	0.0	0.0	19.8

CSA, March 2008 reported above a 1% Zn cut-off grade. Snowden references the JORC Code and advises that the validity of this estimate has expired in relation to use in economic evaluations, but it is presented as being material to TRT.

Winchrope

Rock chip sampling conducted during 2008 returned highest assays of 59.8% Fe, 48.2 g/t Ag, 2.94% Zn, 8.54% Pb and 220 ppm Cu. This sample is considered to indicate the potential for iron, silver, zinc, lead and possibly copper deposits. Fieldwork in 2012 concluded that extensive cover material outside the sampled area would render further geochemical sampling ineffective.

Landandi

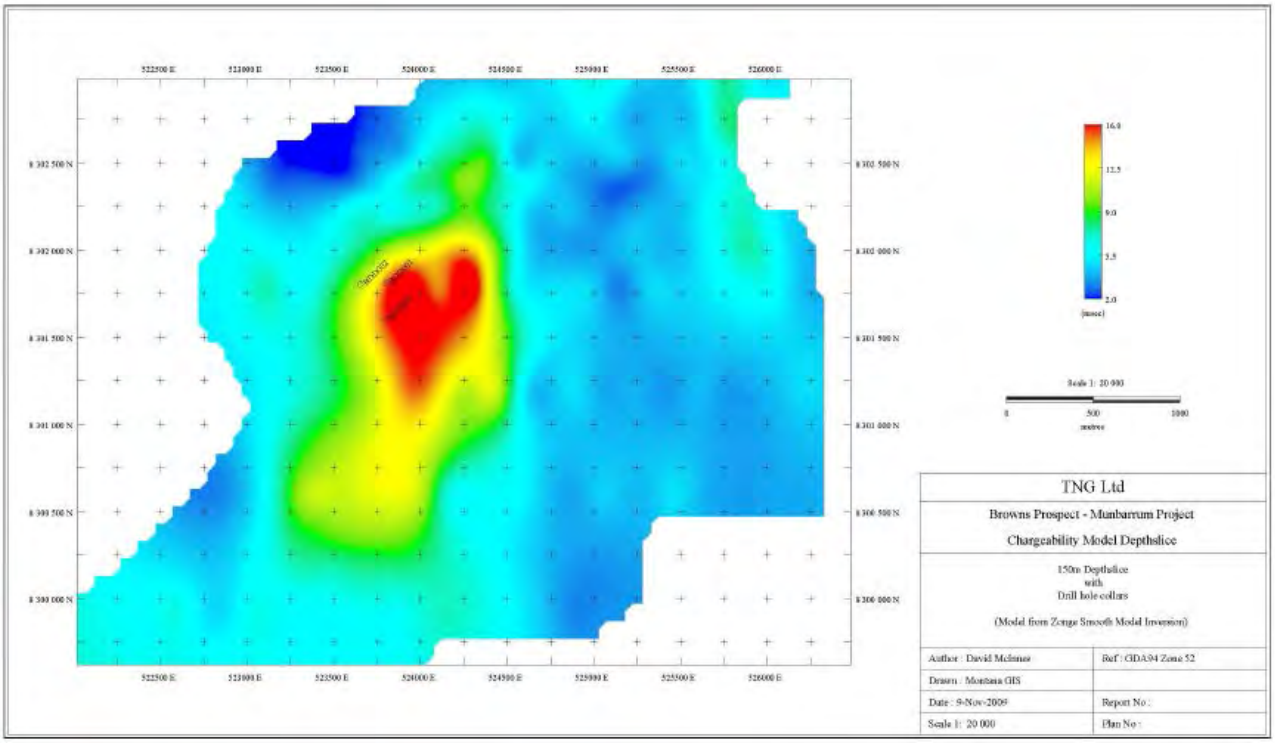
This prospect was identified in 2008 by rock chip sampling. While some of the samples returned anomalous Pb, Zn and Cu values, the results did not identify any coherent geochemical trends[10].

3.1.7 Browns prospect

Three diamond drillholes, BDD001 to BDD003, were completed in September 2009, targeting the western edge of a large IP anomaly that forms the Browns prospect (Figure 3.6). The Browns prospect is defined by a chargeability anomaly of similar amplitude to the chargeability anomaly associated with the Sandy Creek deposit.

[10] KBL Mining Limited, 2012

Figure 3.6 Browns prospect – drillholes on IP



Source: TRT

This drilling program was aimed primarily at testing if the prospect contained MVT-style mineralisation seen at the other discoveries in the area. The drilling successfully intersected zinc-lead mineralisation similar to that encountered at Sandy Creek. Four main styles of mineralisation were recognised:

- Medium to coarse-grained galena veins surrounded by a fine-grained yellow sphalerite cloud/halo; occasional silica association
- Botryoidal pyrite-marcasite-sphalerite on fracture surfaces
- Fine-grained pyrite, commonly forms stalactites on fracture surfaces
- Fine-grained yellow sphalerite breccia fill or fine to medium-grained pyrite-marcasite breccia fill.

The different mineralisation styles at Browns were intersected in similar stratigraphic positions in all three drillholes:

- Discrete 2 m to 3 m wide zones of galena-sphalerite veins in the top 25 m to 30 m of the sandy dolomite
- Zones of fracture-hosted botryoidal pyrite-marcasite-sphalerite, pyrite, or pyrite marcasite mineralisation within the sandy dolomite
- Sphalerite-pyrite-marcasite sedimentary breccia fill proximal to the sandy dolomite/silty dolomite contact
- Rare fracture hosted pyrite, or pyrite-marcasite mineralisation within the silty dolomite.

The mineralised zones at the Browns and Sandy Creek prospects were sampled in 1 m intervals as whole core. The whole core sampling aimed to limit any potential loss of fine grained zinc and lead sulphides ± oxides on fracture surfaces from core cutting and hence ensure that the analysis of the sample would be a true representation of contained metal.

High-grade intercepts are interpreted to correspond to isolated zones of fine-grained yellow sphalerite veinlets, commonly associated with medium-grained disseminated galena and variable alteration in the host rock, the sandy dolomite. These zones are similar in style to those seen at the nearby Sandy Creek deposit.

The assay results suggest that the fracture-hosted zones within the sandy dolomite have sphalerite associated with them and are a controlling feature of the mineralisation, which also occurs at the Sandy Creek deposit.

The analytical results of the drilling are of generally low level. However, almost 50% of the assay results returned values >0.1% Zn as zinc sulphide (sphalerite) and significant widths of mineralisation above 0.5% Zn.

While the assay results are generally of low tenor, the drilling was successful in confirming the presence of MVT-style mineralisation at the Browns prospect. The mineralisation is consistent between all holes and the grades are similar to those encountered at the edge of the Sandy Creek mineralised envelope. The Browns IP anomaly is large, extending for some 2 km x 1 km (as shown in Figure 3.6), and there is potential for additional mineralisation to be located. A program of RC drilling is required to target the western edge of the IP anomaly and favourable gravity targets.

3.1.8 Legune Hill

The Legune Hill iron ore prospect is located within EL 24395, just south of the Djibitgun zinc-silver prospect (Figure 3.9).

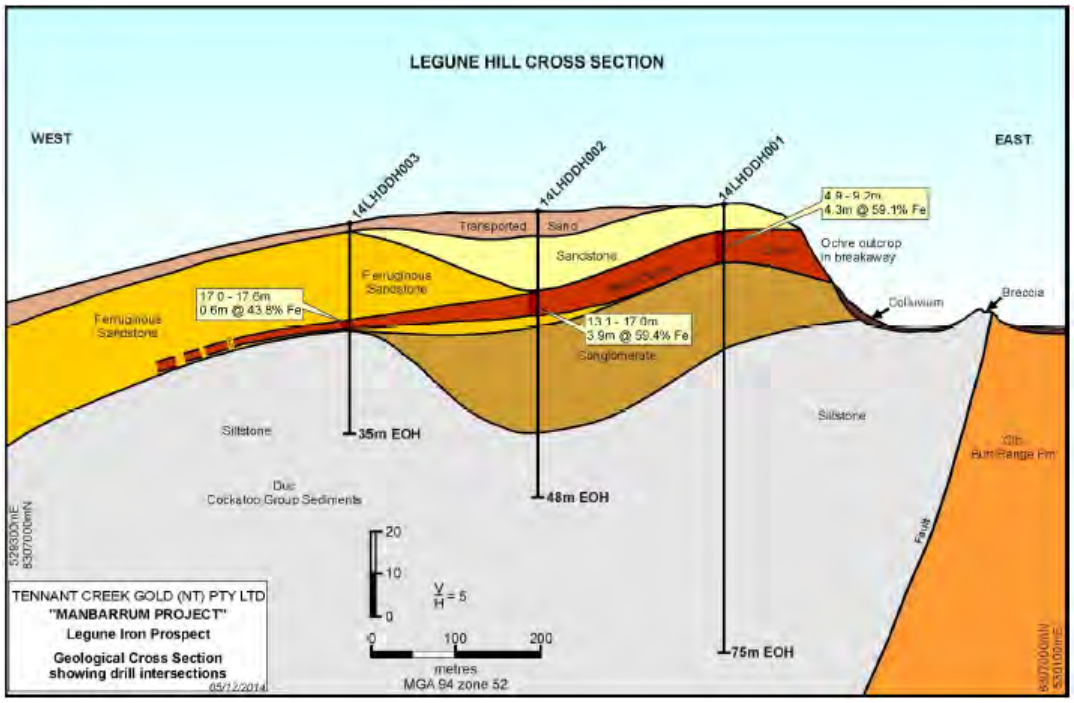
Ochre was mined in the late 1960s at Legune Hill, an area defined by small hills of outcropping high-grade haematite mineralisation which is covered by silcrete capping in places.

Figure 3.7 Historic ochre mining, Legune Hill

Source: Snowden (samples of ochreous material collected for consignment and analysis by potential customers)

In October 2014, TNG drilled three HQ-sized diamond drillholes for 158 m (Figure 3.8). The aim of the program was to determine the thickness of the haematite, the stratigraphy underlying the hematite, whether the hematite represents the Cockatoo Formation within the Bonaparte Basin succession, the type of iron mineralisation, and where the mineralisation fits in the history of the Bonaparte Basin development.

Figure 3.8 Legune Hill drilling (2014)



Source: TRT

A total of 34 samples of half core were submitted for analysis (Table 3.4), returning iron ore grades and structural information that indicate potential for a modest resource if a niche market can be identified for a particular product.

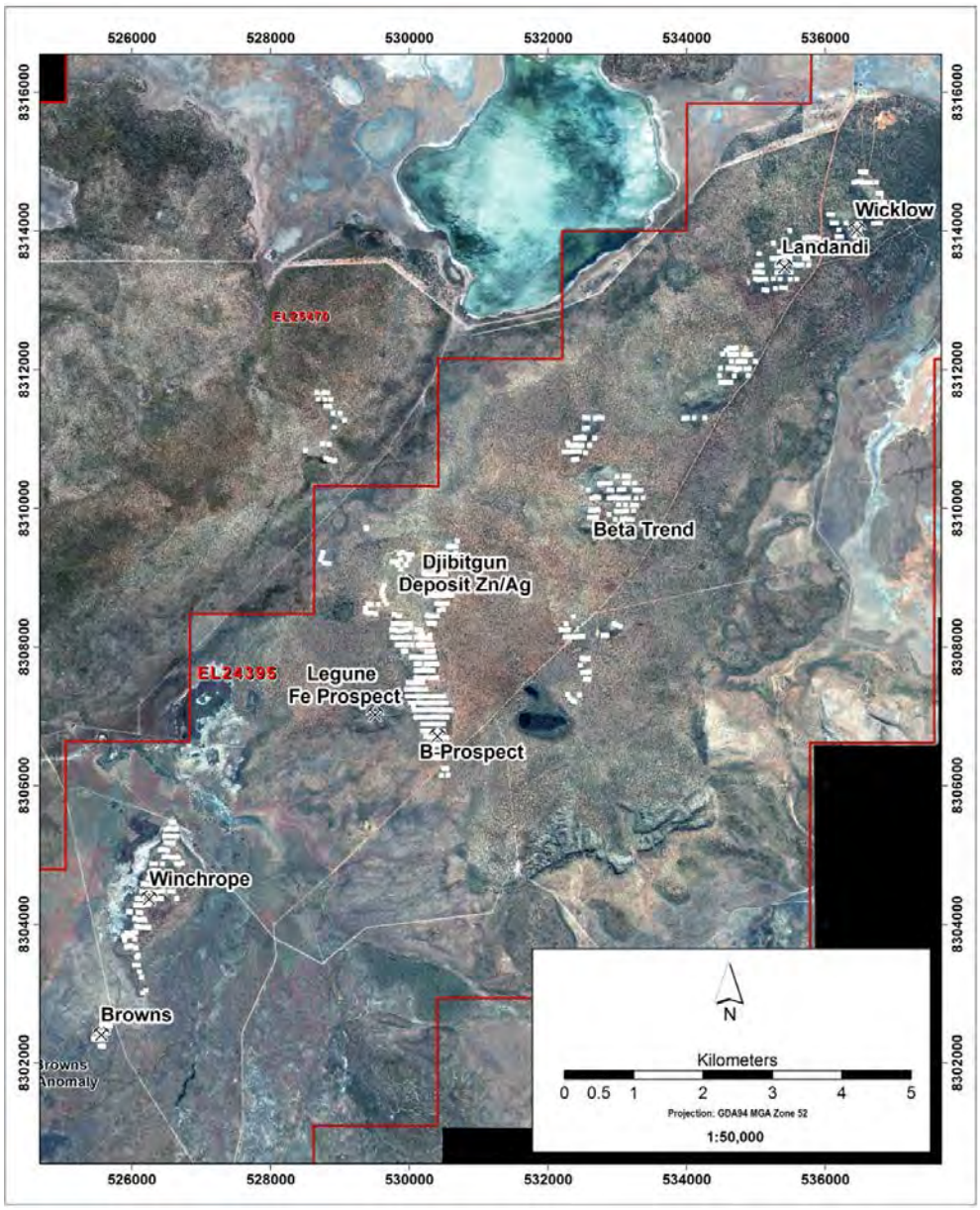
Table 3.4 Legune Hill drilling results

Hole ID	From (m)	To (m)	Thickness (m)	Grade Fe (%)
14LHDDH001	4.9	9.2	4.3	59.1
including	6.0	7.0	1.0	63.5
14LHDDH002	13.1	17.0	3.9	59.4
including	15.0	16.0	1.0	64.0
14LHDDH003	17.0	17.6	0.6	43.8

Commercial arrangements

In 2009, TNG signed a Mineral Rights Agreement with a private Chinese company, providing for the 100% sale by TNG of the rights to explore and advance the Legune iron ore prospect. The Chinese company subsequently withdrew and Legune Hill remains part of the Manbarrum project.

Figure 3.9 Legune Hill iron ore prospect



Source: TRT

3.1.9 Aboriginal heritage, Native Title and environment

Native title has been determined and is managed by the Northern Land Council. An exploration agreement exists with the Traditional Owners on behalf of the Miriuwung, Gajerronng and Wadainybang Groups (DG6008/98, DC95/1). Snowden has been advised of no problems with the licences or arrangements and observed successful rehabilitation of drill sites.

3.1.10 Snowden opinion

Snowden considers the Manbarrum project to be underexplored as a result of historic exploration being misdirected. Previous explorers have focused efforts toward major rift faults, the thinking being that these are of a size and significance to introduce large volumes of mineralisation under a replacement model.

This approach has identified the mineralisation at Sandy Creek and Djibitgun.

Snowden observes that the Manbarrum project covers about half of the terrestrial expression of the eastern half of the Bonaparte Basin. The basin has been demonstrated to host base metals mineralisation, predominantly in the Burt Range dolomite formation, as evidenced by TRT's assets and also the Sorby Hills project[11], which occurs on the western half of the basin. The result of previous exploration and the Burt Range Formation geometry has been to probably limit opportunities for expanding the scope of the project along the basin margins.

TRT's model is to examine listric faults within the basin as being the potential hosts of the significant volume of mineralisation thus far unidentified in the rift faults. TRT proposes to initially inform this strategy from the interpretation of gravity survey, there being significant volumes of such information as a result of regional hydrocarbon exploration. Soil sampling is being undertaken as a low-cost targeting tool in areas of thin cover.

A modification to the existing Bonaparte Basin MVT mineralisation model is application of a Lennard Shelf model, targeting listric faults as conduits for replacement fluids for strata-bound replacement.

Snowden's opinion is that, while the volume and grade of mineralisation identified thus far does not support development, the size of the basin and the mineralisation identified thus far indicate a high probability that such a development project is either yet undiscovered or can be assembled. Such assembly would be through drilling of wholly-owned projects or opportune purchase. TRT's understanding of the mechanics and geology of the basin represents its most valuable asset to this end.

Legune Hill

Given the current state of the iron ore market, Snowden does not consider Legune Hill to represent a significant iron ore resource. However, observation of other Kimberley iron ore projects and an understanding of the iron ore market as a whole indicates that this material may find a high-margin niche market as either a flux for steel making or a pigment. Snowden recommends that future effort be directed toward identifying such markets before significant capital is expended.

3.2 McArthur River

The McArthur River copper project is located in the same region as the significant McArthur River base metals mine and Rox Resources' significant Reward project[12].

3.2.1 Location and access

The McArthur River copper project is situated in the Northern Territory, about 300 km northeast of Tennant Creek and about 450 km southwest of Katherine. The tenements are near the Tablelands Highway at Walhallow and lie in the far northern portion of the Walhallow (Sf53-07) 1:250,000 map sheet.

3.2.2 Tenements

The McArthur River project consists of two granted exploration licences and one exploration licence application (Table 3.5 and Figure 3.10), owned by TRT, having been transferred to TRM from Enigma Mining Limited (Enigma), a wholly owned subsidiary of TNG.

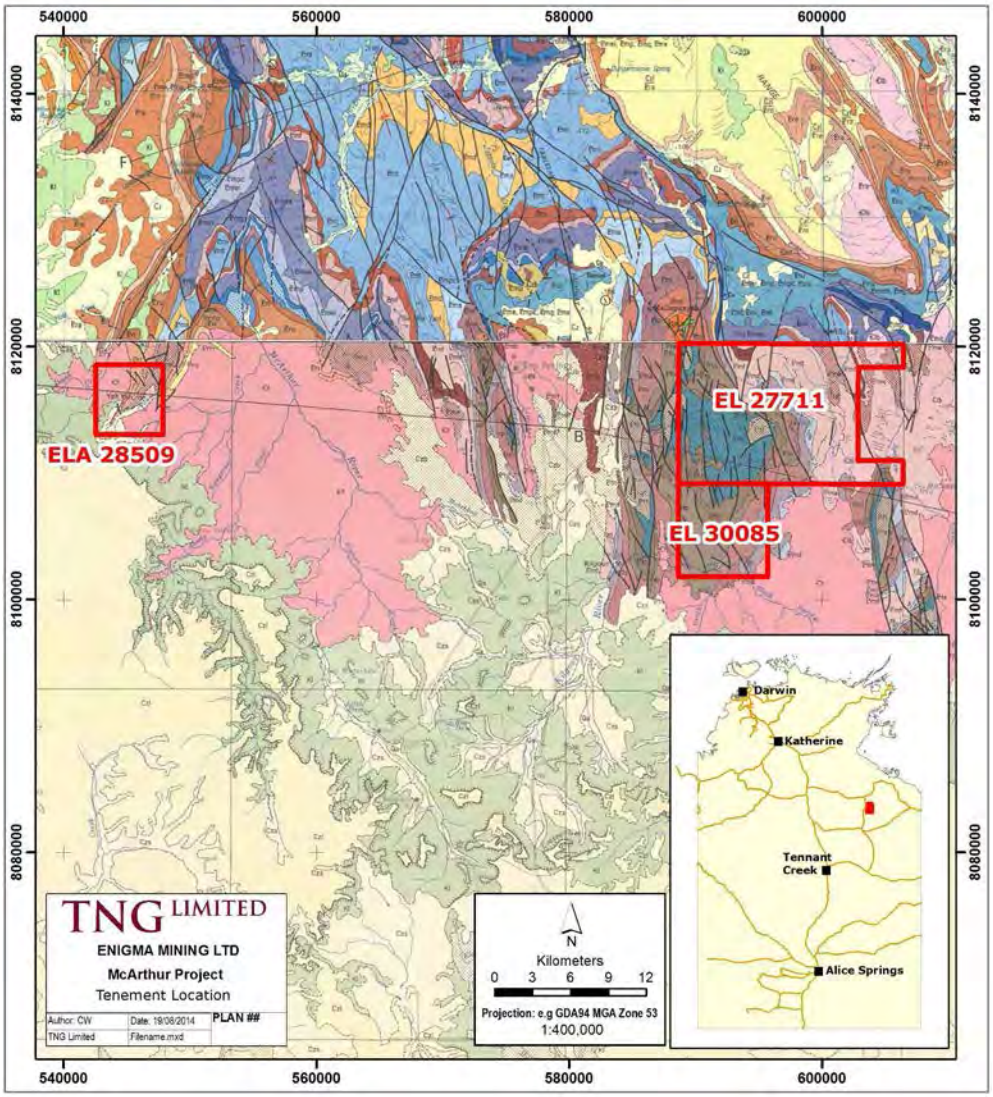
[11] KBL Mining, www.kblmining.com.au
[12] http://www.roxresources.com.au/projects/reward-nt/

Table 3.5 McArthur River project tenements

Tenement	Holder	Area (blocks)	Grant date	Expiry date
EL 27711	TRT – 100%	52	09/07/2010	08/07/2018
EL 30085		16	11/04/2014	10/04/2020
ELA28509		9	Application	Application

A historic copper mine, the Yah Yah Mine, is located 16 km to the west of the main project area, on ELA 28509, and the project area for the most part lies on Mallapunyah Station.

Figure 3.10 McArthur River tenements and project location



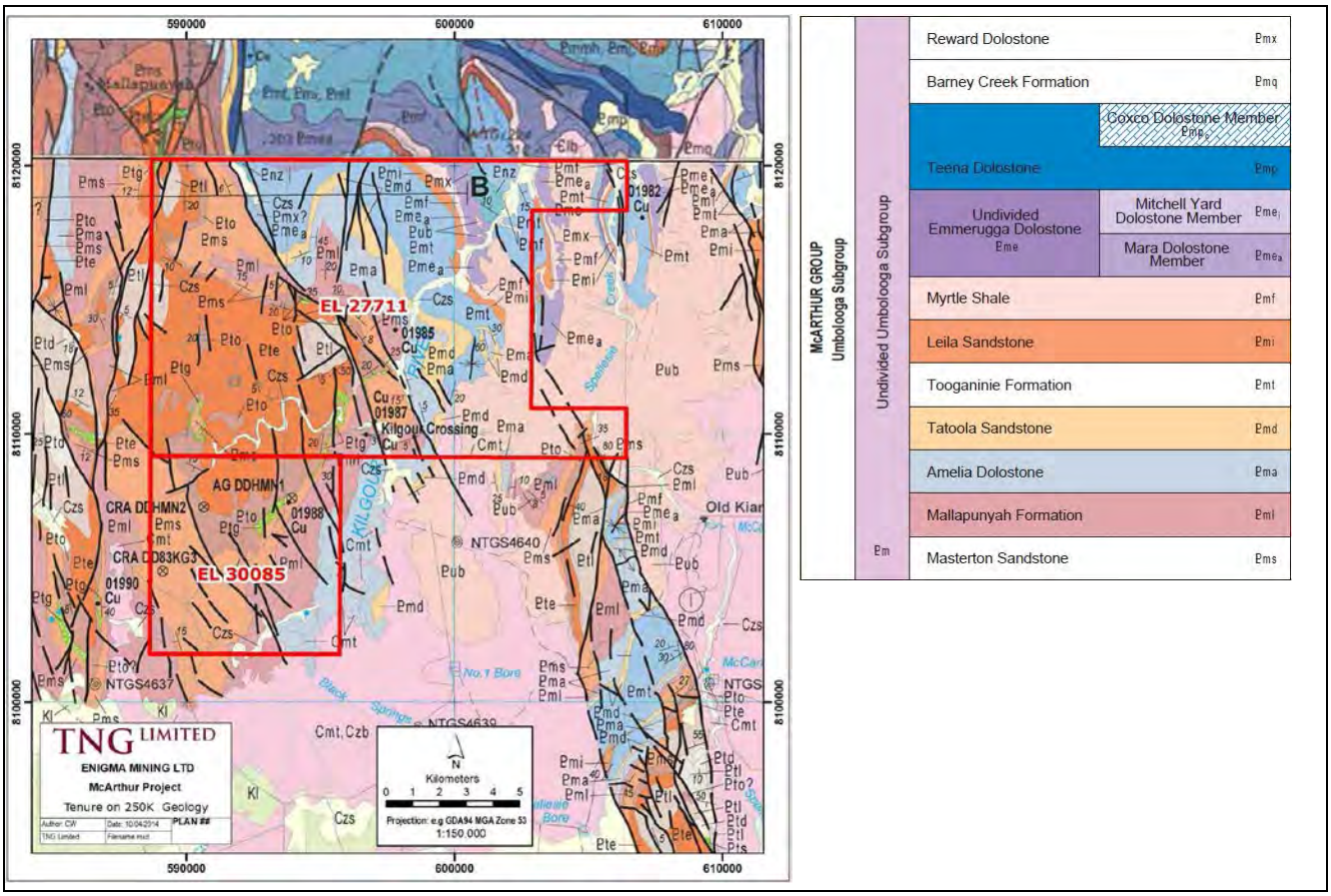
Source: TRT

3.2.3 Geology and mineralisation

The McArthur River project covers part of the McArthur Basin geology, 65 km southwest of the world-class McArthur River zinc-lead-silver mine. The tenement encompasses part of the basement of the McArthur Group, which consists of a 5 km thick succession of platformal stromatolitic dolostone and clastic sedimentary rocks with local pyritic carbonaceous siltstone units.

Exposures of the McArthur Group are confined to the Batten fault zone, where it unconformably overlies the Tawallah Group. The McArthur Basin sequence is divided into four major units: the Roper, Nathan, McArthur and Tawallah groups (Figure 3.11).

Figure 3.11 McArthur River geology (and legend)



Source: TRT

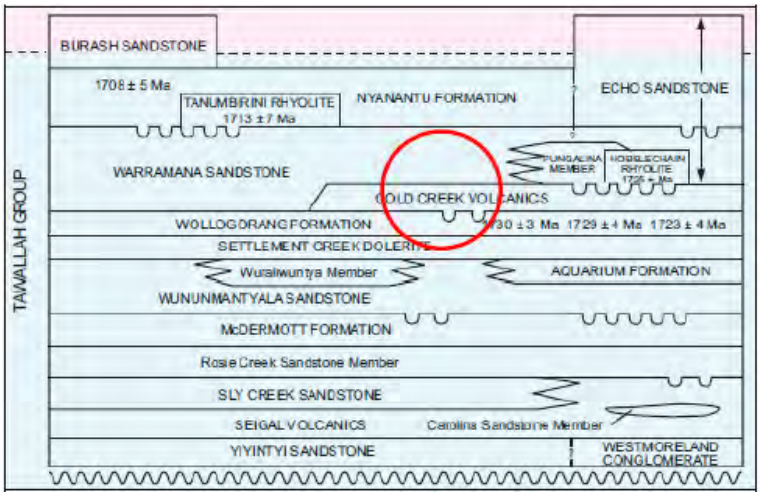
The Batten Fault Zone of the McArthur Basin is identified as being mineralised and prospective and is bounded by the Emu Fault to the east and the Tawallah Fault to the west (Figure 3.13). TRT's project is bound by a splay of the Tawallah Fault and the Mallapunyah Fault, both being considered by TRT to be potentially mineralising. The Emu Fault is considered to be the source of mineralisation at the McArthur River mine, hosted by the Barney Creek Formation, stratigraphically above the area in question.

The geology of the Mallapunyah area consists of units of the Tawallah Group (Settlement Creek Volcanics, Wollogorang Formation and Warramana Sandstone), overlain by sediments of the McArthur Group (Masterton Sandstone, Mallapunyah Formation, Amelia Dolomite, and Tatoola Sandstone, Figure 3.12).

The Wollogorang Formation is targeted for mineralisation of a style similar to the Zn-Pb-Ag HYC mine at McArthur River, based on sedimentological and geochemical grounds and supported by recent academic and government geological studies.

The Wollogorang Formation has also been examined as a source of organic material and unconventional hydrocarbons. It is dated to 1725 +/- 5 Ma, from U-Pb dating of zircons. Recent petrography has identified abundant organic material in the Wollogorang shales/argillite, with up to 6% organic material present in the three samples described.

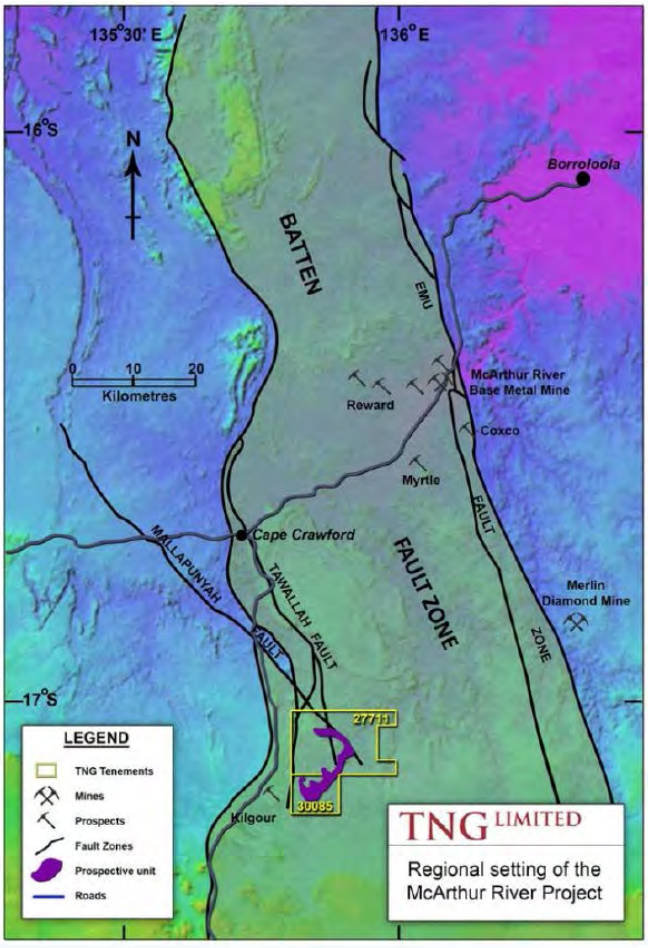
Figure 3.12 Tawallah Group stratigraphy



Source: TRT, project area stratigraphy in red circle

The Tawallah Group is the oldest group in the McArthur Basin and consists mainly of thick sequences of ridge-forming sandstones alternating with units of recessive volcanics and fine grained clastics. It has a maximum thickness of 5,200 m and an unconformable basal contact with the Scrutton Volcanics, part of the Lower Proterozoic basement.

Figure 3.13 McArthur River regional structure



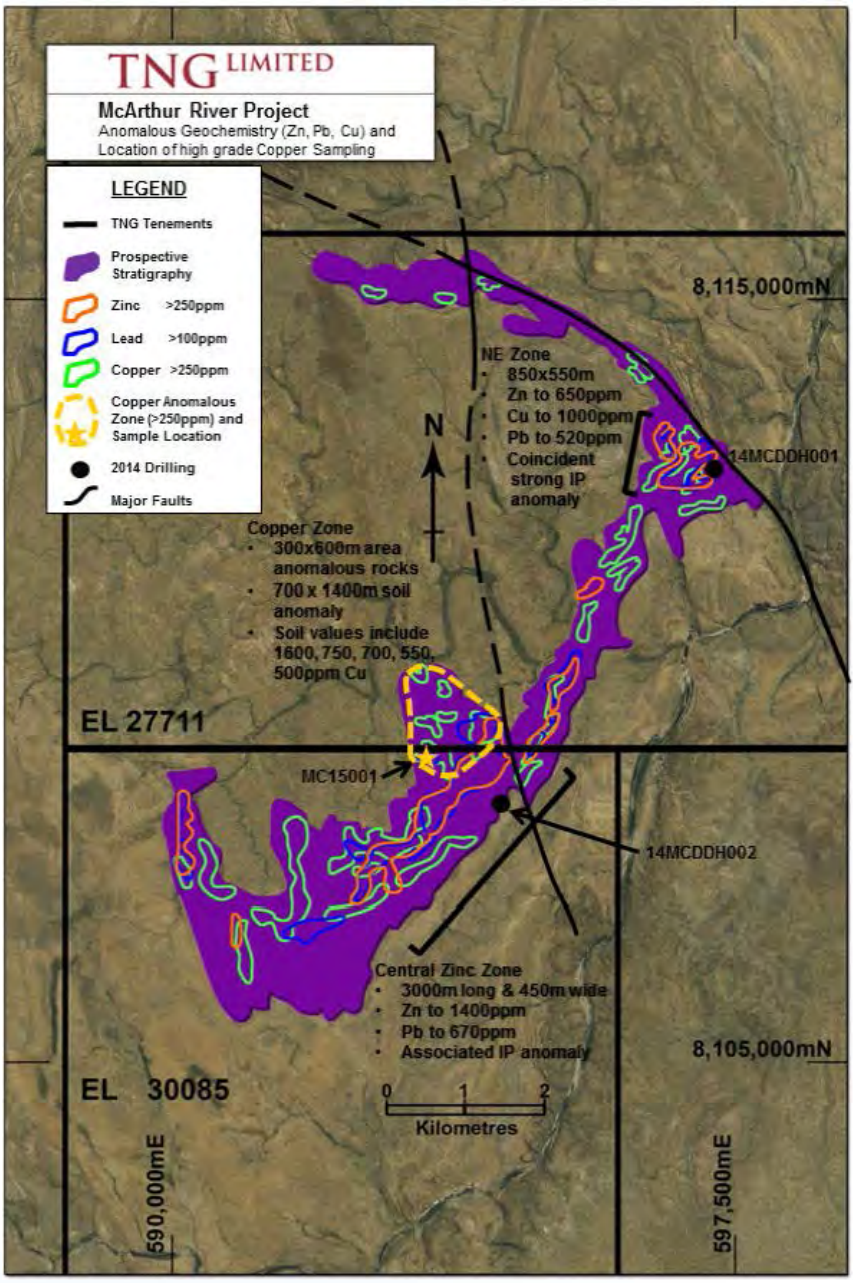
Source: TRT

The McArthur Group unconformably overlies the Tawallah Group and comprises a sequence of interbedded carbonates and dolomitic shale/siltstone with subordinate sandstones up to 4,200 m thick and is subdivided into the Umbolooga (older) and Batten (younger) subgroups which are separated by a regional palaeoregolith. The Umbolooga Sub-group is host to the McArthur River lead-zinc-silver deposit.

The shallow marine Amelia dolostone comprises interbedded partially stromatolitic dolostone with local beds of dolomitic shale/siltstone containing diagenetic siderite.

TRT project tenure contains two historically identified copper targets, Kilgour Crossing and Donkey Yard. Explorers have identified the Wollogorang and Tawallah groups as being the most prospective rock units, with the prospectivity of the Wollogorang Formation recently being recognised. This stratigraphy runs through both tenements (Figure 3.14).

Figure 3.14 McArthur River prospective stratigraphy



Source: TRT

Strata-bound and stratiform Sedex-style zinc and lead mineralisation within the tenements is indicated by anomalous soil sampling results and drilling within the central part of the Wollogorang Formation.

Strata-bound copper mineralisation occurs within the basal shale sub-unit of the Wollogorang Formation. TRT proposes a “red bed” exhalative model for its exploration and this is supported by recent regional work supported by government institutions[13].

Yah Yah mine

The Yah Yah copper mine was exploited in the early 1900s and reportedly produced 40 tonnes of hand-picked, high-grade copper (20% to 30% Cu) ore prior to 1912[14]. The NTGS considers Yah Yah to be stratabound and hydrothermal at the extreme western contact between the McArthur and Georgina basins, at the contact of the Tatoota Sandstone and Amelia dolomite (Figure 3.10).

Snowden considers the presence of the Yah Yah mine to be indicative of the presence of economic mineralisation in this part of the McArthur Basin.

3.2.4 Exploration potential

TRT’s exploration program at McArthur River is aimed at identifying various types of sedimentary-hosted base metal deposit:

- Zn-Pb-Ag Sedex-style stratabound and stratiform mineralisation
- Stratabound Cu mineralisation similar to that seen at Mount Isa and Gunpowder in Queensland, which are temporally related to the McArthur project
- Breccia-hosted Cu mineralisation within the Wollogorang Formation as found at Redbank, to the east of the Batten Fault Zone, and near the QLD border.

Historical exploration

The region has been partially explored for a variety of commodities including gold, copper, lead, zinc and diamonds (Figure 3.15):

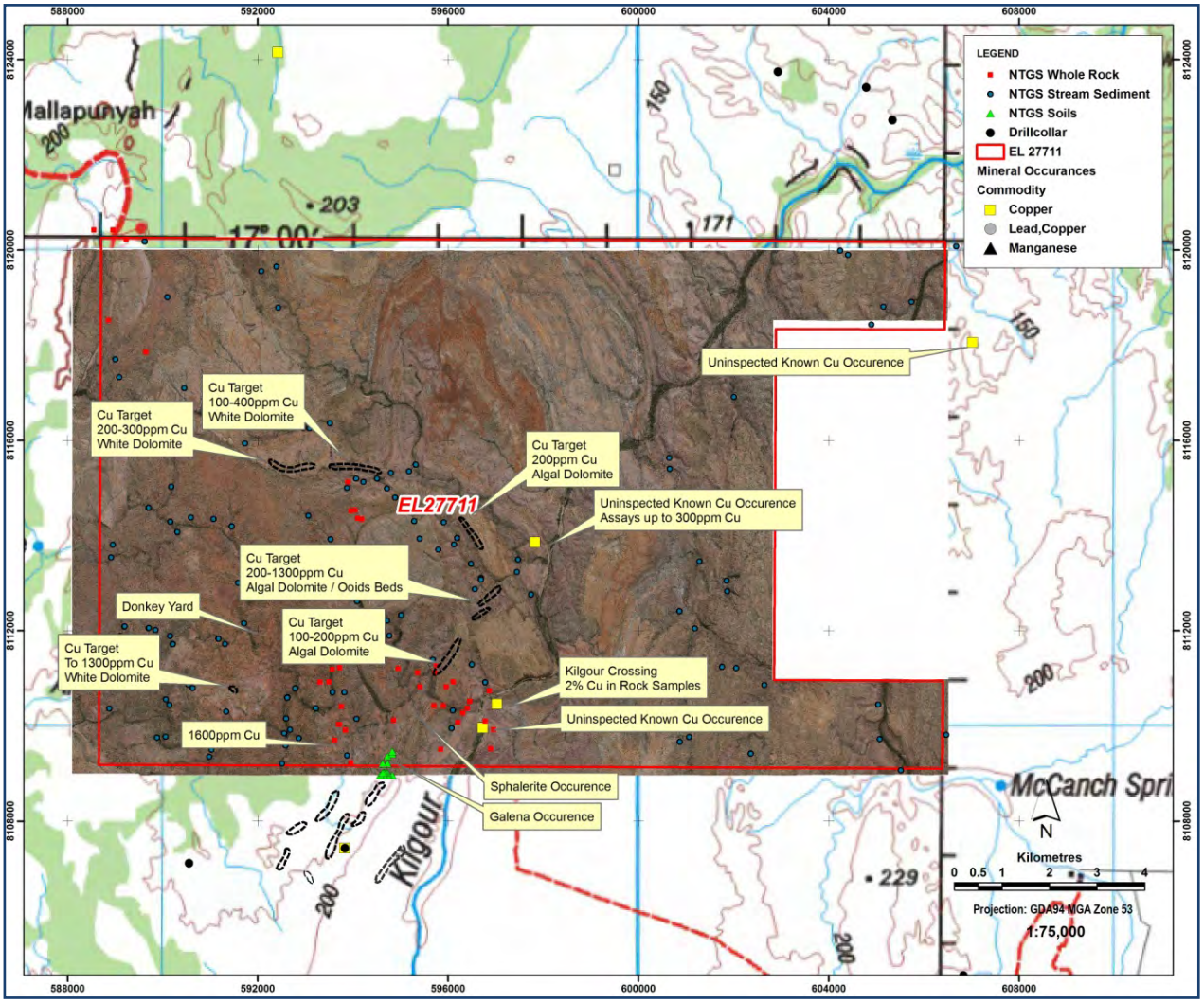
- From 1966 to 1967, the Mallapunyah Dome was extensively rock chipped and soil sampled by Australian Geophysical Pty Ltd. Exploration also included follow-up IP surveys over areas which returned anomalous results.
- From 1967 to 1976, Carpentaria Exploration Pty Ltd undertook stream sediment, soil and rock chip sampling along with a minor geophysical program, discovered copper mineralisation.
- In the years following, AO Australia, Shell Company of Australia and Perilya Mines completed work at the Kilgour prospect area.
- From 1993 to 1995, Mt Isa Mines Limited completed an extensive stream sediment program over the whole tenement area. The surveys returned anomalous Cu, Mn and Zn results.
- In later years, Aberfoyle Resources (1997) and Kiana Project Pty Ltd (2006 to 2007) were granted tenements in the McArthur River area.

[13] Cf Spinks, Schmid, Pagés, Bluett, Ore Geology Reviews vol.76, Elsevier, 2016
[14] TNG Limited, ASX Announcement, *Initial copper exploration completed at McArthur River project, Northern Territory*, 30 June 2011

Copper mineralisation was discovered by Carpentaria Exploration in the 1960s and 1970s through stream sediment sampling and rock chip sampling. It is hosted by the Mallapunyah formation, in two dolomitic and variably bituminous intervals informally termed the “upper” and “lower” copper beds, which are 1 m and 150 mm thick, respectively. Chalcocite and minor chalcopyrite are present in the “lower copper bed” along its strike length of 500 m. Copper mineralisation in the lower copper bed 5 km north of the Kilgour Crossing prospect comprised about equal quantities of chalcocite and bornite.

Poor outcrop prevented delineation of the extent of copper mineralisation in the upper copper bed. In the lower copper bed, copper sulphides were associated with transparent calcite and quartz filled cavities in a 150 mm thick white dolomitic bed. The Kilgour Crossing mineralisation was deemed uneconomic at the time, however, some orientation geochemical work was warranted. Multi-element assays showed that copper was the only anomalous element at Kilgour Crossing.

Figure 3.15 McArthur River historical exploration



Source: TRT

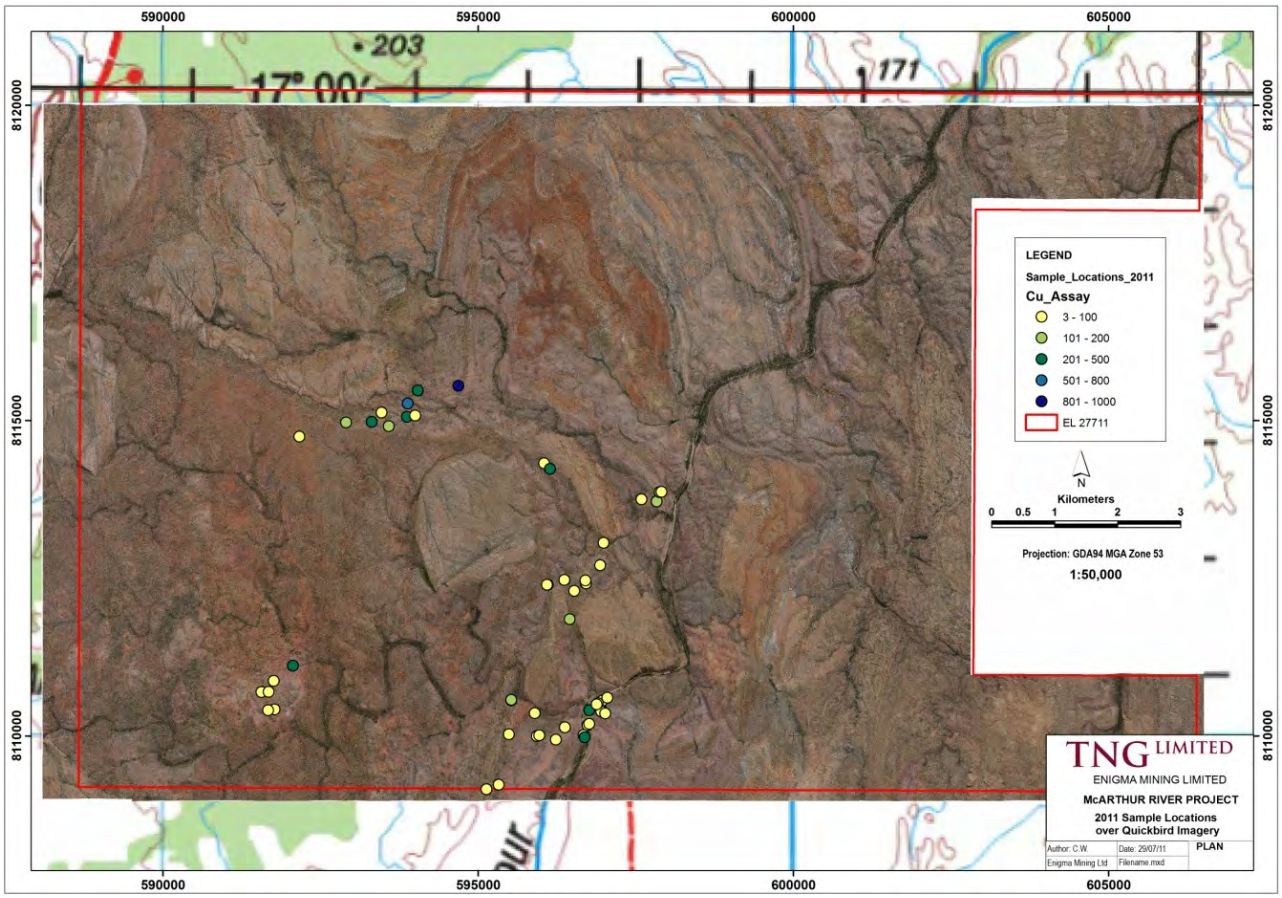
Recent exploration

Most recent work has focused on EL 27711. Historical exploration was regional, with EL 30085 being applied for to include a historically identified geochemical anomaly and the two licences contain 25 km length of what TRT considers to be highly prospective stratigraphy.

Regional targeting exploration was undertaken by TNG up until July 2011. A full literature review was carried out on the historical data and a comprehensive report on the geology and mineralisation produced. Image processing and image based interpretation of high resolution satellite data was purchased and used as a base for geological mapping. This confirmed and refined the previously identified major structural components.

Geological mapping of approximately 50 km^2 was completed at a scale of 1:10,000 in May 2011. The mapping was merged with satellite data with the aim to identify a copper-anomalous corridor within the stromatolitic Proterozoic Wollogorang Formation and a second zone of copper mineralised occurrences within the overlying Mallapunyah Formation. A total of 68 rock samples was collected as part of this survey and 16 returned over 100 ppm Cu, predominantly in dolomite (Figure 3.16).

Figure 3.16 McArthur River sampling, 2011



Source: TRT

In addition to the high priority Kilgour Crossing and Donkey Yard prospects, the reconnaissance program also examined six previously-identified geophysical targets and two copper occurrences identified by the Northern Territory Geological Survey (NTGS), as well as numerous other prospective copper targets identified from previous stream sampling results and prospective geology.

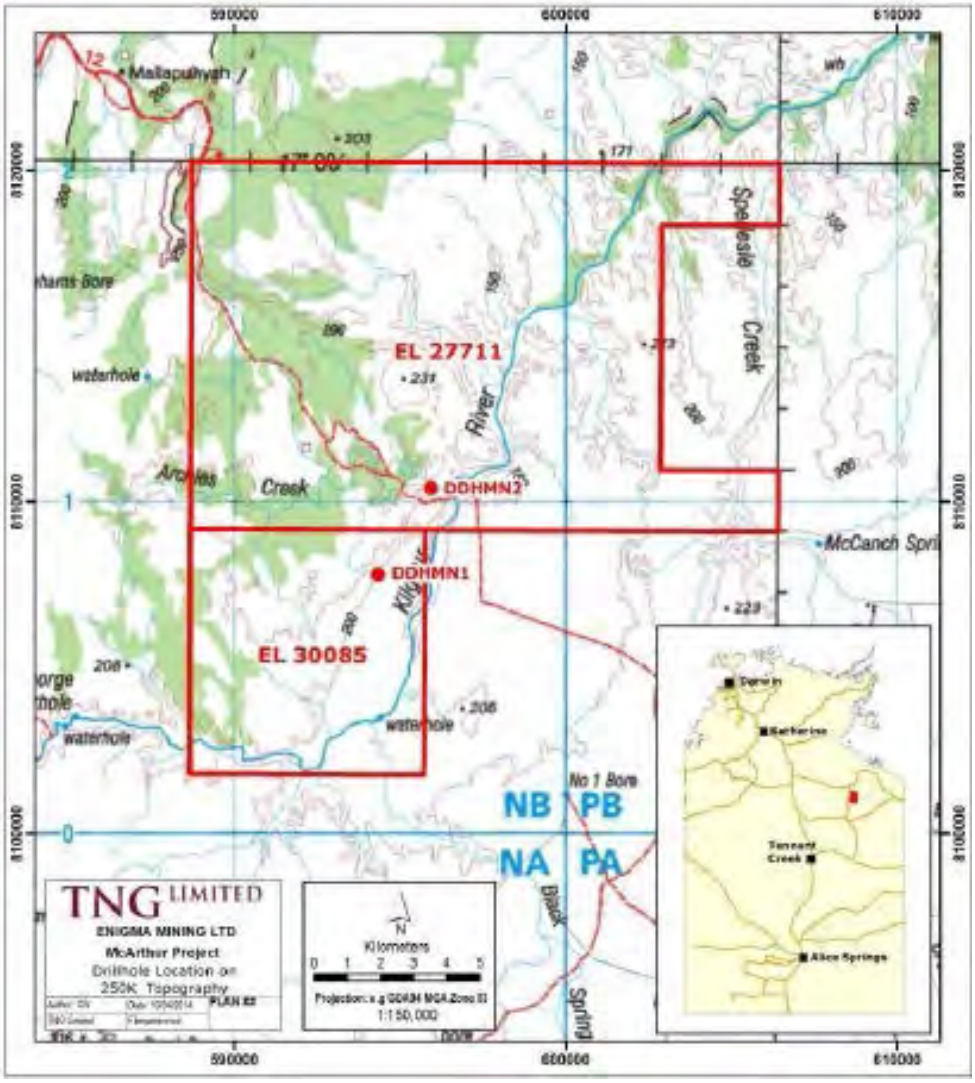
A program of mapping and sampling was carried out in September 2013 to confirm the location of previously identified geochemical anomalies. A portable x-ray fluorescence (XRF) instrument was used to analyse 155 soil readings and 32 rock chip samples and the results correlated well with previous work, being largely located within the Wollogorang strata.

In November 2013, NTGS core library core from two holes (DDHMN1 and DDHMN2, Figure 3.17) drilled in the 1960s, was re-logged and selectively resampled, with DDHMN2 returning anomalous Cu results (Table 3.6).

Table 3.6 McArthur River historical drilling

Hole name	From (m)	To (m)	Interval (m)	Cu (%)
DDHMN2	119.48	122.53	3.05	0.22
DDHMN2	119.48	120.4	0.91	0.37
DDHMN2	121.62	122.53	0.91	0.32

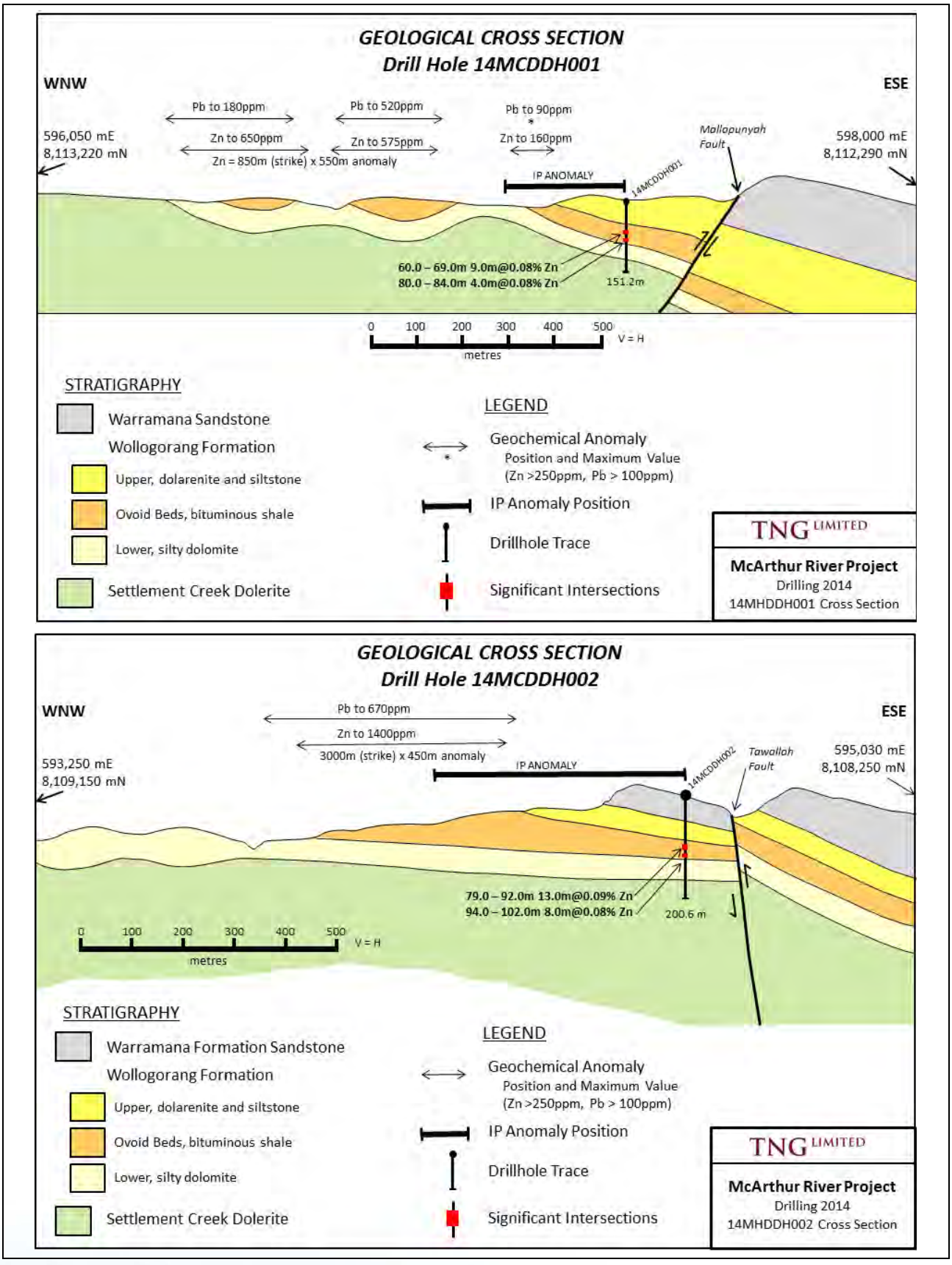
Figure 3.17 McArthur River historical drilling, DDHMN1 and DDHMN2



Source: TRT

In 2014, the Northern Territory Government co-funded two diamond drillholes, for a total of 600 m (14MCDDH001 within EL 27711 and 14MCDDH002 within EL30085 Figure 3.18) within EL 30085 to intersect the Wollogorang Formation where geochemistry/geology, major structures, and existing IP geophysics support a target. Holes were positioned to intersect the best geochemical anomalism in the Wollogorang Formation, adjacent to the Mallapunyah and Tawallah Faults (Figure 3.14). The result (Figure 3.18) is considered to have supported the interpreted stratigraphy and metal distribution and a sedimentary exhalative model for the area.

Figure 3.18 McArthur River drilling, 2014



Two portable XRF soil sampling programs were completed in September 2014 and April 2015 across the north-western part of the Wollogorang Formation, and a detailed mapping and sampling program which confirmed the interpreted stratigraphy.

Traverses identified a significant area of surface outcropping rocks containing malachite and chalcocite located in a large zone of brecciated shale near the base of the Wollogorang Formation to the west of hole 14MCDDH002 (Figure 3.14). Rock samples returned grades of 48.3% and 47.9% copper.

Mapping and sampling in April/May 2015 confirmed that supergene malachite and chalcocite is stratigraphically controlled in an approximately 10 m thick shale band in the lowermost Wollogorang Formation, bound below by the Settlement Creek Dolerite and above by a dolomite subunit within the Wollogorang Formation. Silver, gold, bismuth and molybdenum are also considered anomalous. The new sedimentary-hosted stratiform layer of copper mineralisation has been outlined over an area in excess of 600 m x 400 m, is several metres thick and persistent over an area of at least 0.5 km^2. The horizon dips to the east and is inferred to be present over a couple of square kilometres at less than 100 m depth below surface, reappearing to the south of the area mapped.

3.2.5 Aboriginal heritage, Native Title and environment

Snowden has been advised of no native title issues with either the EL 27711 or EL 30085 licences, and observed effective rehabilitation of drill pads and access. ELA 28509 is currently in ALRA Moratorium.

3.2.6 Snowden opinion

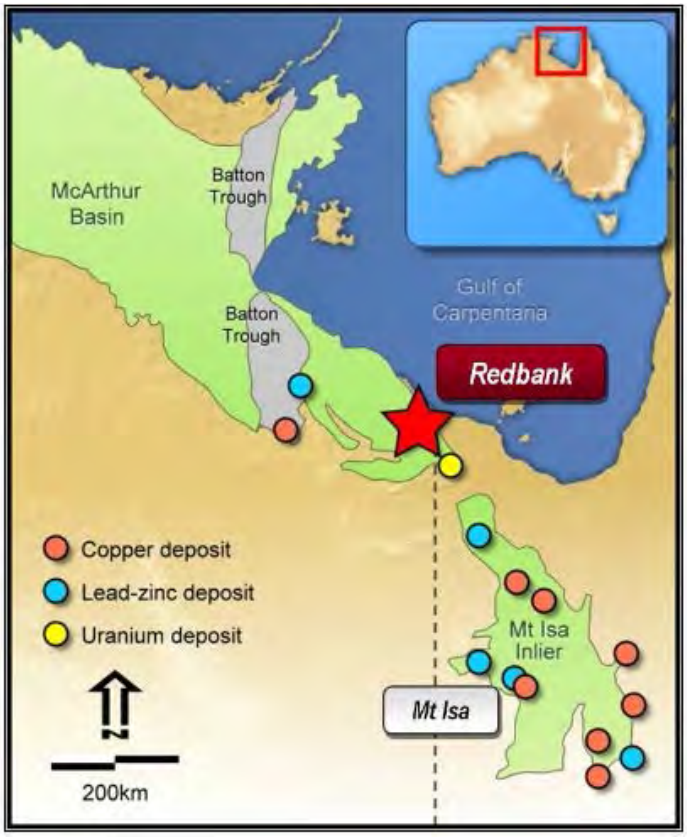
Snowden considers the McArthur River project to be at a basic level of exploration but at a highly developed conceptual level. Regional explorers have historically targeted the Barney Creek Formation, host of the McArthur River mine. TRT has targeted the underlying stratigraphy, initially based on the results of previous exploration, which sought to identify stratigraphically lower repetitions of the Barney Creek mineralisation.

TRT has reinterpreted previous work and collaborated constructively with the NTGS. This collaboration has resulted in the generation of a new mineralisation model that is supported by the results of stratigraphic drilling and academic research.

TRT's Mallapunyah mineralisation is older than that hosted by the Barney Creek Formation but is coincident with the Redbank copper mineralisation at the south-eastern extremity of the McArthur Basin and the giant deposits of the Mt Isa Inlier (Figure 3.19). The Redbank mineralisation is discrete and hosted by breccia pipes, a model that has not yet been identified on TRT's area.

Snowden's opinion is that TRT's McArthur River project represents a new approach to a historically explored area and that the value of the knowledge gained by its exploration efforts outweighs that of any results gained to date. Application of this knowledge is highly likely to result in the identification of economic mineralisation either on TRT's tenements or in the adjacent geology, for which TRT has a "first mover" advantage.

Figure 3.19 Redbank and Mt Isa Inlier mineralisation



Source: Redbank Copper Limited

3.3 Walabanba

Walabanba is a base metal sulphide exploration project that TNG considers to have similarities to its Mount Peake Project. Tin has been mined from the area, which incorporates all of the historic Anningie Tin Field.

3.3.1 Location and access

The Walabanba project is located approximately 250 km north-northwest of Alice Springs with good access via the Stuart Highway then unsealed station tracks. The tenement group is on the Mount Peake 1:250,000 map sheet with the majority of the tenement area in the Anningie 1:100,000 extending over the Conical Hill and Mount Peake 1:100,000 sheets.

3.3.2 Tenements

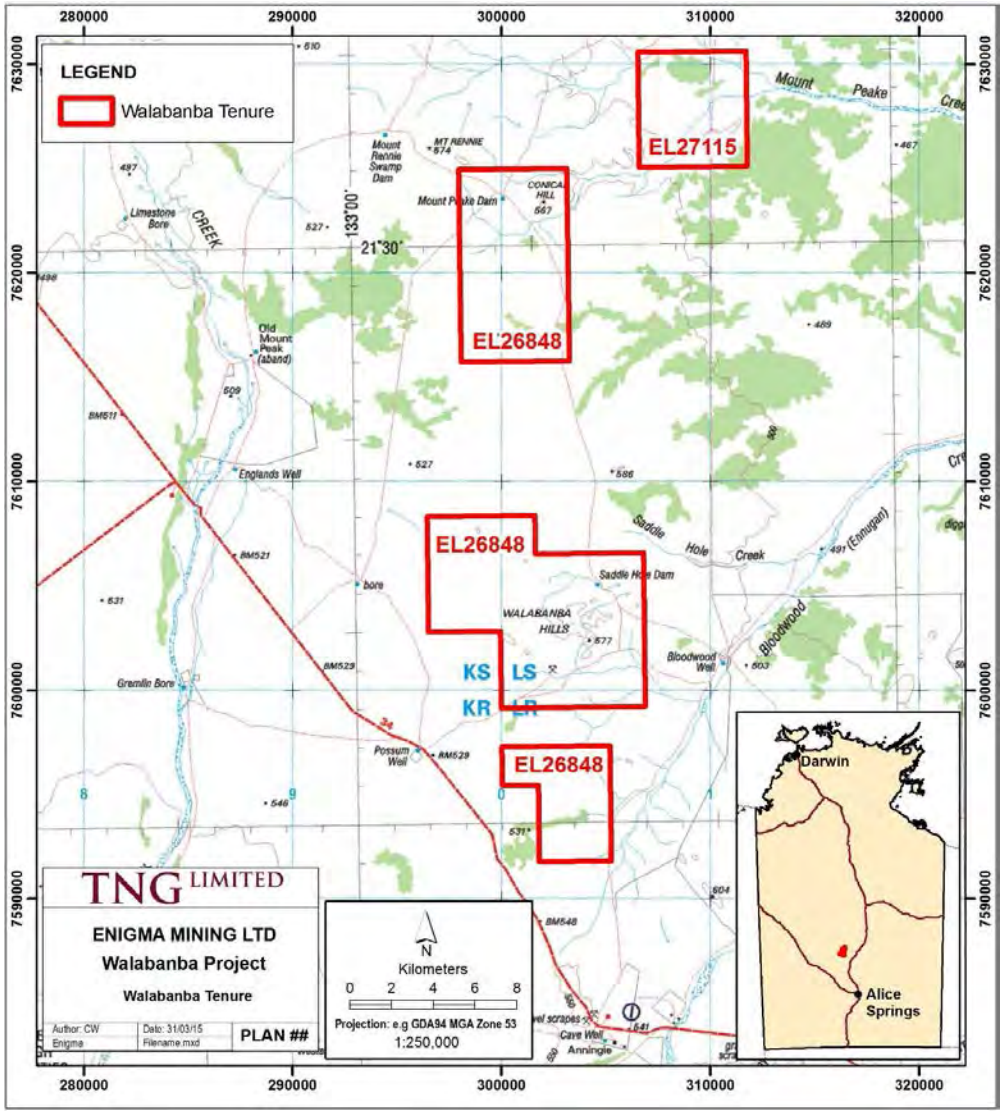
The Walabanba project consists of two granted exploration licences (Table 3.7 and Figure 3.20), which are wholly owned by TRT, ownership having been transferred to TRM from TNG.

Table 3.7 Walabanba project tenements

Tenement	Holder	Area (blocks)	Grant date	Expiry date
EL 26848	TRT – 100%	45	04/03/2009	03/03/2017
EL 27115		9	18/09/2009	17/09/2017

Both licences were renewed for a period of two years in 2015, with current expiry dates in March 2017 and September 2017.

Figure 3.20 Walabanba project tenements and project location



Source: TRT

3.3.3 Geology and mineralisation

The project lies within the Arunta region of the Northern Territory and the basement comprises Aileron Province Palaeoproterozoic to Mesoproterozoic metasedimentary and granitic rocks. This sequence includes the Reynolds Range Group, of which granites and orthogneisses are highly-radiogenic, hosting numerous veins and pegmatites with anomalous uranium and thorium. Locally, the Aileron Province rocks are overlain by Tertiary to recent clastic sequences, derived from erosion of Reynolds Range radiogenic granites.

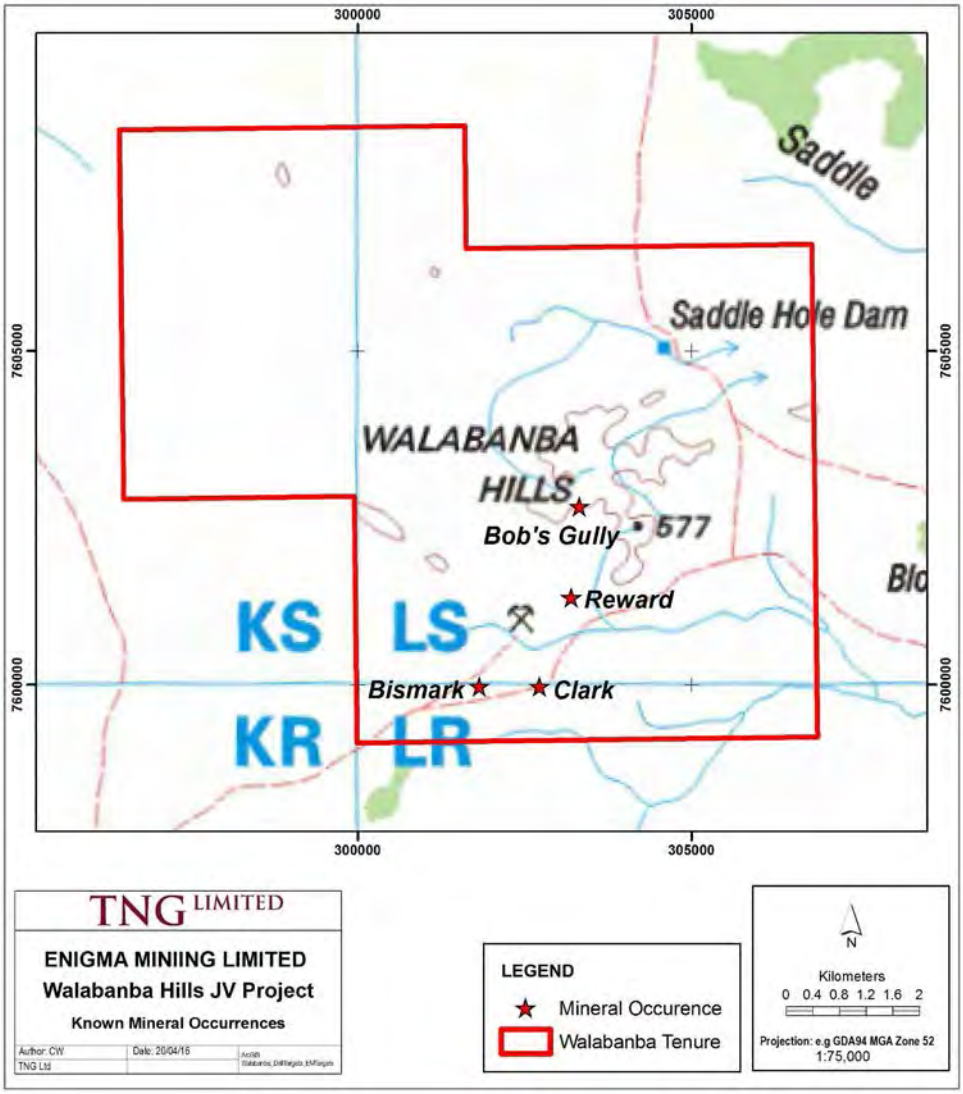
The mineralised Mount Peake gabbro lies to the east, a Ti-V-Fe orebody hosted by a differentiated basic sill with minor ultrabasic layers. The predominant rock type is olivine gabbro with layering defined by variations in plagioclase/olivine+clinopyroxene ratios.

The local geology (Figure 3.21) comprises sodic granites, gneisses and minor amphibolites, folded metasediments and intruded metabasic rocks. Major northwest shears cut the sequence and are associated with barren quartz intrusions. Two prominent structures run along the Lander River Valley, to the west and along the Salt Creek-Blue Bush Bore Valley. The granite batholiths are interpreted to be shallowly eroded with exposure of their upper levels only, with abundant pegmatite outcrops, typically of quartz-feldspar-muscovite-tourmaline composition.

The metasediments, comprising meta shales, cherts, siltstone and fine sandstone range in grade from lower to upper greenschist facies and are common in the Lander River valley. Some exhibit quartz sericite alteration. Tertiary to recent cover comprising laterite derived sands and clays (alluvium and colluvium) calcrete and ferricrete is common in low lying areas and can be up to 70 m thick; however, drilling indicates it is over 200 m thick in places.

Uranium mineralisation is known in the region and is restricted to the Proterozoic Aileron Province and nearby Carboniferous Ngalia Basin. To the southeast, uranium occurs in phosphate and REE-enriched metasomatic pods and veins within the high metamorphic grade Lander rock beds. Some of the pegmatite dykes are mineralised containing minor tantalum or tin mineralisation that has in places been mined.

Figure 3.21 Walabanba geology and current tenement boundaries



Source: TRT

Anningie Tin Field

The central block of EL 26848 cover the historic Anningie tin field, the Reward Claim of which was pegged by a prospector in 1935 (Figure 3.21). To the end of February 1936, two tonnes of tin oxide averaging 63.65% Sn had been “mined” from the area, and an additional tonne of concentrates were also bagged. Over the next few years, a further 23.8 tonnes of alluvial concentrate were produced from the ground, mainly on the Reward Claim.

The site was visited by government geologists several times throughout the 1940s but regular mining of the alluvial tin ceased. In 1949, a government radiometric survey across the Reward Claim returned readings of twice background over a greisen band, and a maximum of four times background from a dump beside a pit. The greisen was sampled within the pit and returned 0.024% U_3O_8.

In 1967, station hands carried out pitting and costeaning to assess any further prospects of the field as an alluvial deposit and over the following two years produced 3.3 tonnes of tin concentrates.

3.3.4 Exploration potential

TNG entered a joint venture agreement with Toro Energy Limited (Toro) with a view to exploration for gabbro-hosted mineralisation, as found at Mount Peake. With Toro’s withdrawal, the licences have subsequently been transferred 100% to TNG.

Historical exploration

Five drillholes totalling 130.2 m were drilled at the Bismark prospect on the Anningie Tin Field by the Northern Territory Mines Branch in 1974 (Table 3.8). Hole locations were given in reference to existing workings rather than grid coordinates and positions are approximate.

Table 3.8 Anningie drilling, 1974

Hole ID	Depth	Dip	Azimuth (mag)	Comment
DDH1	58.5	45°	55°	No significant result
DDH2A	13.4	vertical	-	1.30 m at 0.53% Sn from 1.37 m
DDH3	31.4	55°	320°	0.77 m at 0.12% Sn from 5.63 m
DDH4	9.5	vertical	-	Not sampled
DDH5	17.4	vertical	-	0.69 m at 0.15% Sn from 7.31 m

In total, 134 samples (18 surface ship samples and 116 split drill core samples) were assayed. Selected chip samples assayed 67.5% Sn while a channel sample returned 3.7% Sn. The average grade of the chip samples was 0.08% Sn.

It was concluded that the mineralisation at the Bismark prospect may warrant a small-scale surficial mining operation but that the mineralisation does appear to occur very sparsely within the observed pegmatite veins with little continuity between specific areas of ore-grade material.

Numerous mineral exploration companies have searched for uranium, gold, base metals and diamonds in the region over the past 40 years. Within the tenement boundaries, most drilling has been shallow (<100 m) and targeting gold. Uranium has been extensively explored for in the area but restricted to water bore sampling.

Geophysical surveys over the region targeting magnetic and electro magnetic anomalies were completed by Anglo American Corporation (Anglo). Subsequent soil sampling and programs by Anglo and later Western Mining Corporation and Aberfoyle Resources, identified numerous targets anomalous in nickel, copper and platinum group elements, suggesting the presence of sulphide bearing intrusive rocks. Assay results included values of up to 3,581 ppm nickel and 2,410 ppm copper in shallow drilling over lengths of 20 m to 50 m above significant but unexplained magnetic anomalies; however, these results were never followed up.

Following a desktop review of previous exploration by Toro and its consultant geophysicist, an area was set aside for an airborne electromagnetic (AEM) survey with the aim of identifying conductors within covered basement and palaeochannels. A TEMPEST AEM survey was carried out by Fugro Airborne Surveys Pty Ltd during August 2009 on behalf of Toro, and several targets were identified.

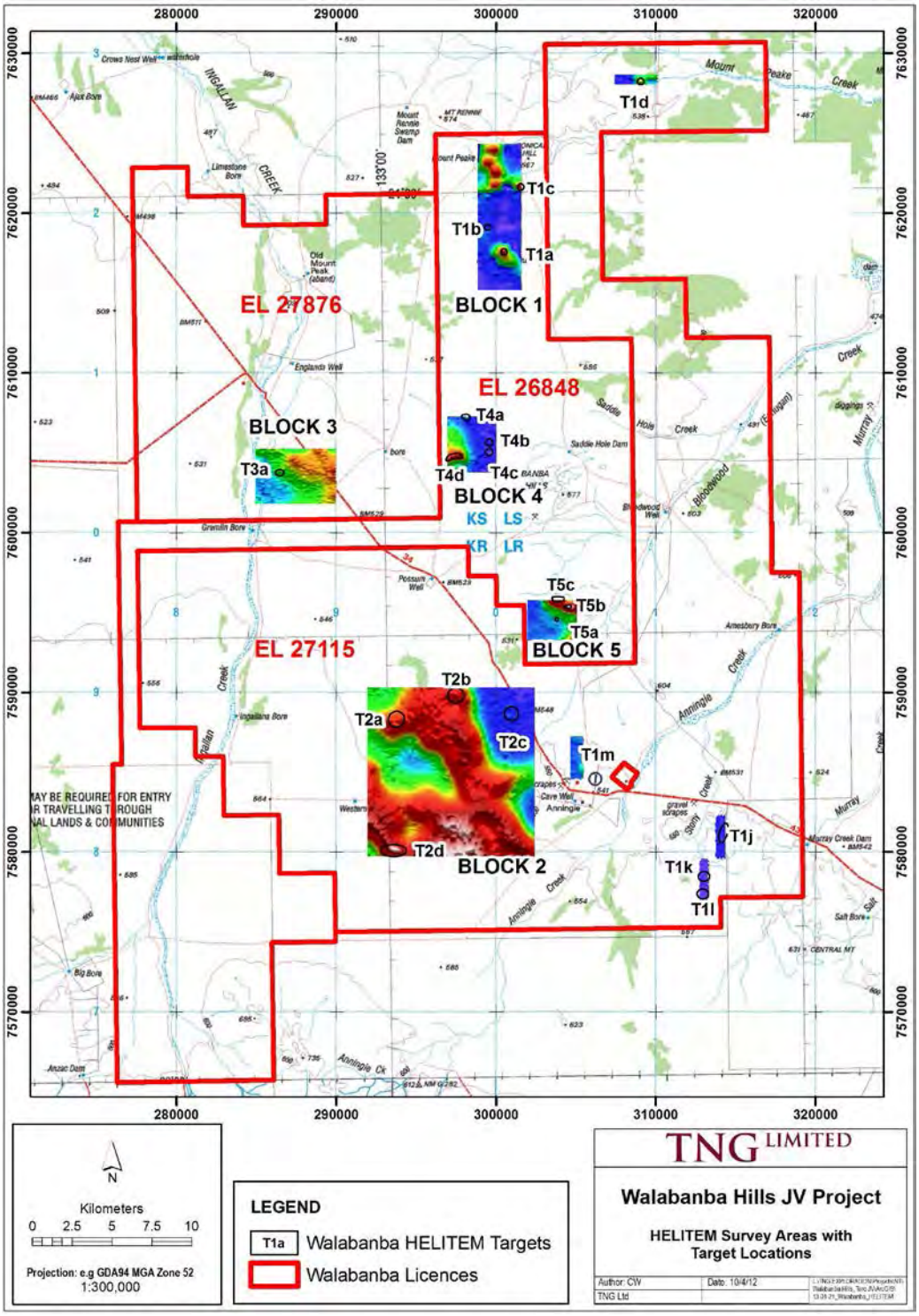
During 2010 and 2011, Toro drilled 16 air-core drillholes totalling 2,440 m (two holes for 357 m in November 2010 and 14 holes for 2,083 m in October 2011) within EL 26848 and EL 27115. Samples were assayed for As, Ce, Cu, Mo, Ni, Pb, Se, Th, U and W by ICP-MS at ALS laboratories. No significant results were received as part of the program, and Toro decided to pursue joint venture opportunities over the licence area.

Recent exploration

TNG has completed the following work since its initial involvement in 2012, via the arrangement with Toro:

- In 2012, a HeliTEM survey was commissioned over several targets. Five block areas and four individual transects were flown for a total of 51 line kilometres at 500 m and 742 at 200 m line spacing; 20 targets were identified.
- In June 2013, 14 HeliTEM targets were selected for further analysis, which involved ground inspections, sampling and mapping (Figure 3.22). The majority of the targets were found to be overlain by transported cover and could not be assessed without drilling. Some targets were found to be the product of cultural features such as fences and removed from further consideration. Anomalous copper rock and soil sampling results were returned for Target 1c.
- In April 2014, fixed loop EM was carried out over targets 1c, 1d and 5b/c. At EM Target 1c, a 1,400 m x 1,000 m area was surveyed with interpretation showing four discrete anomalies (A, B, C, D) that centre on the original conductor with a coincident aeromagnetic high. Drill testing has been recommended for anomalies A, B and C. A single mid-time anomaly at EM Target 1d was outlined for medium priority drill testing. The third area surveyed covered two adjacent but discrete EM conductor targets (5b and 5c). Interpretation of the fixed loop EM data suggests two moderately conductive bodies are present and three holes have been proposed to test the potential for base metal mineralisation.
- TNG used a portable XRF analyser to resample and photographed the core from the 1974 drilling program at the Bismark Tin Prospect, held in the DME core yard in Alice Springs. In addition, 52 samples (and five standards) were sent for multi-element analysis and pertrography. The results were inconclusive and it was inferred that that drilling needs to be very specifically targeted in order to return significant results.

Figure 3.22 HeliTEM targets assessed in June 2013 – current licence boundaries



Source: TRT

3.3.5 Aboriginal heritage, Native Title and environment

The Central Land Council (CLC) informed TNG via email on 13 November 2014 that the *"CLC held a meeting in Ti-Tree on 22nd October to seek instruction from Traditional Owners for a potential agreement over the Toro JV Tenements EL 27115 and EL 26848."*. TRT advises that negotiations on an Exploration Agreement are continuing.

3.3.6 Snowden opinion

Snowden considers the Walabanba project to be at a basic level of exploration and concept. There is sufficient regional exploration evidence to indicate that exploration effort and expenditure will be rewarded by discovery, but it is too early to determine the nature of that discovery. Exploration of the project is hampered by extensive cover and it remains a lower-priority target.

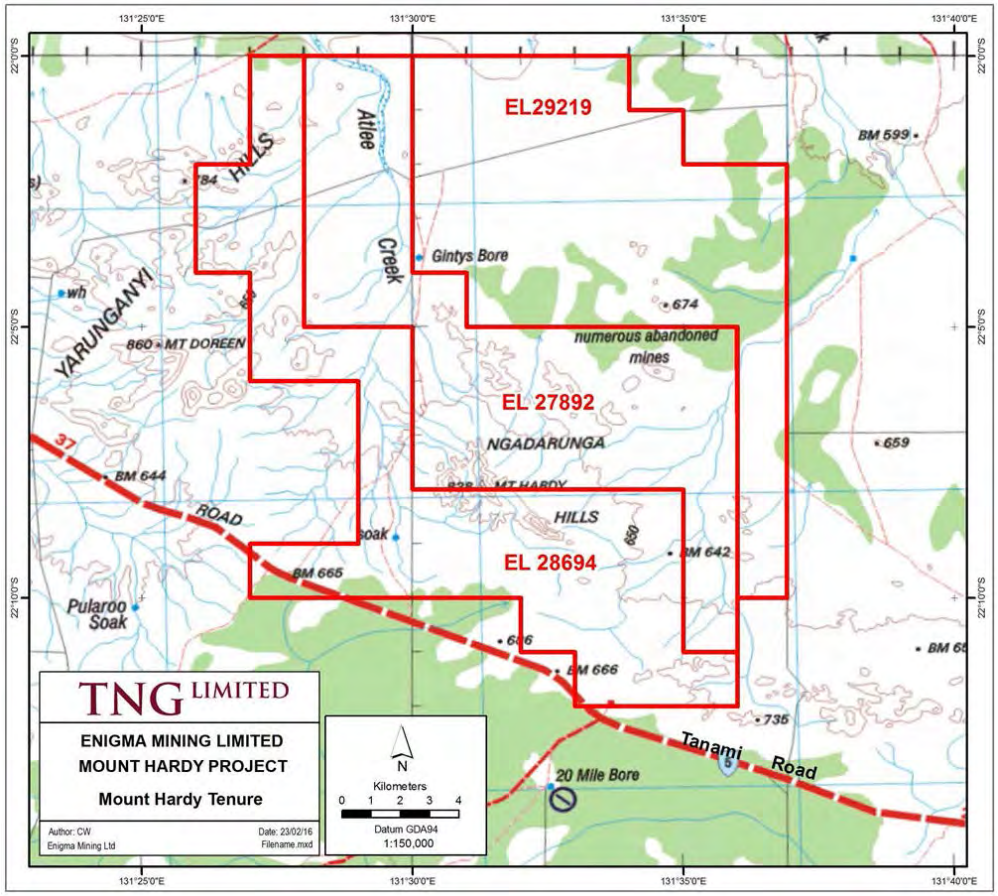
3.4 Mount Hardy

Mount Hardy is a copper-gold exploration project located northwest of Alice Springs on the southern edge of the Tanami Desert, which has been the location of several recent mineral developments, despite its remote location.

3.4.1 Location and access

The Mount Hardy project is located in the historic Mount Hardy copper field in the Northern Territory about 300 km to the northwest of Alice Springs (Figure 3.23). The project tenements straddle the Tanami Highway some 20 km west of the Yuendumu Aboriginal Community and are accessible by road from Alice Springs.

Figure 3.23 Mount Hardy tenements and project location



Source: TRT

3.4.2 Tenements

The Mount Hardy project consists of three granted exploration licences (Figure 3.23) which are owned by TRT, ownership having been transferred to TRM from TNG and its subsidiary, Enigma Mining (Table 3.9).

Table 3.9 Mount Hardy project tenements

Tenement	Holder	Area (blocks)	Grant date	Expiry date
EL 27892	TRT – 100%	32	04/08/2010	03/08/2018
EL 28694		32	01/03/2012	28/02/2018
EL 29219		34	17/09/2012	16/09/2018

3.4.3 Geology and mineralisation

The Mount Hardy project lies within the Aileron Province of the northern Arunta region. The oldest rocks are metamorphosed Palaeoproterozoic siliciclastic sediments of the Lander Group (Figure 3.24). These sediments have been subject to multiple episodes of deformation and metamorphism. The geomorphology at Mount Hardy is dominated by the rugged ranges of the Ngadarunga Hills, which comprise high quartzite ridges of the Reynolds Range Group, and lower rounded hills formed by schists and gneisses of Lander Group metasediments.

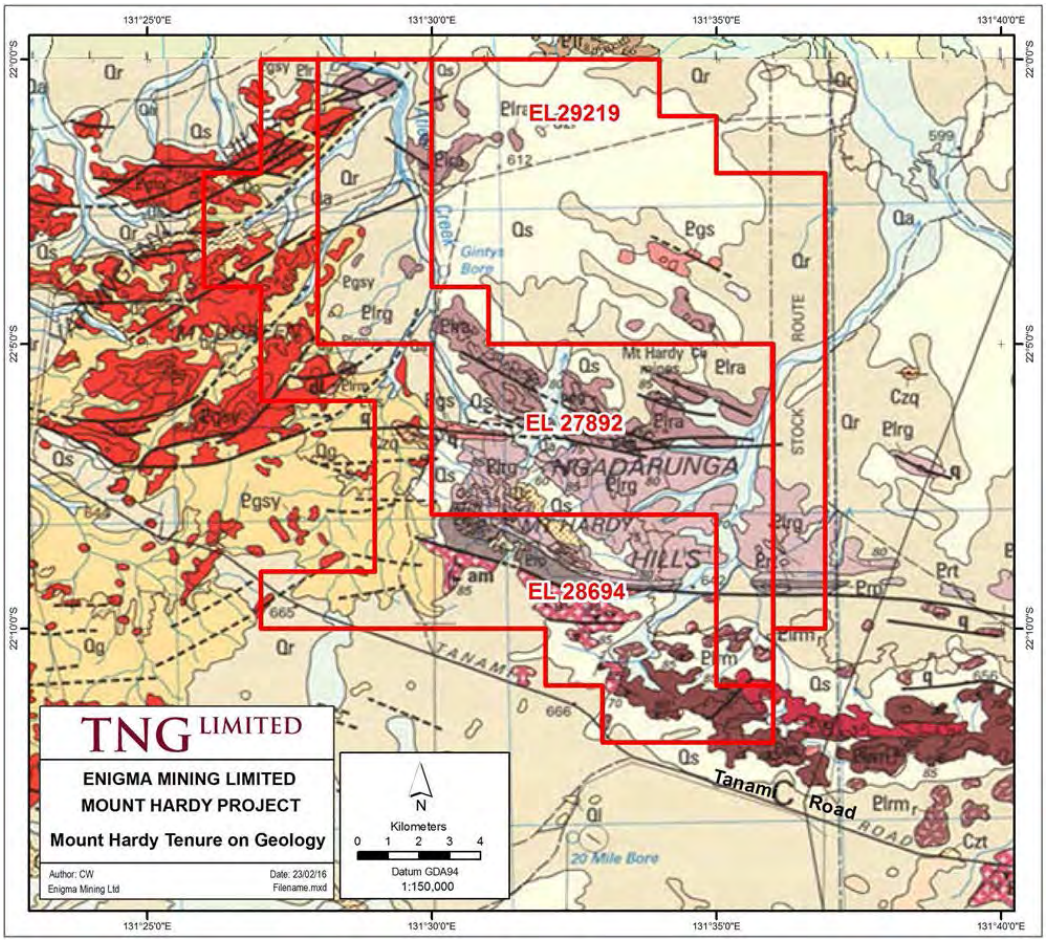
The Lander Group is interpreted to be stratigraphically equivalent to the Tanami Group, which hosts significant gold mineralisation at The Granites, Dead Bullock Soak and Coyote. Rare amphibolite and metagabbro occurs within the Lander Group and are interpreted to be metamorphosed dolerite sills. Volcanic units have not been identified in the Lander Group. There are other Palaeoproterozoic volcano sedimentary successions in the Mount Doreen area.

The historic Mount Hardy copper workings are hosted by the Lander Group, which are composed largely of psammite and lesser pelite, metamorphosed to amphibolite facies mica schist and andalusite porphyroblastic schist.

The copper workings display strong structural controls, being hosted by quartz veined shears. Surficial mineralisation comprises copper carbonates and gossans within sheared mica-schist wall rocks and boudinaged and brecciated quartz veins. Quartz veins are tabular and strike over tens to hundreds of metres. Two structural trends are evident from the workings and lineaments observable in imagery and aeromagnetics: northwest to west-northwest (parallel to trans-Tanami regional scale structures in the region); and east-northeast to west-southwest.

Range Group quartzites lie to the south of the workings separated from the higher grade schists by a major east-west fault. Dolerite and pegmatite stocks and dykes are common in the area, the pegmatites most likely related to granite plutons of the Southwark and Carrington suites lying to the west and south of the Ngadarunga Hills.

Figure 3.24 Mount Hardy geology



Source: TRT

3.4.4 Exploration

TNG's exploration program at Mount Hardy has been aimed at discovering quartz and meta-sediment hosted copper and gold deposits. The tenements are considered prospective for zinc and lead in addition to copper and gold; Snowden concurs with this assessment.

Historical exploration

Previous exploration in and around the Mount Hardy area has consisted of:

- Mount Hardy copper prospects were discovered in 1935 by W.W. Braitling.
- Uranium Development and Prospecting NL carried out diamond drilling in the area in 1956.
- The Bureau of Mineral Resources (BMR) conducted aeromagnetic, radiometric and gravity surveys in the 1960s.
- Central Pacific Minerals held AP 1722 in the Mount Hardy area from 1967 to 1969.
- NTGS assessed the economic feasibility of the Mount Hardy and Clarke copper deposits from 1968 to 1972.
- The NTGS and BMR completed second edition mapping of Mount Doreen sheet in the 1990s.
- White Industries conducted exploration on EL 5688 from 1988 to 1990. Rock chip and stream sediment sampling was carried out from Wolfram Hill through to Mount Hardy.

- Bruce and Mules explored the Silver King area for gold and base metals from 1988 to 1991.
- The Mount Isa Mines/Roebuck Resources Joint Venture targeted magnetic highs in the early 1990s and explored the silver King deposit.
- Yuendumu Mining Company/Posgold explored the western parts of the Mount Doreen area from 1992 to 1996, particularly Terry's Find; other targets were "Buger" and "Grasshopper".
- BMR completed airborne magnetic and radiometric surveys in 1993.
- Aberfoyle Resources was granted EL 8913 and EL 8608 in late 1994. They undertook ground magnetics surveys and significant RAB drilling. Exploration failed to locate significantly anomalous gold mineralisation and the tenements were surrendered.
- BHP tested the northern Mount Doreen and southern Mount Theo map sheets for copper-gold in the late 1990s, but concluded that no major deposits were likely.
- Tanami Gold NL explored for Tanami-style gold mineralisation and Tennant Creek style copper mineralisation in the Mount Doreen area from 2001 to 2005. The main target areas were the Terry's Find, Mount Hardy and Pyramid Hill prospects. Seven rock chip samples returned copper assays of 7,032 ppm to 217,972 ppm.
- Deep Yellow conducted exploration for uranium in the Mount Hardy area in 2009.

Tenements EL 29219 and EL 27892 cover the known copper occurrences and EL 28694 was acquired to cover the prospective Lander Group strata extend into this area and very little targeted exploration has been carried out within its boundaries.

Recent exploration

EL 27892 was acquired in July 2012 from Walla Mines Pty Ltd and subsequent work has included:

- A literature search was conducted targeting information relating to previous exploration work on the tenement.
- In 2012, a HeliTEM survey was carried out over the entire EL 27892 licence area and part of the EL 29219 tenement. A total of 930 line kilometres were flown on a north-south direction on lines 200 m apart. Five EM targets were identified from the survey, which are considered to be high priority targets and indicators of localised bedrock conductors at depths of less than 100 m below surface. All five targets were near or on known copper occurrences and a further eight anomalies considered to have less potential were also identified.
- The five high priority EM targets were mapped and sampled in September 2012 along with the existing historical workings at the Mount Hardy and Browns mines. Ground EM was conducted over six of the identified EM anomalies, and a seven-hole RC program was completed targeting four of the anomalies. Downhole EM (DHEM) surveys were completed on six of the RC holes.
- In 2013, a gravity survey was conducted over the Browns Prospect, Mount Hardy Mine and EM 1, 2 and 4. The gravity survey was undertaken with a view to identifying to potentially identify the structural controls on the mineralisation as is evident at the Browns Prospect and Mount Hardy Mine.
- In March 2013, IP surveys were conducted over the Mount Hardy Mine and Browns Prospect. The surveys were planned as single line trials to assess the effectiveness of the technique over mapped copper workings in cases where the HeliTEM survey failed to highlight any significant anomalies.
- In March and April 2013, a 15-hole diamond drilling campaign was completed at the Mount Hardy Mine and Browns Prospect yielding 2,180 m of core and 642 m of RC pre-collars. The drilling was undertaken to test both mapped mineralisation and geophysical anomalies.

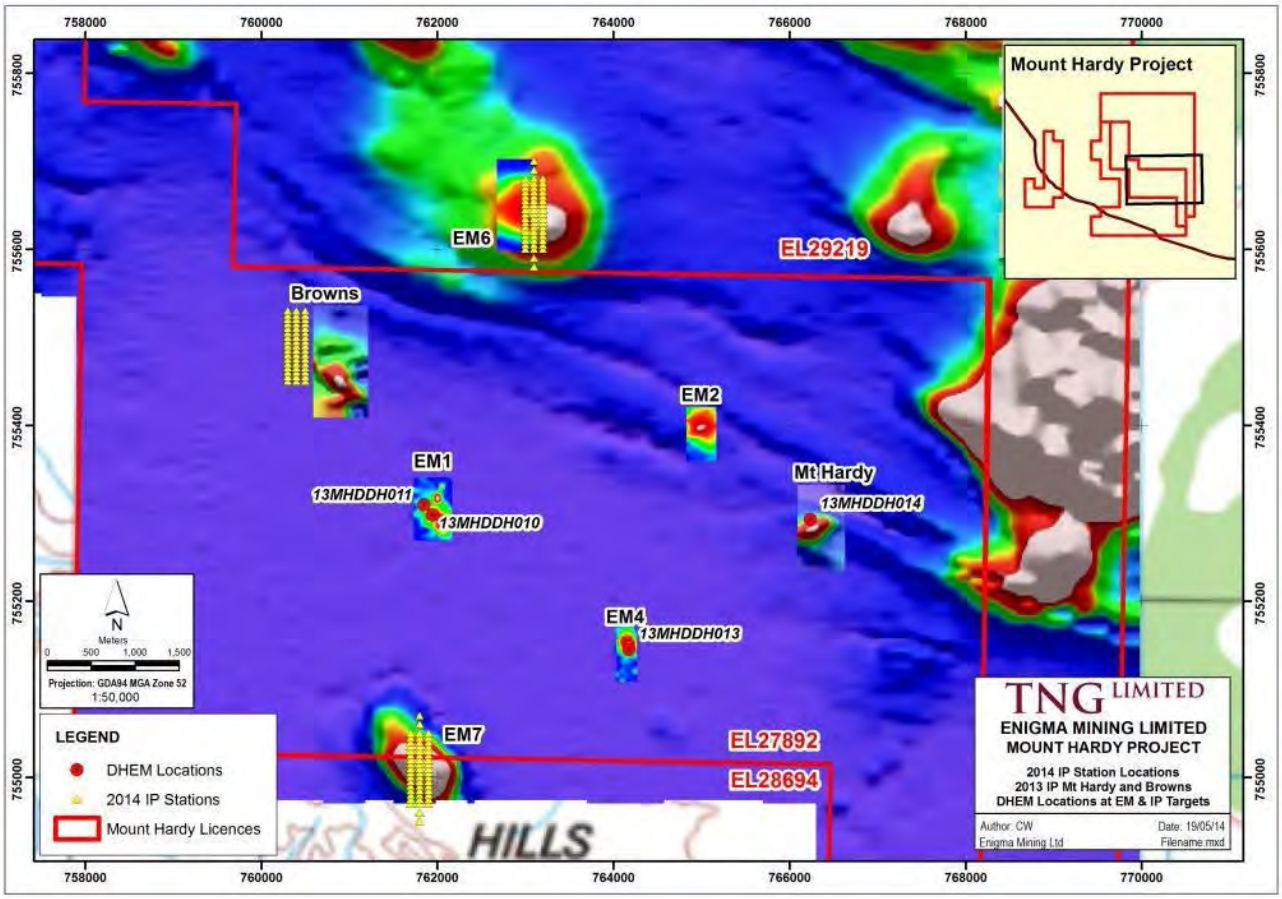
This drilling resulted in highly encouraging intersections (Table 3.10).

Table 3.10 Mount Hardy drilling, 2013

Prospect	Drillhole	Intersection	Comments
EM target 1	13MHDDH010	21 m at 0.46% Cu, 4.35% Zn, 1.91% Pb	Steep northwest dipping conductor plate, open in all directions, DHEM to be completed before drilling
EM target 2	13MHDDH012	3.8 m at 1.77% Cu, 2.02% Zn, 0.52% Pb 2.3 m at 0.91% Cu, 3.11% Zn, 0.66% Pb 2.7 m at 1.55% Cu, 5.10% Zn, 1.65% Pb	Moderate northwest dipping plate, open in all directions, DHEM to be completed before drilling
Browns	13MHDDH015	13 m at 1.17% Cu, 1.82% Zn, 0.46% Pb	IP survey defined a strong chargeability and conductivity zone, blind at surface and open in all directions
Mount Hardy	13MHDDH002	10.3 m at 1.35% Cu	Four diamond drillholes into strong surface copper anomaly, consistent moderate north-northwest dipping broad structural zone of sericite/silica alteration with chalcopyrite-pyrite and strong IP conductor

Exploration completed since April 2013 has consisted of four DHEM surveys and an IP survey over EM Target 7 (Figure 3.25).

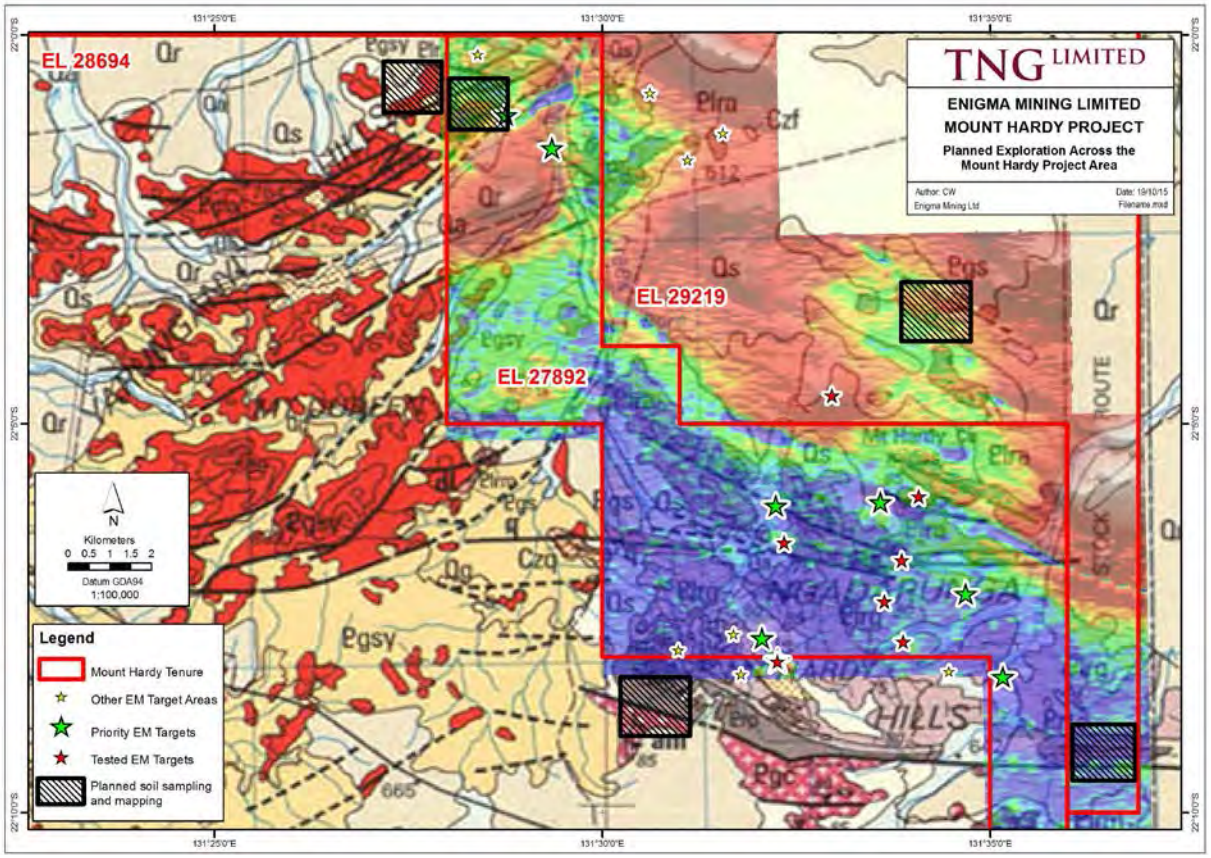
Figure 3.25 Mount Hardy DHEM and IP surveys, 2014



Source: TRT

Five areas have been selected for mapping and geochemical testing in the immediate future (Figure 3.26), based on structural and geological indications that the existing known mineralisation will continue and is controlled by structure. Several of these areas are located along the north-eastern margin of the Mount Doreen granite. This intrusive crops out over the central portion of EL 28694, and may be the heat source mobilising metals within the schists of the Mount Hardy Copper Belt to the east.

Figure 3.26 Mount Hardy planned exploration



Source: TRT

3.4.5 Aboriginal heritage, Native Title and environment

Snowden has not been advised of any Aboriginal heritage, Native Title or environmental issues relating to Mount Hardy.

3.4.6 Snowden opinion

Snowden considers the Mount Hardy project to be at a higher level of development than some others in TRT's portfolio, but conceptually advanced, thanks to recent geophysical work. The geology and limited production history indicate strong potential for the identification of economic copper or related mineralisation. The mineralisation appears to be structurally and stratigraphically controlled and related to the granites, a situation that is not uncommon and may result in mineralisation on a range of scales.

Snowden's opinion is that TRT's approach to exploration is appropriate for the degree of maturity of the project and the likely mineralisation. A cautious approach is warranted, with geophysics being followed by mapping and sampling which in themselves are likely to identify further targets. Recent exploration has commendably compared a variety of geophysical techniques.

Snowden infers that the focus on Mount Peake has diverted resources from further development of this project.

3.5 Stokes Yard

The Stokes Yard licence covers 16 graticular blocks and falls on Glen Helen station (NT Portion 719 Perpetual Pastoral Lease 1128).

The project area is underexplored, with only minor exploration work being completed for uranium, gold and base metals since the early 1970s, and no drill testing conducted in the last 40 years.

3.5.1 Location and access

The Stokes Yard tenement is accessed from Alice Springs via the sealed Larapinta Drive and from there via the formed gravel Haasts Bluff/Papunya Road and station tracks.

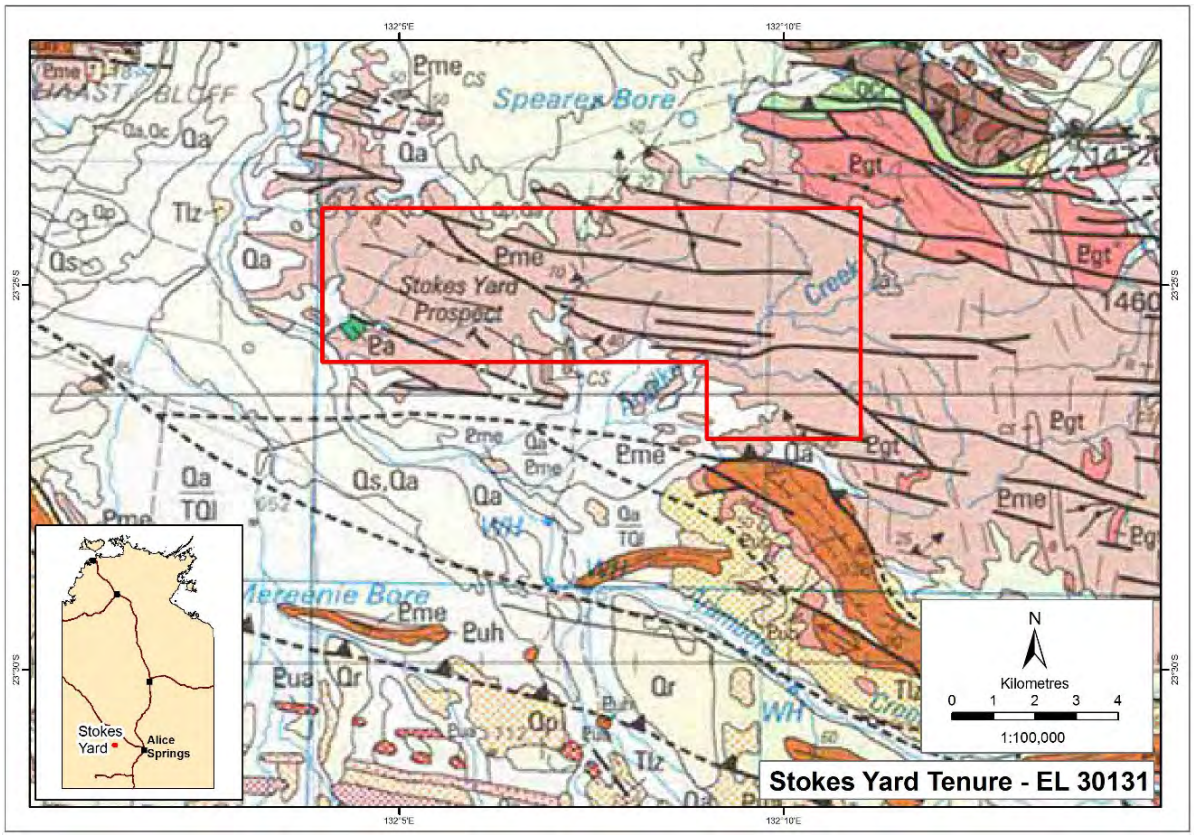
3.5.2 Tenements

The granted tenement was purchased from Imperial Granite and Minerals Pty Ltd and is wholly owned by TRT, title having been transferred from TNG (Table 3.11 and Figure 3.27).

Table 3.11 Stokes Yard project tenement

Licence	Title holder	Area (blocks)	Grant date	Expiry date
EL30131	TRT – 100%	16	11/08/2014	10/08/2020

Figure 3.27 Stokes Yard tenement and location



Source: TRT

3.5.3 Geology and mineralisation

The tenement area falls within the central-eastern portion of Warumpi Province in the Arunta Region of central Australia. Rocks underlying the tenement are medium to high grade metamorphics, of both metavolcanic and metasedimentary origin, including calcsilicates and schists. They form part of the ca. 1600 Ma Iwapataka Metamorphic Complex and Ikuntji Metamorphics, according to the recent NTGS interpretation.

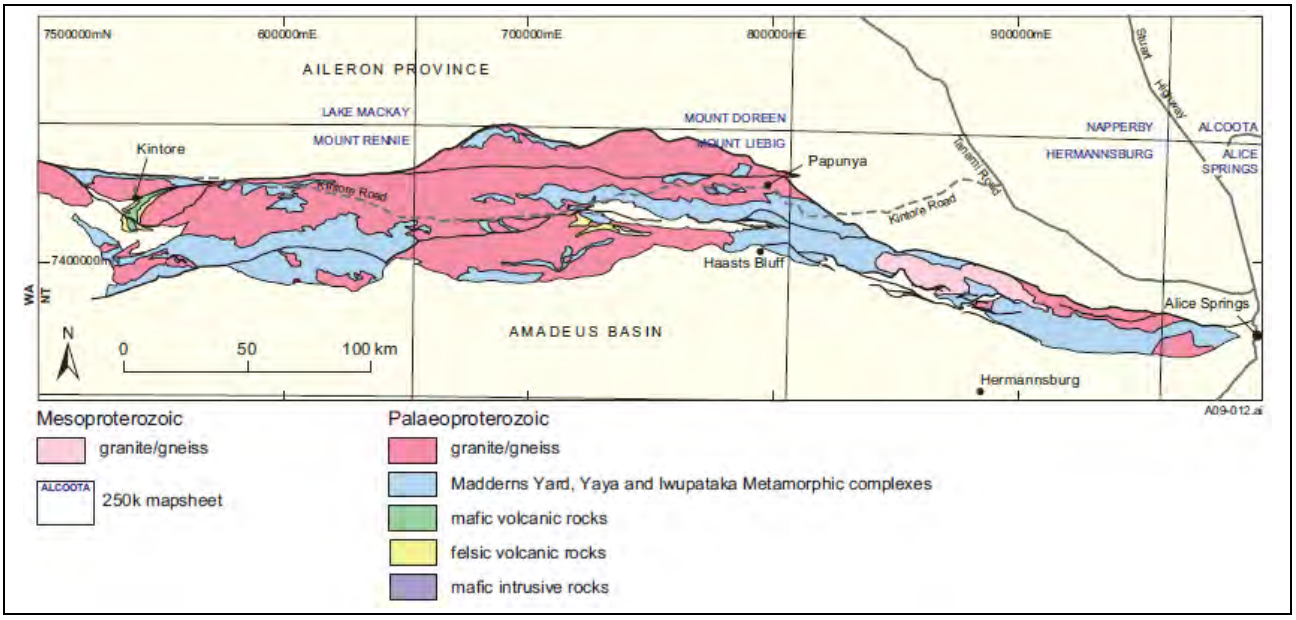
The Stokes Yard zinc-copper-lead prospect is located in the western part of the licence. Historical rock chip samples from this prospect have returned results of up to 26% Zn, 7.5% Cu, 7.5% Pb and 130 ppm Ag and it was drilled by government geologists in the late 1960s and subjected to an IP survey. The drilling report concluded that mineralisation did not persist at depth.

The Warumpi Province has been subjected to very little mineral exploration due to access difficulties and scarce outcrop and can be divided into three fault-bounded domains (Figure 3.28) with discrete protolith ages and metamorphic grades. The amphibolite-facies Haasts Bluff Domain is dominated by 1690-1660 Ma intrusive, volcanic and lesser metasedimentary rock with a younger cover succession (1630-1600 Ma) and occurs mainly in the eastern and southern Warumpi Province.

The granulite to upper amphibolite facies Yaya Domain is an east-trending, fault bounded domain that is characterised by a 1660-1640 Ma supracrustal succession intruded by 1640-1630 Ma felsic and lesser mafic suites. It dominates the northern Warumpi Province (Scrimgeour, 2011).

The Kintore Domain, forming the westernmost part of the Warumpi Province, is a greenschist facies domain comprised of two main elements: 1690-1685 Ma granites and a younger supracrustal succession of felsic, intermediate and mafic volcanics, quartzite and phyllite (Scrimgeour, 2011).

Figure 3.28 Warumpi Province geology



Source: NTGS Special Publication 5

The geology within the licence area has previously been identified as metasedimentary rocks of the Madderns Yard Metamorphic Complex, the oldest part of the Haasts Bluff Domain but are now considered to belong to the slightly younger Iwupataka Metamorphic Complex.

The Iwupataka Metamorphic Complex is a metasedimentary succession that occurs throughout the Haasts Bluff Domain, with the most extensive outcrop occurring in the east between Alice Springs and Ormiston Gorge. Units in this area include the Simpsons Gap Metasediments, Rungitjurba Gneiss, Ryans Gap Metamorphics, Lovely Hill Schist and the Chewings Range Quartzite.

Further west and within the licence area the dominant lithology is that of the Ikuntji Metamorphics which are host to the Stokes Yard and Ulpuruta (outside the licence area) prospects. The Ikuntji Metamorphics comprise a lower-mid amphibolite facies succession dominated by feldspathic to quartzic muscovite-biotite schist, quartz-muscovite schist, quartzite, amphibolite and calc-silicate rock grading upwards to clean quartzite.

The Stokes Yard mineralisation is hosted in a mylonite zone containing outcrops of mineralised tremolite schist, forsterite marble and less common actinolite-bearing schist. Base metal mineralisation may be a skarn (or carbonate replacement) and appears to be structurally controlled by the keel of a synformal fold.

3.5.4 Exploration potential

The area is underexplored, but TRT considers that main mineral potential in the area is base metals, based on indications from historic evidence.

Historical exploration

Exploration in the vicinity of the Stokes Yard prospect dates back to the 1960s:

- ASARCO (Australia) Pty Ltd completed rock chip sampling and IP surveys, returning results up to 26% Zn, 7.5% Pb, 7.5% Cu, and 130 ppm Ag. Average values were reportedly 2.1% Zn (50 samples), 1.4% Pb (49 samples), 0.23% Cu (65 samples), and 1 oz/tonne Ag (63 samples).
  - The IP survey identified six anomalies, the first of which coincides with the known surface mineralisation.
- A diamond drilling program conducted by the NTGS between November 1971 to March 1972 drilled five holes for a total of 1957.5 feet (596.6 m).
  - Eight surface chip samples and 134 drillhole samples were assayed for Pb, Zn, Ag and in part Cu and Ni with results reportedly received of up to 35.8% Pb, 18.5% Zn, 3.5% Cu, 9.1oz/ton Ag and <0.01% Ni.
  - DDH3 Cu 8500 ppm, Zn 2200 ppm, 144 to 145 feet downhole. Copper averaged 0.5%, zinc averaged 0.17%, 144 to 147 feet.
  - DDH4 Cu 2000 ppm, Zn 1000 ppm and Pb 800 ppm, 59 to 60 feet.
- Quardic Pty Ltd conducted stream sediment sampling in 1988, across EL 5365, which covered the Stokes Yard prospect and surrounds. The exploration target was gold mineralisation in silicified and deformed Upper Proterozoic quartzite and 41 stream sediment samples were collected, concluding that no further exploration was warranted.
- A sampling program was undertaken by the NTGS in 2000, returning grab sample results of 12.2% Pb, 8.8% Zn, 1.5% Cu and 50 g/t Ag.
- Northern Mining Limited operated tenure across EL 24438, including the Stokes Yard prospect from 2006 through to 2013. Eight rock chip samples confirmed previous work and retuned results of up to 27.5% Zn. A ground magnetic survey returned no significant magnetic responses. Seventeen rock chip samples returned anomalous results from samples away from existing workings. An airborne geophysical survey was completed across the entire tenement, collecting magnetics, radiometrics and digital elevation, but the data never completely processed or interpreted.

Northern Minerals considered the prospectivity of the licence very high, though a variety of reasons prevented further exploration.

Recent exploration

TNG completed a reconnaissance trip in September 2015 to gauge the access to and within the licence area and to view the historical workings at the Stokes Yard prospect.

At the same time, historical drill results from the 1972 NTGS drilling were collated and entered in a database along with new portable XRF (pXRF) data obtained from sampling of the stored drill core. Core was pXRF spot sampled at approximately 1 m intervals and photographed wet and dry. This work supported the 1972 drill results.

3.5.5 Aboriginal heritage, Native Title and environment

TRT informs Snowden that the area is subject to native title though at this stage no agreement has been formed with the CLC. Clearance will be requested as exploration progresses.

3.5.6 Snowden opinion

Snowden considers the Stokes Yard project to be at a low level of development. The geology indicates some potential for the identification of base metal mineralisation, but the area is unexplored and it is difficult to categorise its prospectivity.

Snowden's opinion is that TRT's low level approach to exploration is appropriate for the degree of maturity of the project and will not distract it from other, more advanced projects.

3.6 Tomkinson

The Tomkinson Project is considered to hold potential for McArthur River-style base metals mineralisation, based on geological correlation with the McArthur Basin.

3.6.1 Location and access

The project tenements are located between 130 km and 170 km to the north of Tennant Creek, and 200 km and 250 km south of Daly Waters. The tenements straddle the Stuart Highway and are located immediately to the east of the Alice Springs-Darwin railway and gas pipeline.

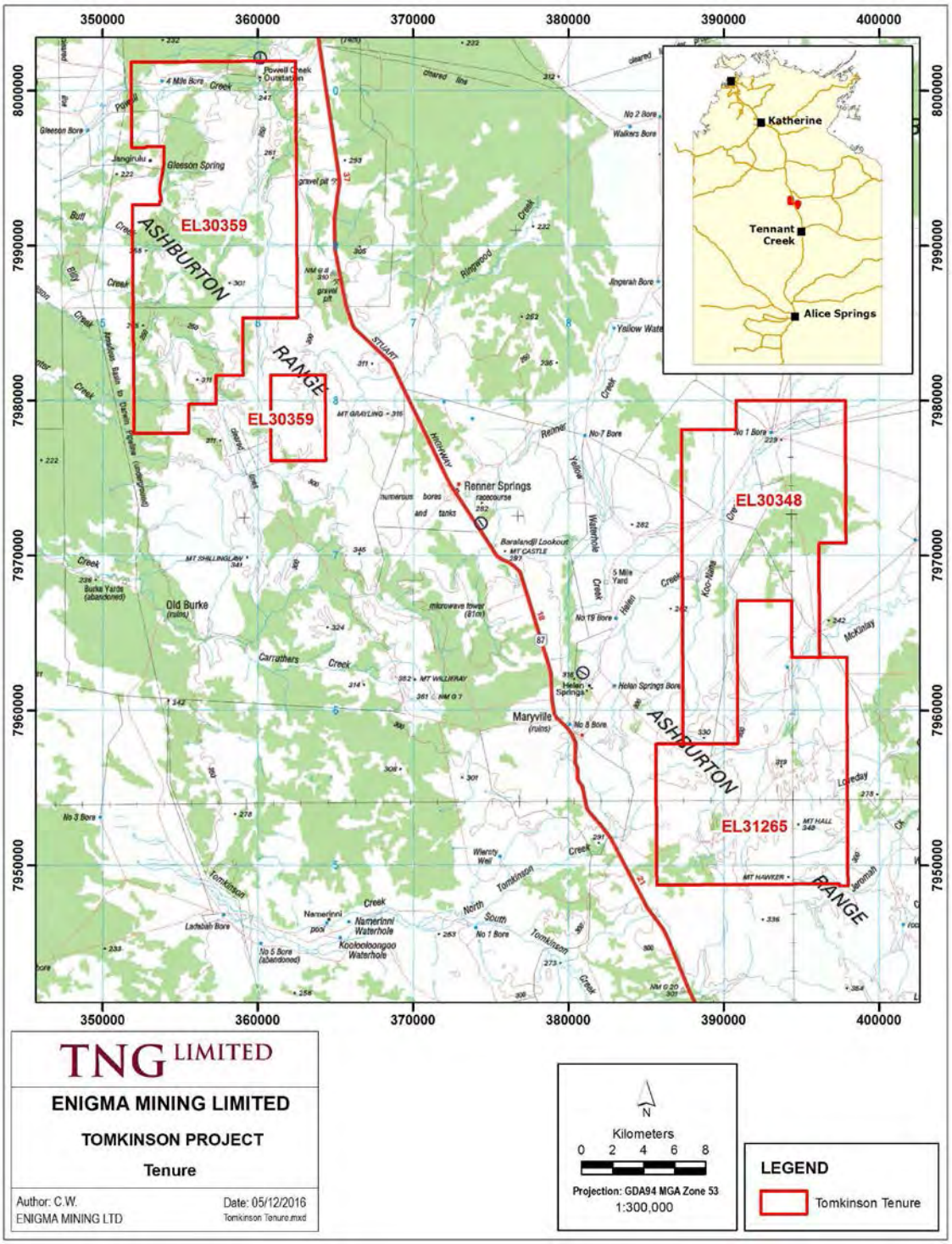
3.6.2 Tenements

The Tomkinson project consists of three granted exploration licences owned by TRT, ownership having been transferred to TRM from Enigma Mining (Table 3.12 and Figure 3.29).

Table 3.12 Tomkinson project tenements

Tenement	Holder	Area (blocks)	Grant date	Expiry date
EL 30348		50	20/01/2015	19/01/2021
EL 30359	TRT – 100%	71	20/01/2015	19/01/2021
EL 31265		51	5/12/2016	4/12/2022

Figure 3.29 Tomkinson project tenements and location



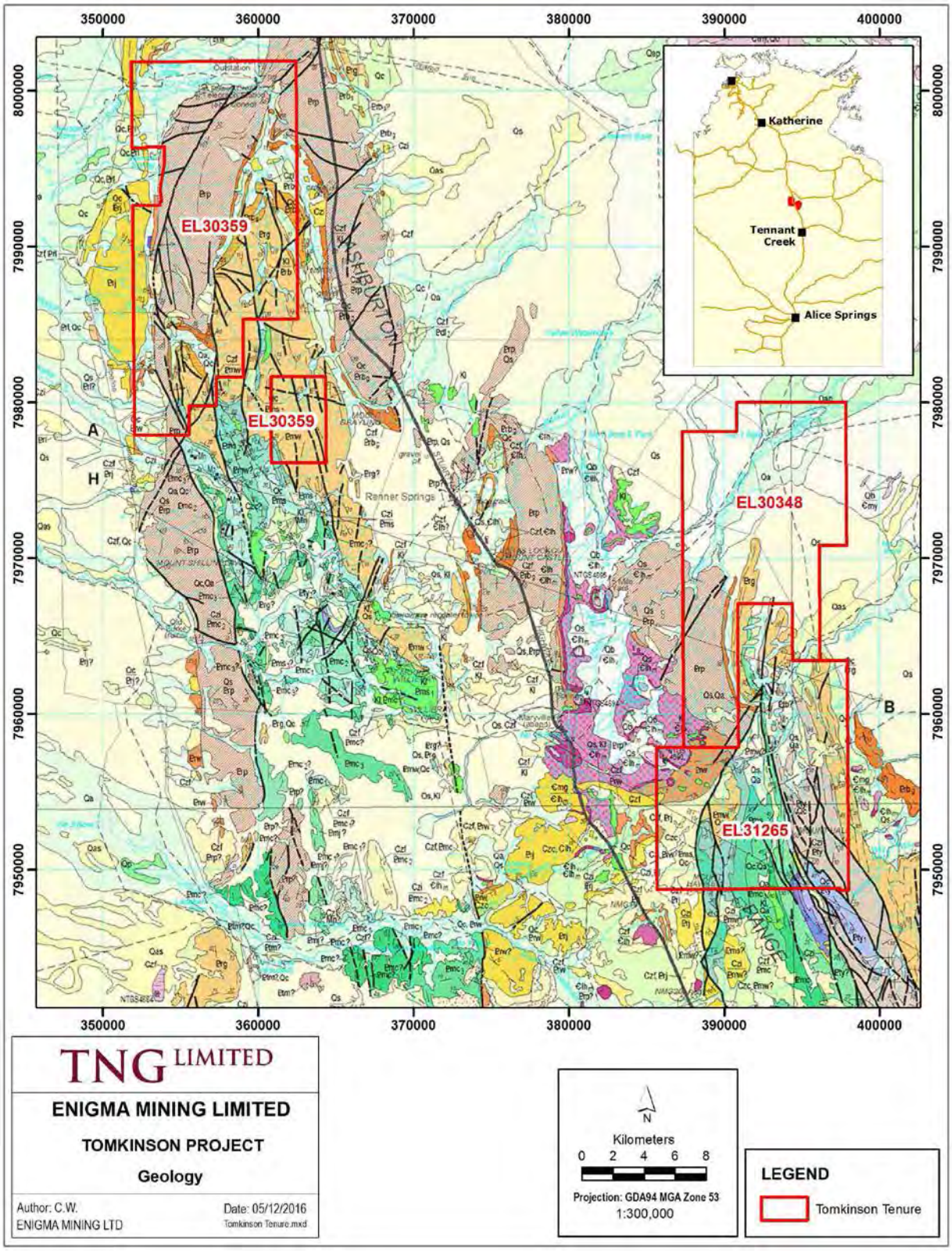
Source: TRT

3.6.3 Geology and mineralisation

The project area contains areas of outcropping and subsurface sediments belonging to the Proterozoic Tomkinson Basin (Figure 3.30). Of particular interest to TNG are the fine-grained siltstone, carbonate and sandstone sediments of the 1660-1610 Ma Namerinni Group, deposited in shallow marine to fluviatile environments.

Importantly, the Namerinni Group has been correlated with the McArthur Group in the McArthur Basin, that host both the ore at the McArthur River mine in the HYC Member of the Barney Creek Formation and mineralisation at several prospects in the Batten Fault Zone, such as the recent Teena discovery by Rox Resources and Teck. Additionally, the Tomkinson Creek Group has been correlated with the Redbank package of the McArthur River Group, which is being explored by TRT at its McArthur River project.

Figure 3.30 Tomkinson geology



Source: TRT

The Tomkinson Province has historically attracted interest because it hosts regional manganese deposits.

The Province is dominated by thick siliclastic carbonate intervals that consist of cycles of ridge-forming clastic sedimentary rocks, overlain by a recessive mixed siliclastic-carbonate which are represented in the Tomkinson Creek Group as the Hayward Creek Formation, Morphett Creek Creek Formation, Short Range Sandstone and Attack Creek Formation and Bootu and Carmilly formations.

A recessive sequence of calcareous siltstone and stromatolitic dololutite (Attack Creek Formation) is present in the upper part of the group. Along the contact with the overlying predominately ridge-forming sandstone sequence (Bootu Formation) is a Fe-rich manganiferous horizon within dolomitic siltstone and sandstone (Eliyahu, 2007). Manganese mineralisation is known from the Bootu Creek and the Renner Springs areas in Helen Springs. Deposits are hosted in the lower Bootu Creek Formation of the Tomkinson Creek Group, over approximately 24 km strike length on the flanks of the Bootu Syncline.

3.6.4 Exploration potential

The project area is considered prospective for base metal mineralisation based on the McArthur River and Teena projects, which are hosted in similar, if not identical stratigraphy to that found in the project area. The tenements represent a greenfields opportunity for TNG exploring a prospective yet relatively untested area.

Historical exploration

Previous exploration has been mainly targeted at diamonds and manganese with only minor base metal exploration work being conducted over the last 20 years, with no drilling or geophysical surveys targeting base metal exploration.

Recent exploration

No exploration has been undertaken by TRT.

Exploration planning has contemplated initial ground mapping and sampling to identify the prospective stratigraphic units followed by a significant and cost effective exploration program of airborne electrical geophysics to outline target areas, and then ground geophysics (EM and IP) to guide drilling. This will be planned further once initial reconnaissance has taken place.

3.6.5 Aboriginal heritage, Native Title and environment

Snowden has not been advised of any native title issues associated with the licence areas under application.

3.6.6 Snowden opinion

Snowden considers the Tomkinson project to be at a low level of exploration development but conceptually advanced, thanks to NTGS work. The geology indicates strong potential for the identification of economic base metal mineralisation.

Snowden's opinion is that TRT's approach to exploration is appropriate for the low level of exploration of the project, but highly encouraging geology.

3.7 Sandover

Sandover is a base and precious metals exploration project located northeast of Alice Springs and is considered by TRT to be prospective for base and precious metals. Snowden concurs with this assessment.

3.7.1 Location and access

The project is located 120 km to 160 km to the northeast of Alice Springs. Access to the tenements is via the Stuart and Plenty Highways from Alice Springs and then a series of unnamed roads, station tracks and fence lines. The area is situated on the Alcoota (SF53-10) 1:250,000 scale map sheet and lies within the Alcoota Perpetual Pastoral Lease.

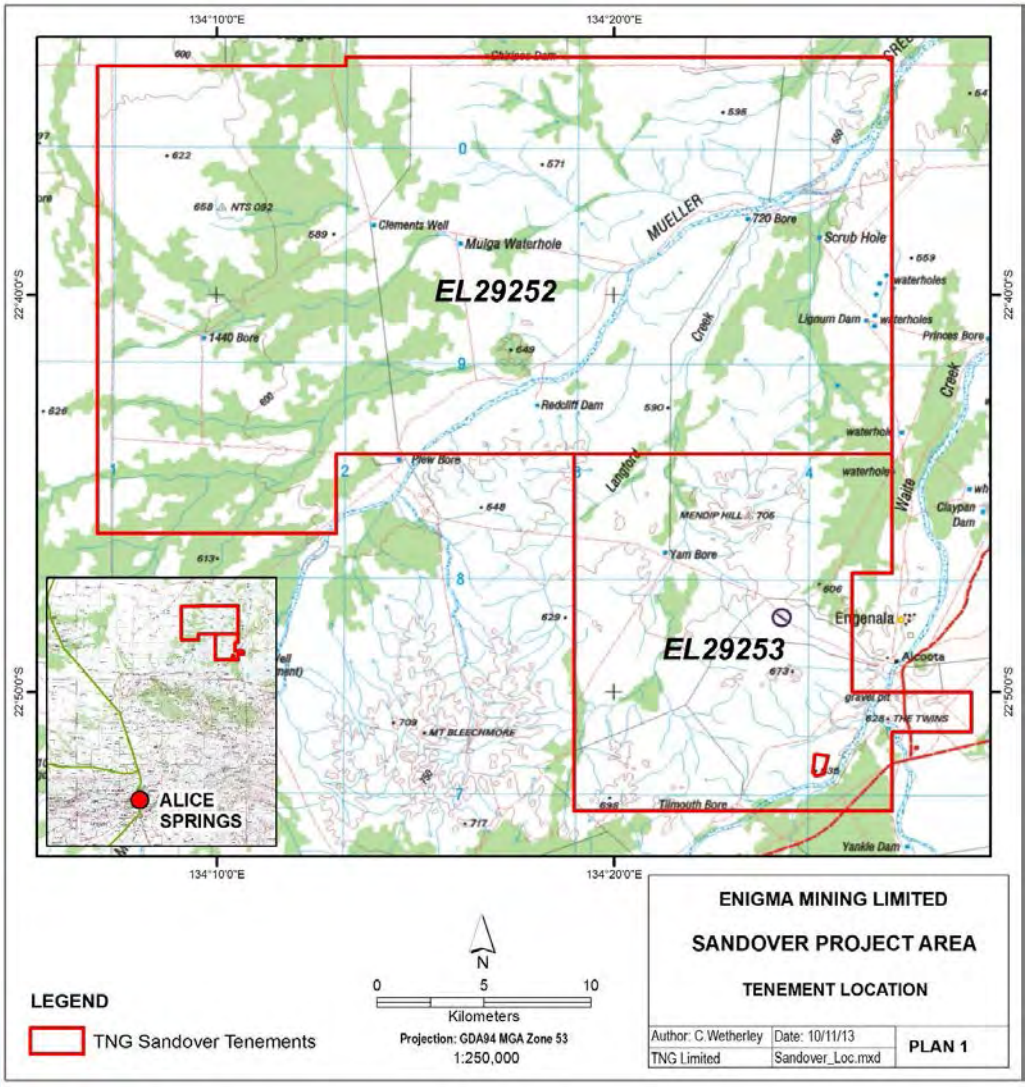
3.7.2 Tenements

The Sandover project consists of two exploration licence applications (Table 3.13 and Figure 3.31). Snowden is advised that these tenements were initially improperly granted and reverted back to applications, pending proper process for grant. The Applications are owned by TRT, having been transferred from Enigma Mining.

Table 3.13 Sandover project tenements

Tenement	Holder	Area (blocks)	Application date	Grant date	Expiry date
ELA 29252	TRT – 100%	212	05/12/2011	Revised application	Revised application
ELA 29253		71	05/12/2011	Revised application	Revised application

Figure 3.31 Sandover project tenement applications and location



Source: TRT

3.7.3 Geology and mineralisation

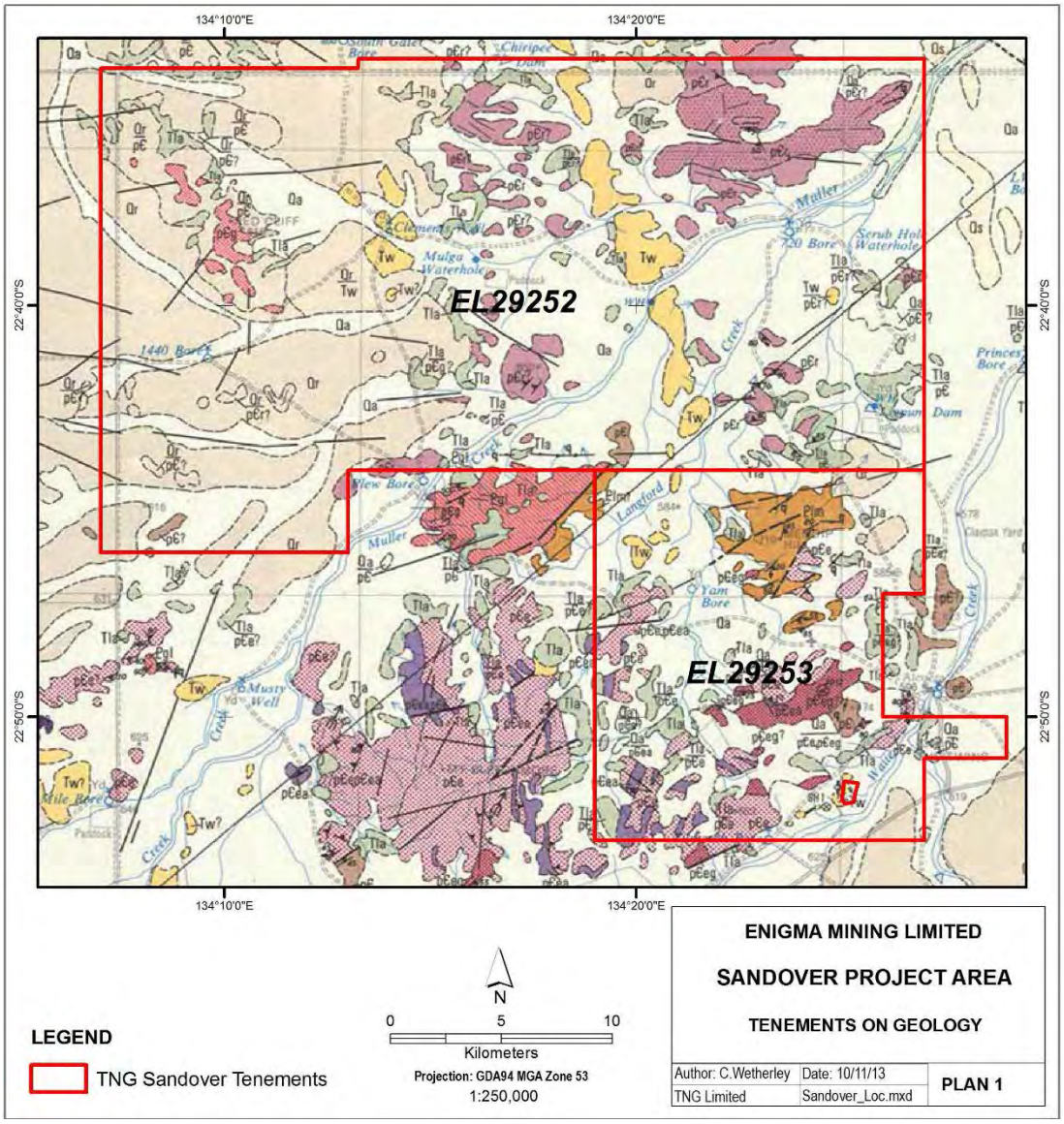
The Sandover project area is underlain by the fault-bound Palaeoproterozoic Aileron Province and Neoproterozoic Irindina Province of the Arunta Block. These provinces are form deep, igneous intruded depocentres within the Centralian Superbasin. The region was metamorphosed in the Ordovician to amphilbolite facies.

The Aileron Province strata are exposed in the northern part of ELA 29253 in the form of felsic and mafic gneiss and granulites of the Strangeways Metamorphic Complex (Aileron Province). These Palaeoproterozoic rocks are the oldest within the project area, the metamorphosed sediments are generally immature, corresponding to original arkosic or greywacke composition. These form the Strangeways Range immediately south of the EL 29253 tenement boundary. The Neoproterozoic Reynolds Range Group (schist, slate and siltstone) occurs on the northern boundary of the tenement. Further north rocks of the Lander Rock Beds (greywacke, siltstone, shale, schist and gneiss) outcrop. The Lander Rock Beds are host to copper workings in the Mount Hardy copper field (see Section 3.4).

The southern part of EL 29253 comprises magmatic metapelites, metabasite, calc-silicates, marble and quartzites of the Irindina Province. These are similar in age to the adjacent sedimentary rocks of the Amadeus and Georgina basins and suggest that the metamorphic complex is the high-grade metamorphosed equivalent of the unmetamorphosed basins. The basin is described as a highly metamorphosed Neoproterozoic to Cambrian basin including the thick metasedimentary Harts Range Group with subsidiary igneous units, including metabasalts, mafic to ultramafic intrusions, granites and pegmatites (Figure 3.32).

Part of the project area is overlain by Cainozoic sediments (sandstones, limestones and mudstones) of the Tertiary Waite Formation. Subsequent uplift and erosion has exposed the underlying strata in a series of gullies associated with a large creek which drains across the project area.

Figure 3.32 Sandover geology



Source: TRT

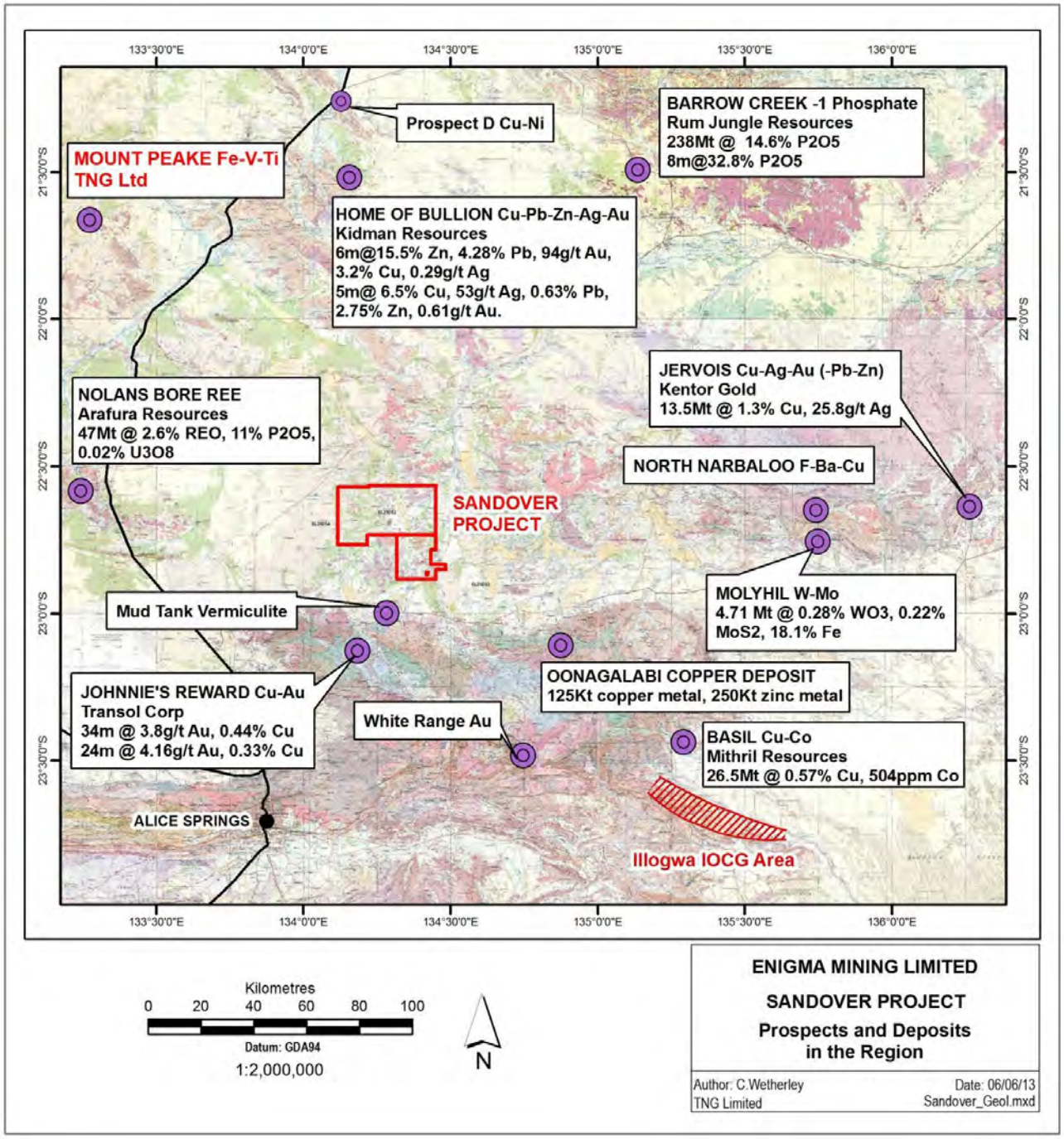
3.7.4 Exploration potential

TRT considers the Sandover project area to be prospective for base and precious metals deposits.

Mineralisation in the vicinity of the Sandover project (Figure 3.33) includes:

- Home of Bullion Cu-Pb-Zn-Au-Ag prospect (Kidman Resources)
- Johnnies Reward Cu-Au deposit (Arunta/Transol)
- Molyhil W-Mo deposit (Thor Mining)
- Nolans REE deposit (Arafura Resources)
- Mud Tank vermiculite deposit
- Jervois Cu-Au-Pb-Zn-Ag prospect (Kentor Resources)
- Illogwa iron oxide copper gold (IOCG) belt (Mithril Resources).

Figure 3.33 Sandover contextual geology



Source: TRT

Historical exploration (EL 29252 and EL 29253)

Very little exploration has been undertaken within the licence areas with limited soil, rock and stream sampling undertaken at various times since the late 1960s with no significant anomalies being identified. Mica mines, established on pegmatite dykes, operated until the 1950s.

Recent exploration

Exploration activities by TNG have been limited to literature searches and some preliminary field work investing options for site access and undertaking a mapping and soil sampling program over the eastern portion of EL 29253. Most of the soil sampling results returned largely background level copper values with the highest result being 308 ppm. Rock sampling along traverses over one soil anomaly confirmed the presence of a single narrow and relatively isolated copper occurrence in EL 29253 with the highest reading being 1343 ppm.

No anomalous precious metals or base metals results were reported.

3.7.5 Aboriginal heritage, Native Title and environment

EL 29253 and EL 29252 were originally granted on 30 August 2012 and 23 October 2012 respectively. During 2012, TNG conducted exploration on EL 29253 and it was decided to undertake a partial relinquishment of the licence, to 71 blocks (224.3 km^2). The remaining areas within this licence and the entire area of EL 29252 are located on Alcoota PPL 1032, held by the Alcoota Aboriginal Corporation.

On 12 November 2012, TNG initiated discussions with the CLC for access to this land. On 7 May 2014, the CLC advised TNG that, in their view, the grant of the licences was invalidly made because the land was Aboriginal freehold title. On 15 July 2014, TNG received notification from the Minerals Titles Division of the DME that the licences were both invalid. It was requested that the licences be returned to application phase and that DME issue a Consent to Negotiate in order for the application to proceed through the Aboriginal Land Rights (Northern Territory) Act (ALRA) process. TNG agreed to this request.

On 8 August 2014, the DME gave TNG consent to enter in negotiations with the CLC and with reference to section 41(6) of the ALRA, TNG was advised that the Consent to Negotiate period expires on 8 November 2014. TNG issued consent to grant documentation to the CLC on 6 November 2014, confirmation of receipt of the documents was received by TNG on 7 November 2014. The matter remains under consideration.

3.7.6 Snowden opinion

Snowden considers the Sandover project to be at a very basic level of exploration. The geology indicates potential for the identification of economic mineralisation, but this remains to be tested.

Snowden's opinion is that Sandover represents a lower priority target to that of its peers, but is worthy of continuing preliminary exploration activities.

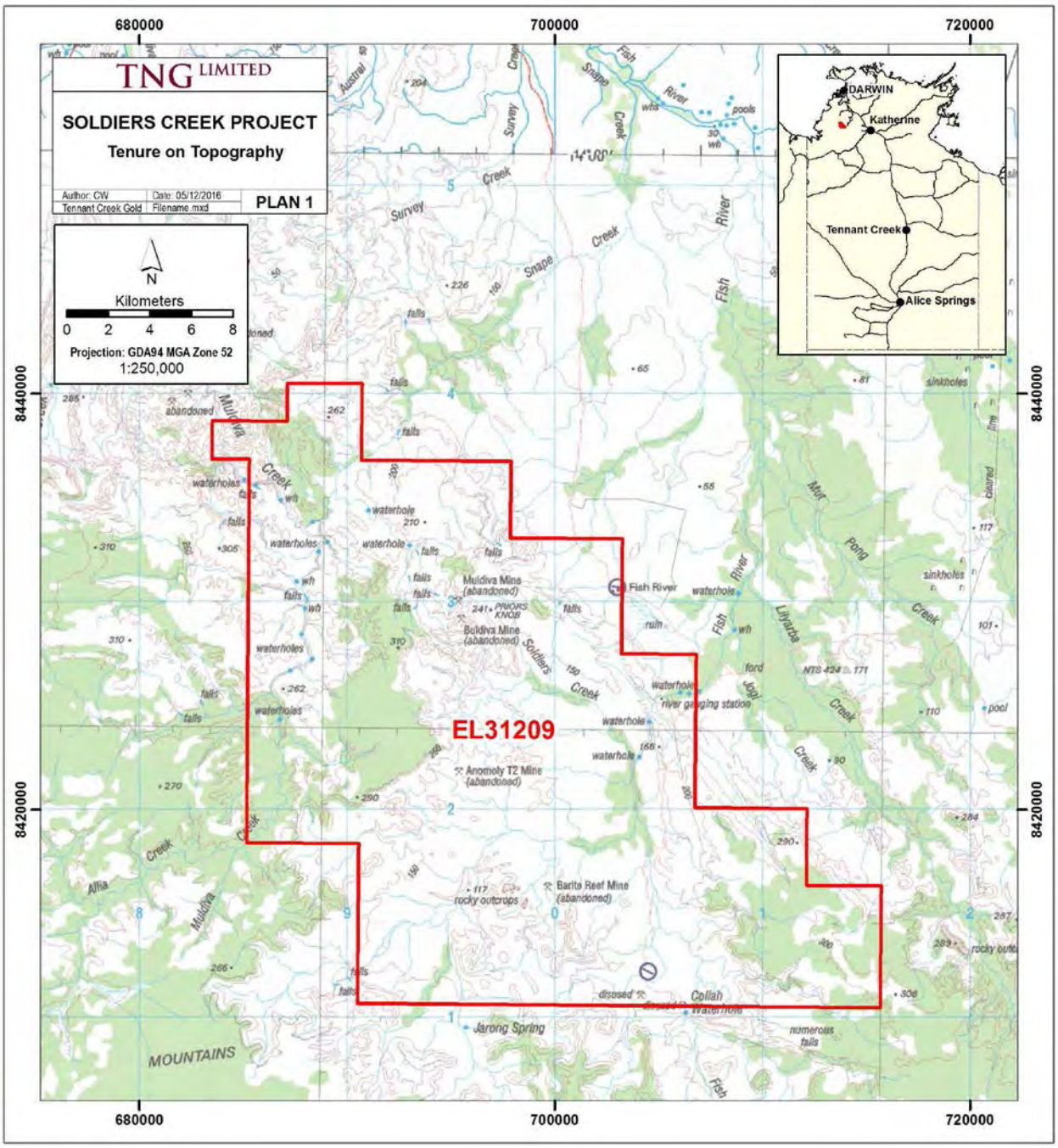
3.8 Soldiers Creek

This exploration licence covers the Soldiers Creek Pegmatite Field both within and surrounding the Soldiers Creek Granite. There are a number of tin and tantalum prospects within the area that have both alluvial and colluvial/eluvial placer workings and hard rock pegmatite-hosted cassiterite and tantalite content. The Soldiers Creek Granite is recognised as being a highly differentiated S-type granite, with high Rb, Cs, Li, Ga, Sn, Y and K/Ba content. The area is considered by TRT to be prospective for significant economic concentrations of tin and tantalum, as well as other pegmatite-hosted elements including lithium and greissen related elements and minerals.

3.8.1 Location and access

The licence is located about 200 km south of Darwin, in the Fish River area of the Northern Territory (Figure 3.34), 100 km northwest of Katherine, and around 60 km west of the Douglas-Daly Irrigation Area. Access is by road to the Douglas-Daly area and then tracks to the project area.

Figure 3.34 Soldiers Creek location



3.8.2 Tenements

The Soldiers Creek project consists of a single exploration licence, EL 31209, owned by TRT, having been applied for by and granted to TRM (Table 3.14 and Figure 3.34).

Table 3.14 Soldiers Creek application

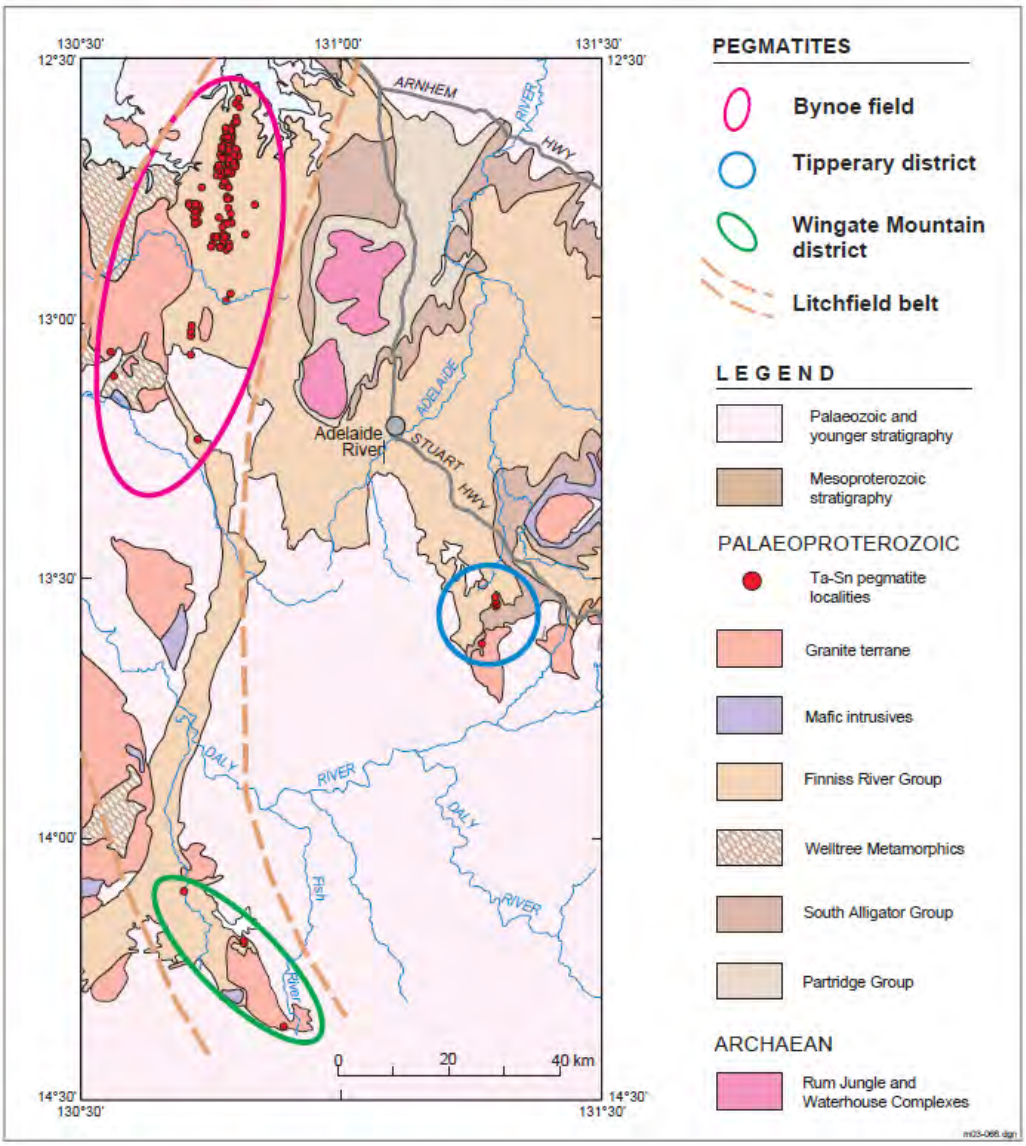
Tenement	Holder	Area (blocks)	Grant date	Expiry date
EL 31209	TRT – 100%	181	5/12/2016	4/12/2022

3.8.3 Geology and mineralisation

The Soldiers Creek project lies in the Wingate Mountain district of the Litchfield pegmatite belt[15] (Figure 3.35).

Pegmatites are hosted by the contact aureoles of the Palaeoproterozoic Allia Creek and Soldiers Creek granites and are described as sinuous, narrow bodies only a few metres wide[15] hosted by phyllite, quartz-mica schist and andalusite-mica schist of the Palaeoproterozoic Burrell Creek Formation of the Finniss River Group (Figure 3.36).

Figure 3.35 Wingate Mountain pegmatite district location

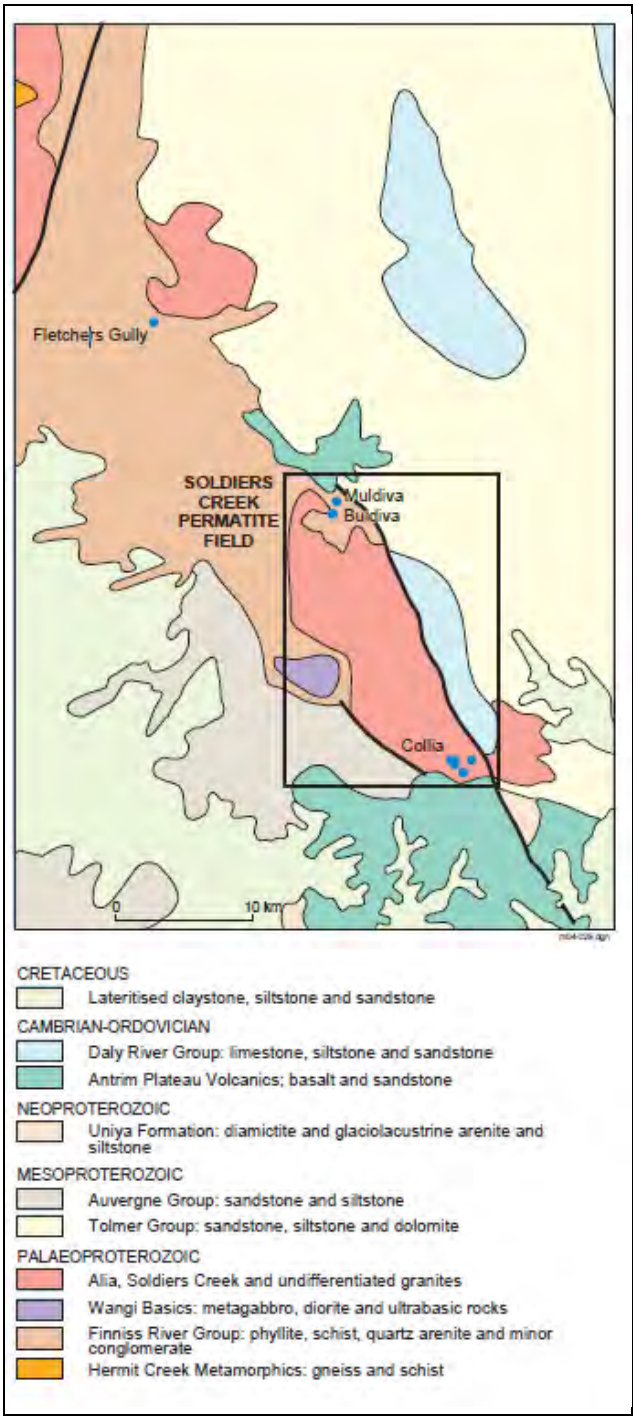


Source: NTGS Report 16

[15] NTGS Report 16; Tin-Tantalum pegmatite mineralisation of the Northern Territory; Frater, K.M; Department of Primary Industries Fisheries and Mines; Darwin; 2005

The Soldiers Creek field includes pegmatites at Muldiva, Buldiva and in the vicinity of Collia, on the Fish River (Figure 3.36). The Muldiva and Buldiva pegmatite swarms are in the contact aureole of the Soldiers Creek Granite and the alluvial Collia mineralisation occurs within the Soldiers Creek Granite and although local pegmatite has not been recognised, it is considered to be the source of the alluvial tin.

Figure 3.36 Soldiers Creek geology



Source: NTGS Report 16

3.8.4 Exploration potential

TRT intends to explore the project for lithium, tin and tantalum. The Soldiers Creek area is recognised for its tin and tantalum potential, but its lithium potential has not been developed. TRT proposes preliminary prospecting, mapping and sampling the old workings, to be followed up with geophysics and drill targeting, if appropriate.

TRT considers that its strategy will be to identify the type of pegmatite, and that lithium-cesium-tantalum-type pegmatites are very prospective. The use of a portable XRF is expected to quickly identify prospective areas, recognising that the machine cannot detect Li, but identifies several associated elements – Cs, Nb, Rb, Sr, Sn, Ga, Ta, and Ti.

3.8.5 Aboriginal heritage, Native Title and environment

The project remains an application and the native title process is commencing. It falls on pastoral lease owned by the Department of Lands Planning and Environment and within the Fish River Gorge Block National Park and so will need approval prior to grant.

3.8.6 Snowden opinion

Soldiers Creek is a preliminary level exploration concept on unexplored geology, but with some historical production. The geology and concept is certainly attractive and Snowden considers that TRT's planned low-level preliminary approach to be appropriate.

3.9 Croker Island

Croker Island is an island in the Arafura Sea, of Arnhem Land, and is considered to hold potential for bauxite mineralisation.

3.9.1 Location and access

Croker Island is located about 240 km northeast of Darwin and is separated from the mainland by the Bowen Strait. The island has limited infrastructure and is accessible by sea.

3.9.2 Tenements

The tenement under application is wholly owned by TRT, having been transferred from Enigma (Table 3.15 and Figure 3.37).

Table 3.15 Croker Island project tenement

Licence	Title holder	Area (blocks)	Application date	Grant date	Expiry date
ELA 29164	TRT – 100%	62	31/10/11	Application	Application

Figure 3.37 Croker Island tenements and location

Source: TRT

3.9.3 Geology and mineralisation

Geology is dominated by lateritised Cretaceous siltstones, sandstones and mudstones of the Bathurst Island Formation. The coastline of nearby Coburg peninsula consists of deeply incised bays terminating in beaches or muddy mangrove creeks. Coastal relief is low with numerous rocky headlands with fringing coral and coralline algal reefs.

3.9.4 Exploration potential

The main mineral potential in the area is for bauxite.

Historical exploration

Prior to TNG's application for the Croker Island tenement in 2011, the following exploration work was undertaken by previous workers in the 1950s and 1960s:

- Rio Tinto Exploration conducted reconnaissance work on the bauxite deposits of Croker Island in 1957 as part of their regional Arnhem Land bauxite investigations.
- In 1958 the Reynolds Metals Company (RMC) started field work to map the occurrences of bauxite in order to identify targets for follow-up drilling. Drilling (method not documented) was completed on 300 m centres northeast of Mission Bay. From the work, RMC calculated an Inferred Resource of 650 kt at >30% Al_2O_3. The mineralised areas identified are located north of the proposed TNG tenement. Later drilling on the area covered by the proposed TNG tenement was completed on 1,600 m centres. No lateritic bauxite was identified.
- During 1964, United Uranium as part of a larger exploration program explored the island for bauxitic laterites based on aerial (helicopter) surveys followed by detailed ground surveys. Grab sampling was confined to areas north of the proposed TNG tenement.

Recent exploration

The tenement has yet to be granted and as such no exploration has been undertaken by TRT.

3.9.5 Aboriginal heritage, Native Title and environment

On the 23 October 2014, TNG and the Northern Land Council formally agreed in writing to extend the negotiating period by 24 months to 31 October 2016. Snowden understands that there is agreement to extend this to 2018.

3.9.6 Snowden opinion

Snowden considers the Croker Island project to be at a preliminary level of exploration and its future value is somewhat aligned to the Northern Territory bauxite industry and Rio Tinto.

4 JOINT VENTURE PROJECTS

The tenements examined in this section are subject to a Heads of Agreement with Western Desert Resources Ltd, Receivers and Administrators Appointed (WDR).

The Rover agreement with WDR allowed it to earn up to an 80% interest in each area subject to meeting specific exploration expenditure commitments. The Joint Venture (WDRJV) covers prospect areas known as Rover, Gosse River and McLaren. Kovacs is a small mining lease encompassed by the Gosse River tenement. This lease is 100% owned by TRT and is not part of the WDRJV, but it is considered to be part of the overall exploration project.

The Goddards and Petermanns Heads of Agreement with WDR allowed it to negotiate through to grant by the Mines Department and then earn into the licences. Snowden understands that WDR did not subsequently materially participate and that negotiations are taking place with the Liquidator to negate the heads of Agreement.

4.1 Rover

The WDRJV was managed by WDR and Snowden is aware that WDR held a negative attitude to the project, given its commitments elsewhere. No exploration has been undertaken on the project since 2013.

Tennant Creek is a historic goldfield characterised by small magmatic iron ore hosted copper/gold (IOCG) deposits of extremely high grade. Mines were originally simply located in shoots identified on ironstone outcrops, but the exhaustion of these shallow workings has led to significant technical challenges to explorers, utilising a variety of geophysical techniques. Mineralised shoots are rarely distinguishable from unmineralised magnetic material and most recent discoveries have tended to be deep and difficult to mine.

4.1.1 Location and access

The Rover project area is located approximately 50 km south of Tennant Creek. Access to the area is via the Stuart Highway for 7 km south of the town, then via an unsealed road which heads west for approximately 50 km to the Kunayungku Outstation, then via an unsealed track for about 30 km to the WDR Rover Camp. An unsealed track south of the camp allows access into the northern part of the tenement. The tenement can also be accessed from the east by means of station tracks from the Stuart Highway

4.1.2 Tenements

The WDRJV consists of three tenements, which are located in the Tennant Creek district (Table 4.1 and Figure 4.2). A fourth tenement, Kovacs, is wholly-owned by TRT and is considered to be part of the overall Rover exploration project, but is not part of the area subject to the WDRJV (Table 4.2 and Figure 4.2).

Table 4.1 Rover WDRJV project tenements

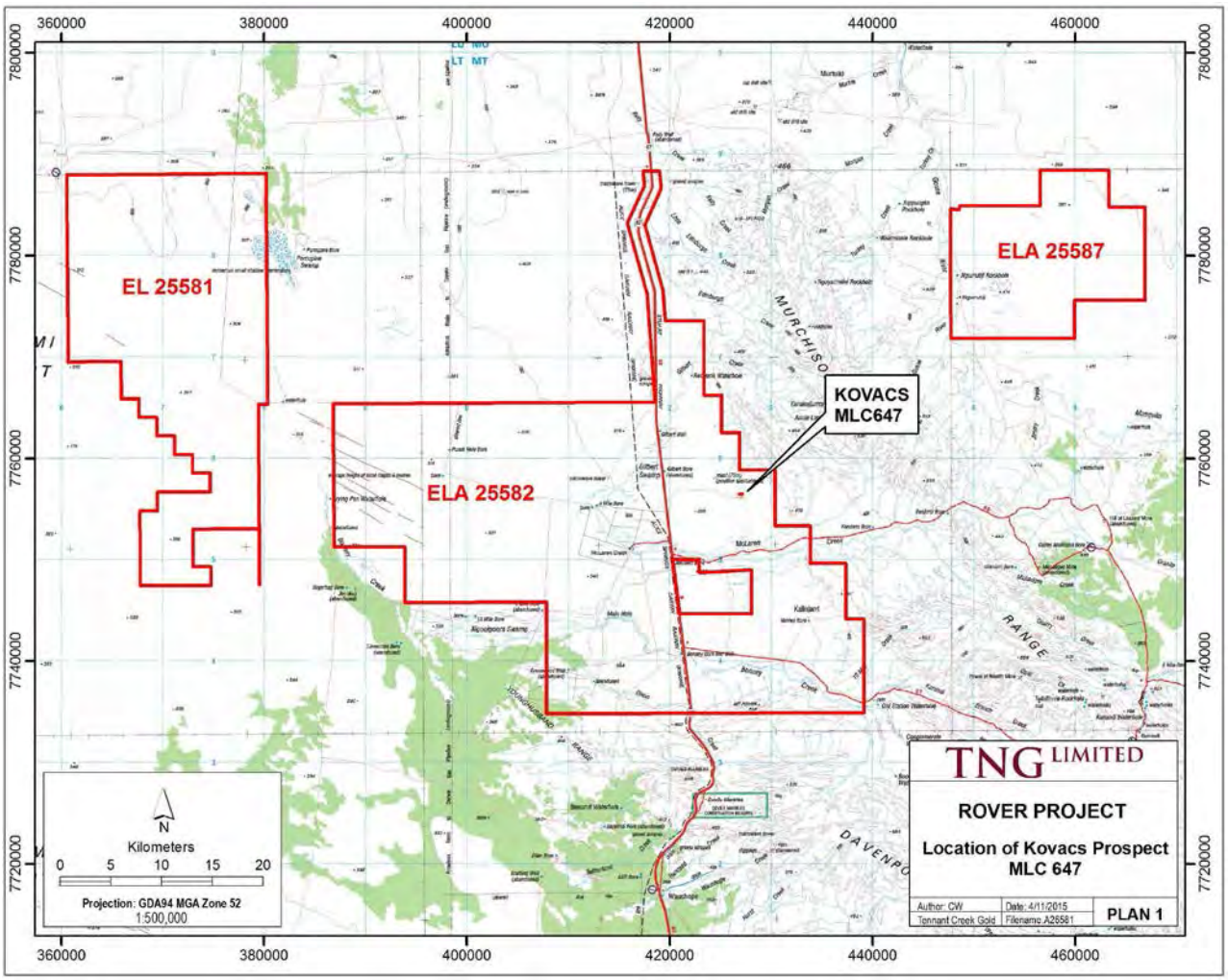
Project area	Licence	Title holder	Area (blocks)	Area (ha)	Application date	Grant date	Expiry date
Rover	EL 25581		187			12/05/2009	11/05/2017
Gosse River	ELA 25582	TRT – 20% WDR – 80%	401		06/09/2006	Application	Application
McLaren	ELA 25587		82		11/09/2006	Application	Application

The Rover, Kovacs, Gosse River and McLaren tenements are all located about 70 km to the southeast of Tennant Creek in close proximity to each other. The Kovacs licence falls within the boundaries of the ELA 25582 (Figure 4.1).

Table 4.2 Rover non- WDRJV project tenements

Project area	Licence	Title holder	Area (blocks)	Area (ha)	Application date	Grant date	Expiry date
Kovacs	MLC 647	TRT – 100%		8 ha[6]		09/09/1970	31/12/2020

Figure 4.1 Rover tenement location

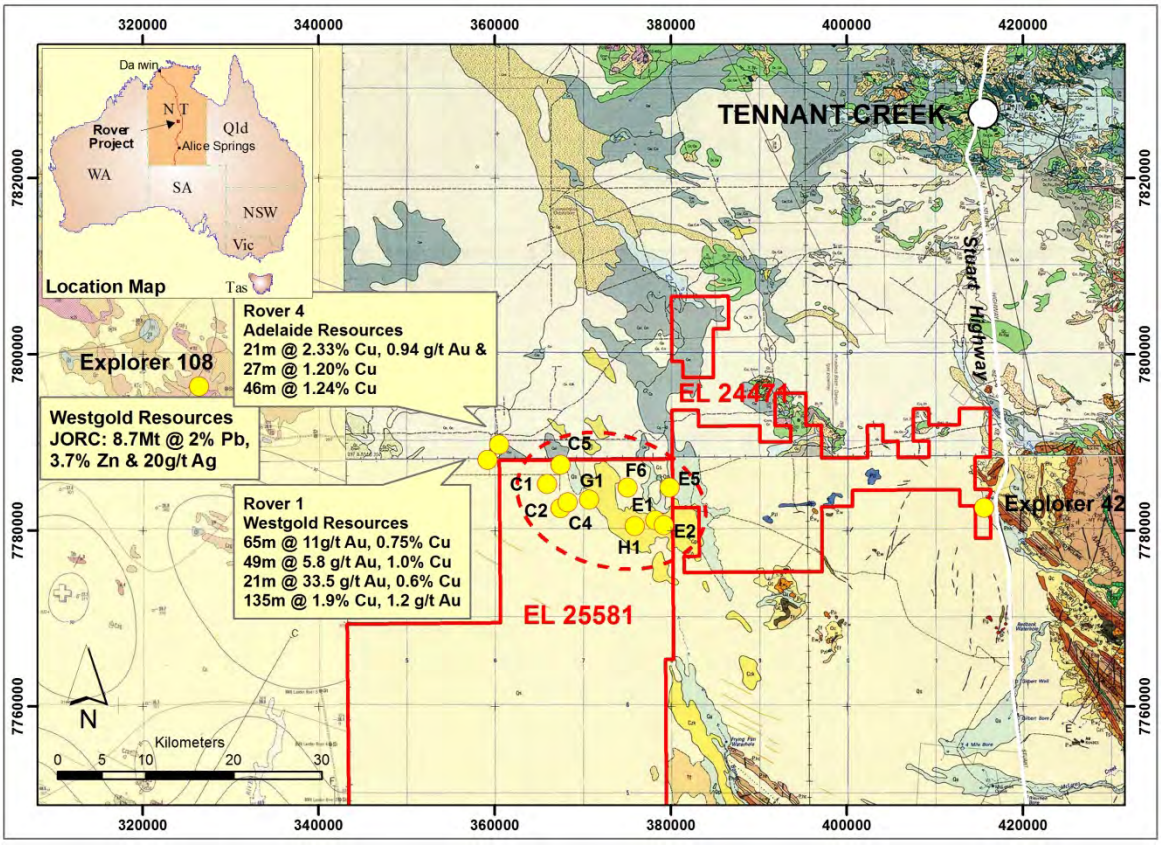


Source: TRT

Adjacent projects

The EL 25581, MLC 647 and ELA 25582 tenements are adjacent to Westgold's[16] Rover 1 project which has identified high gold grades in drillholes (Figure 4.2). Surveys completed in 2009 identified numerous targets suggestive of Tennant Creek style ironstone bodies beneath extensive cover. The Rover joint venture tenement EL 25581 is also proximal to Westgold's Explorer 108 base metal deposit and Adelaide Resources' Rover 4 copper-gold deposit[17].

Figure 4.2 EL 25581 exploration and surrounding drill results



Source: TRT; This figure refers to Mineral Resources and Exploration Results derived by other parties either nearby or proximal to the Rover Project. It is important to note that such discoveries, results or geological similarities do not in any way guarantee that TRT will have any success or similar successes in delineating a Mineral Resource at Rover, if at all

4.1.3 Geology and mineralisation

The Rover Project covers an area on the poorly exposed southern margin of the Tennant Creek Block within the central Tennant Creek Inlier, an area of Proterozoic rocks covering about 43,500 km^2 in the Northern Territory. The Inlier contains three provinces, the Tomkinson Creek Province in the north, the Tennant Creek Block in the central area, which also contains the Tennant Creek gold field, and the Devonport Province to the south.

[16] https://www.metalsx.com.au/gold/
[17] http://www.adelaideresources.com.au/projects/rover

The Tennant Creek Block is one of the most prospective gold provinces of the Northern Territory. For around thirty years until 1980, it was the only major Northern Territory producer and to June 1987 the Tennant Creek gold field had recorded the largest production of any Northern Territory field. The Tennant Creek Block is the most extensively explored and developed of Australia's few Proterozoic gold provinces.

The gold mineralisation in the region is linked by a common association with iron oxides. Gold occurs within the Warramunga Formation in association with copper and bismuth in haematite and magnetite rich lodes (ironstone).

The oldest exposed rocks in the Tennant Creek Inlier are the early Proterozoic Warramunga Formation, which consists of interbedded sedimentary and volcanic rocks, and forms the major part of the Tennant Creek Block. It is unconformably overlain by sediments belonging to the Hatches Creek Group which include felsic and mafic volcanic in the Devonport Province to the south, and by sediments of the Tomkinson Creek Beds in the Tomkinson Creek Province to the north. The eastern and western margins are the sedimentary sequences of the Palaeozoic Georgina and Wiso Basins.

There are isolated occurrences of gneissic rocks in the area, which have been interpreted as basement, possibly of Archaean age. The Warramunga and Hatches Creek groups are intruded by Proterozoic igneous rocks of granite, porphyries and dolerite.

The Warramunga Group, since renamed the Warramunga Formation and Flynn sub-group after redefinition in 1995, consists of a sequence of turbiditic greywacke, siltstone and shale with interbedded felsic volcanics. Some minor components of the sequence are thin, discontinuous, argillaceous banded iron formation (BIF), locally known as haematitic shale. The Warramunga Formation also contains quartz-feldspar porphyry lenses and broad strata bound zones of disseminated magnetite.

The Warramunga Formation is folded and metamorphosed to lower greenschist facies. In the Tennant Creek gold field, the Warramunga Formation is tightly folded about east-west axes, folds are upright and bedding is mostly steeply dipping.

The Cambrian Wiso Basin succession and Cainozoic sediments extensively cover the Tennant Creek area with a westward thickening trend from less than 20 m in the east to in excess of 200 m in the west. The Cambrian component of the cover sequence is composed of thin basal fluviatile sediments overlain by a shallow marine carbonate-rich siltstone and sandstone sequence.

The Cainozoic cover of around 20 m to 30 m in thickness is composed of colluvial, alluvial and aeolian deposits.

4.1.4 Exploration potential

Gold was discovered in the Tennant Creek area around 1925, however little mining or prospecting took place until 1932 due to the lack of gold in prominent quartz veins and the virtual absence of alluvial concentrations. Two small batteries were established near the site of the Tennant Creek town in 1932.

A gold rush followed and within three years, gold was being won from over 100 small mines. The most notable of these were Eldorado, Enterprise, Rising Sun, Hammerjack, Blue Moon, Burnt Shirt and Northern Star.

In the late 1940s to the late 1960s, several mines were developed that produced significant tonnages of gold and copper. These were owned by Australian Development and Peko-Wallsend, two companies that dominated the Tennant Creek field for 30 years, and include the Nobles Nob, Peko, Orlando, Ivanhoe, Juno and Warrego mines.

No mining has been carried within the area covered by the WDRJV.

Snowden considers the project to be prospective for Tennant Creek style gold, copper and bismuth mineralisation.

Historical exploration

The only exploration previously conducted in the WDRJV area was that undertaken by Geopeko Ltd in the period 1973 to 1976. This work consisted of an airborne magnetic survey, ground magnetic surveys and diamond drilling.

Three diamond drillholes were drilled on a magnetic anomaly, Explorer 124 (Figure 4.3). The Wiso Basin sediments intersected in the holes consisted of shales, siltstones and sandstones, about 90 m thick. The basement rocks were found to be feldspar porphyry, diorite and microdiorite with moderate to strong disseminated magnetite, which explains the magnetic anomaly.

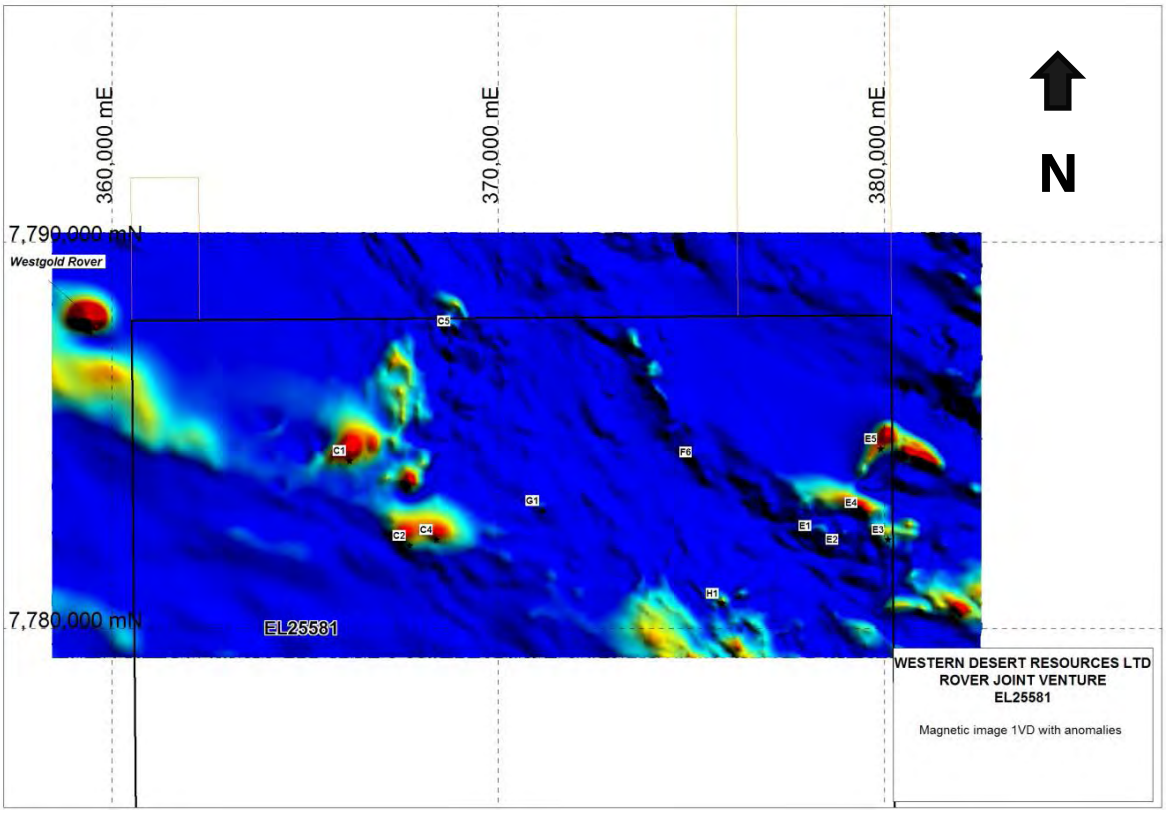
Recent exploration

The Gosse River and McLaren tenements are yet to be granted and no exploration has been undertaken.

A helicopter-borne magnetic/radiometric survey was flown over the northern part of EL 25581 in 2009/2010. The data was collected on a total of 5,766 line kilometres of east-west flight lines at a line separation of 50 m and a terrain clearance of 50 m. Interpretation of the magnetic data identified 12 magnetic targets, chosen to be further tested (Figure 4.3), with a target depth to the magnetic source of at least 300 m in each case.

Four of the targets (E1, E2, E3 and E4) in the south-east portion of the survey area were within or adjacent to a sacred site exclusion zone and were not drilled.

Figure 4.3 Location of magnetic targets



Source: TRT

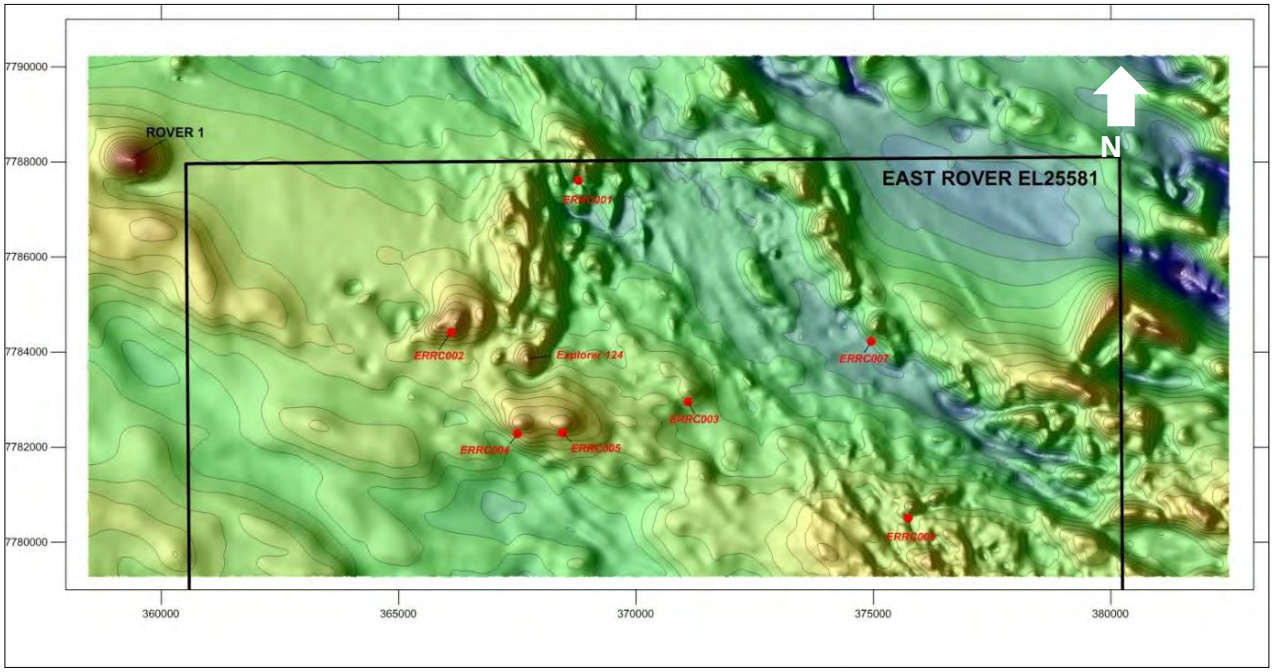
2010 drilling

Seven RC drillholes totalling 1,692 m were completed in January/February 2010 (Table 4.3 and Figure 4.4). Assay samples were taken each metre from a depth of 100 m to the bottom of the holes and analysed by ALS Chemex for 33 elements by ICP-AES, following a four-acid digestion and for gold by fire assay using a 50 g charge and AA finish.

Table 4.3 Rover RC drilling

Hole no.	Target	Easting GDA	Northing GDA	Azimuth (magnetic)	Inclination	Planned depth (m)	Final depth (m)
ERRC001	C5	368775	7787610	360	-60	350	323
ERRC002	C1	366100	7784420	360	-70	350	233
ERRC003	G1	371090	7782950	360	-60	300	275
ERRC004	C2	367500	7782280	360	-65	350	239
ERRC005	C4	368450	7782295	360	-65	350	215
ERRC006	H1	375725	7780500	30	-60	300	107
ERRC007	F6	374950	7784225	45	-60	300	300

Figure 4.4 Location of drillholes on magnetic image



Source: TRT

The holes intersected a similar sequence of volcanic and/or igneous rocks and analytical results were not anomalous. Magnetic susceptibility readings taken on the bulk samples showed that these rocks had a significant magnetite content which explained the magnetic anomalies. Anomalous phosphate values were recorded in two of the holes (ERRC002 and 005) at the base of the Wiso Basin succession.

2012 geophysics and drilling

An IP survey was undertaken in 2012 for 18 line kilometres on three grids, covering previously identified gravity and EM targets. Three targets were identified and diamond drilled, without returning potentially economic mineralisation or material that would explain the IP anomalies. Downhole geophysics did not identify any off-hole conductors at each location.

Snowden notes that these holes intersected chlorite alteration, which indicates hydrothermal activity and is associated with gold mineralisation in the Tennant Creek field. Snowden concurs with TRT's view that the unexplained anomalism warrants further examination, particularly considering the notoriously discrete mineralisation of the field.

4.1.5 Aboriginal heritage, Native Title and environment

An Exploration Agreement exists with the CLC for Rover and Kovacs. The Gosse River and McLaren tenements are yet to be granted and the application is proceeding as per the Aboriginal Land Rights Agreement (ALRA) process.

4.1.6 Snowden opinion

Snowden considers the Rover project to be at a basic level of exploration. The geology indicates potential for the identification of economic mineralisation, but this remains to be tested. Experience in the Tennant Creek field indicates that sophisticated geophysical analysis is the primary exploration tool, followed by deep drilling and that persistence is required.

Snowden's opinion is that Rover represents a lower priority target to that of its peers, but is worthy of continuing preliminary exploration activities.

4.2 Goddards

The Goddards tenement is an isolated project at a low level of development, but which displays some potential for copper and gold mineralisation. A Heads of Agreement with WDR allowed it to negotiate through to grant by the Mines Department and then earn into the licences. Snowden understands that WDR did not subsequently materially participate and that negotiations are taking place with the Liquidator to negate the Heads of Agreement.

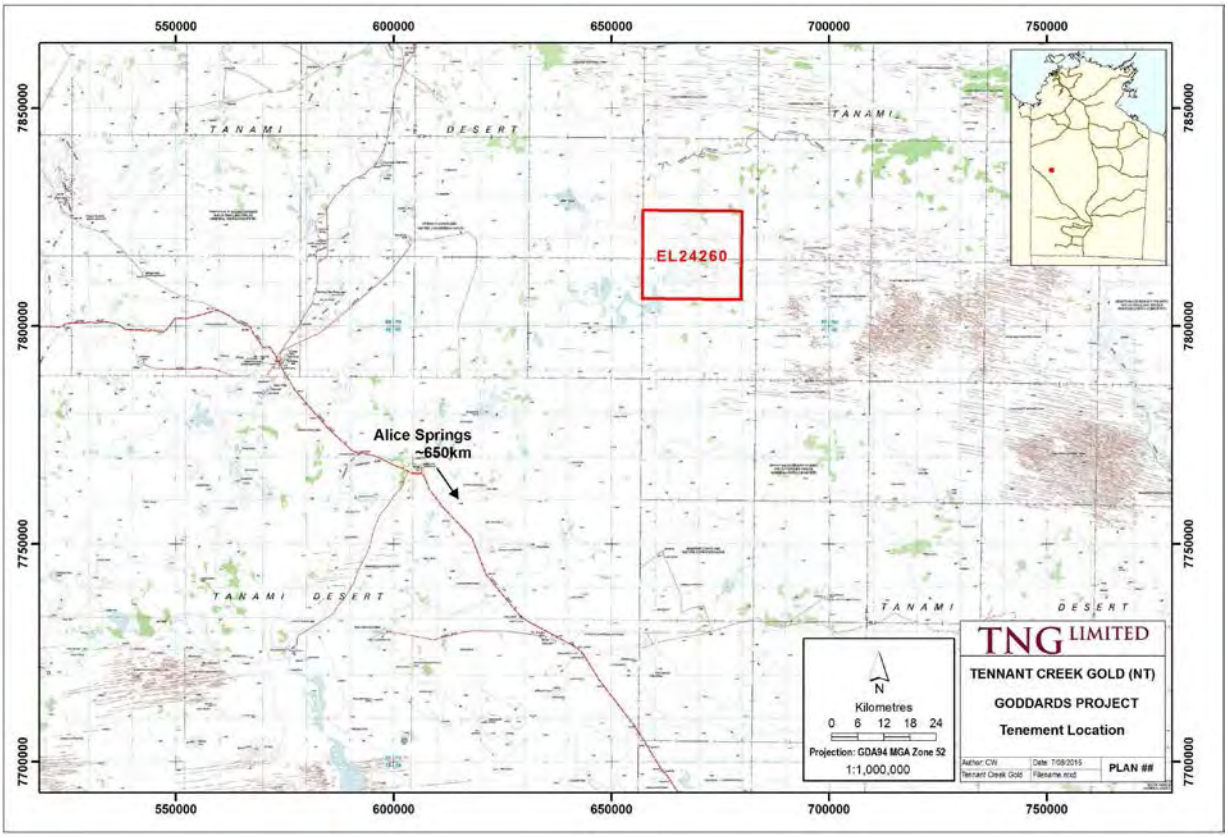
4.2.1 Location and access

The Goddards Exploration Licence Application (Table 4.4 and Figure 4.5) occurs about 400 km west of Tennant Creek. It was applied for on 15 April 2004 and approval is still pending. The area is accessible via bitumen road between Tennant Creek and the old Warrego Mine Site and then unsealed tracks/roads.

Table 4.4 Goddards project tenements

Licence	Title holder	Area (blocks)	Application date	Grant date	Expiry date
EL 24260	TRT – 100%	143	15/4/2004	Application	Application

Figure 4.5 Goddards project location



4.2.2 Geology and mineralisation

The exposed strata in the project area is dominated by Palaeozoic sandstones, calcareous units and metasediments which in many areas are capped by Tertiary and Quaternary laterites, gravels and sands.

Weak copper oxide mineralisation associated with veins hosted in a dolomite unit was discovered in the mid-1970s.

4.2.3 Exploration potential

The Goddards licence area is considered by TRT to have potential for copper.

Historic exploration

The area was explored in the mid-1970s by Peko Mines Limited, which undertook aerial geophysical surveys, rock chip sampling and general geological reconnaissance.

Recent exploration

The tenement has yet to be granted and as such no exploration has been undertaken.

4.2.4 Aboriginal heritage, Native Title and environment

The licence is still under application and the application is proceeding as per the ALRA process.

4.2.5 Snowden opinion

Snowden considers the Goddards project to be at a basic level of exploration. The geology indicates potential for the identification of economic mineralisation, but this remains to be tested.

Snowden's opinion is that Goddards represents a lower priority target to that of its peers, but is worthy of continuing preliminary exploration activities.

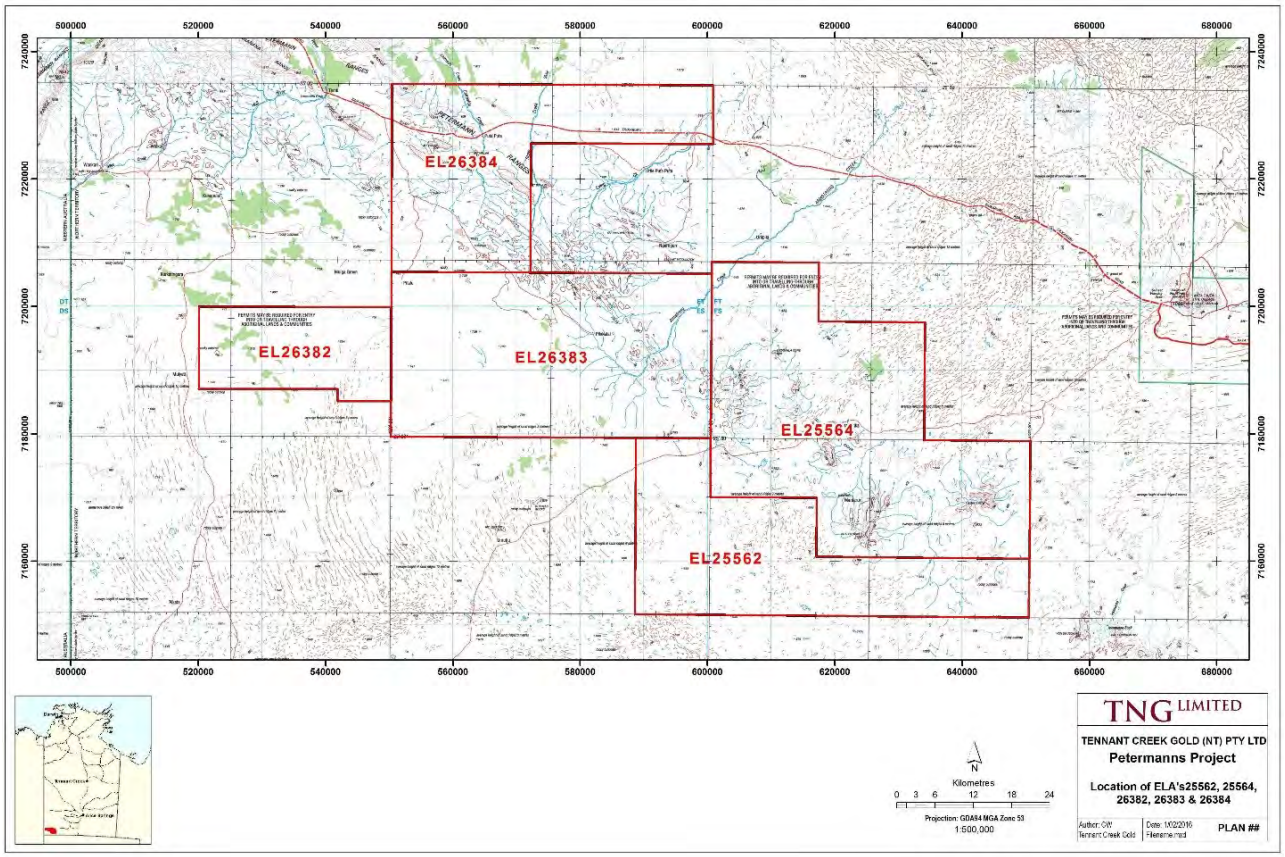
4.3 Petermanns

The Petermanns project comprises a large exploration licence application in an area that has previously seen very little exploration, but is considered to be highly prospective for base and precious metals. A Heads of Agreement with WDR allowed it to negotiate through to grant by the Mines Department and then earn into the licences. Snowden understands that WDR did not subsequently materially participate and that negotiations are taking place with the Liquidator to negate the Heads of Agreement.

4.3.1 Location and access

The Petermanns project consists of five exploration licence tenement applications in the Northern Territory, approximately 400 km southwest of Alice Springs (Figure 4.6). The tenements are owned by TRT, having been transferred from TCG (NT), a wholly owned subsidiary of TNG and Snowden understands that WDR did not earn an interest in the tenements.

Figure 4.6 Petermanns project location



Source: TRT

4.3.2 Tenements

The tenements remain subject to application, pending arrangements with WDR's liquidators (Table 4.5).

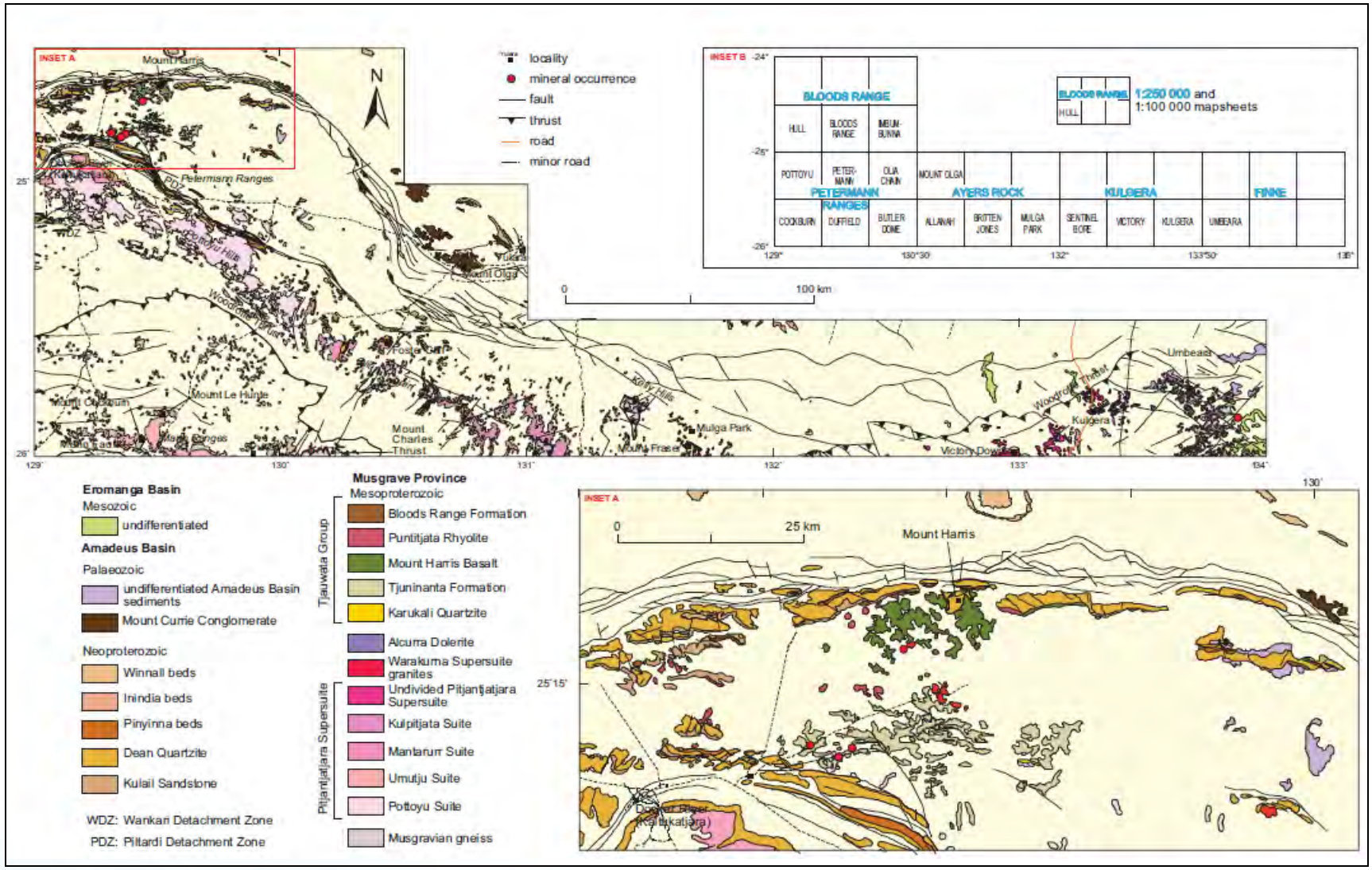
Table 4.5 Petermanns project tenements

Licence	Title holder	Area (blocks)	Application date	Grant date	Expiry date
ELA 25562		305	23/08/2006	Application	Application
ELA 25564		500	23/08/2006	Application	Application
ELA 26382	TRT – 100%	131	16/08/2007	Application	Application
ELA 26383		420	16/08/2007	Application	Application
EL 26384		293	16/08/2007	In moratorium, veto date 31/5/12	

4.3.3 Geology and mineralisation

The Petermanns Ranges consist of Neoproterozoic quartzites, sandstones, conglomerate, dolostone, and limestone, resting on Mesoproterozoic granite gneiss (Figure 4.7). The Petermann Ranges are located in the Musgrave Province of the southwest of the Northern Territory. This remote area has seen scant historic exploration but is considered to be highly prospective for base and precious metals following exploration results gained by BHP Billiton and subsequently Metals X and Cassini Resources.

Figure 4.7 Musgrave Province geology



Source: NTGS

4.3.4 Exploration potential

The Petermanns project is relatively unexplored and lies within the Musgrave Province. The tenements are considered by TRT to be prospective for gold, base metals, rare earths and nickel sulphides and possibly uranium. Snowden concurs with this assessment.

The NTGS reports[18] that copper mineralisation is recorded at several localities in the Petermann Ranges. It has been claimed that the mythical gold reef purportedly discovered by Harold Bell Lasseter in the 1920s is located somewhere in the western Musgrave Province, but little evidence exists to support this.

The Musgrave province has attracted considerable exploration interest for Ni-Cu±PGE mineralisation in South Australia and Western Australia. Laterite nickel Mineral Resources and Ore Reserves have been reported by Westgold[19]at Wingellina, on the Western Australian side, which reports an inventory of 187 million tonnes of ore at 1% Ni and 0.08% Co. The Claude Hills deposit is located approximately 30 km east of Wingellina and 33.3 million tonnes at 0.81% Ni and 0.07% Co is reported.

The largest known deposit in the Musgrave Province is Cassini Resources' Nebo-Babel Ni-Cu(-PGE) deposit[20] in Western Australia with a resource estimate of 203.1 million tonnes at 0.41% Ni and 0.42% Cu.

The NTGS considers that small, strata-bound copper occurrences in the South Australian central Musgrave Province indicate some potential for metamorphosed sediment-hosted or VMS-style mineralisation. Some granites indicate potential for IOCG deposits, on the basis of their geochemistry and rift-related sedimentary rocks present targets for red-bed copper mineralisation, particularly as small occurrences have been identified.

Historical exploration

The licence is still under application and no literature reviews of past exploration have been undertaken.

Recent exploration

The tenement has yet to be granted and no exploration has been undertaken.

4.3.5 Aboriginal heritage, Native Title and environment

A revised consent to grant document was submitted to the CLC in February 2016, but until negotiations with the Liquidators have been finalised and the licences are transferred back to TRT, no progress can be made.

4.3.6 Snowden opinion

Snowden considers the Petermanns project to be at a low level of exploration development but in a highly prospective but underexplored area. The geology indicates strong potential for the identification of economic base metal mineralisation.

Snowden's opinion is that once the project is reassigned by the WDR liquidators, it will demand significant attention by TRT.

[18] Ahmad M and Munson TJ (compilers), 2013. Geology and mineral resources of the Northern Territory. Northern Territory Geological Survey, Special Publication 5

[19] https://www.metalsx.com.au/nickel/

[20] http://www.cassiniresources.com.au/west-musgrave-project/development/nebo-babel-wa

5 EXPLORATION STRATEGY

TRT believes that the cumulative results of exploration carried out by TNG over the previous five to 10 years provide a platform on which it can progress future exploration on the Northern Territory projects and add value to TRT.

Snowden has assessed the exploration work which has already been undertaken on the projects and their relative geological prospectivity and considers that there is a reasonable basis for belief that exploration will result in the discovery of economic mineralisation and the establishment of a profitable mining operation. TRT's strategy is to preferentially explore and develop those projects located near established infrastructure which demonstrate the ability to be developed into early production opportunities. Snowden concurs with this strategy.

TRT has described to Snowden its proposed exploration budget (Table 5.2) and exploration activities (Table 5.1 and Table 5.4) for each project area. Based on its experience, Snowden considers that TRT's strategy is adequately budgeted, considering the level of development of the projects and geological location.

Snowden advises that mineral exploration is a process of discovery and any budget and strategy will be constantly revised as the results of exploration campaigns are assessed.

Snowden notes that those projects subject to joint venture have been excluded from this strategy, which will consequently require revision once the Liquidators of WDR have reassigned these tenements. This is particularly germane in relation to the Petermanns project, which Snowden considers to hold significant prospectivity.

Table 5.1 TRT proposed exploration activities

Project	Proposed activity
Manbarrum	Estimation of Mineral Resource Metallurgical testwork Exploration for MVT style mineralisation in the north-eastern tenements Scoping Studies
McArthur River	Geophysical surveys RC and diamond drilling Estimation of Mineral Resource
Walabanba	RC drilling of EM targets
Mount Hardy	Drilling and refined target definition Estimation of Mineral Resource
Tomkinson	Data compilation and literature review Geological mapping Geochemical soil and rock surveys
Stokes Yard	Geological mapping Geochemical soil and rock surveys Target generation RC drilling
Soldiers Creek	Data compilation and literature review Geological mapping Geochemical soil and rock surveys Target generation
Sandover	Data compilation and literature review Geological mapping Geochemical soil and rock surveys Geophysical surveys
Croker Island	Data compilation and literature review Geological mapping Geochemical soil and rocks surveys

Subject to a successful Initial Public Offering, TRT has an exploration budget of around $2,500,000, in the case of the minimum subscription being raised (Table 5.2) and around $3,500,000, for full subscription (Table 5.3), for its first two financial years, which includes exploration expenditure, tenement rents and rates, office and administration costs and salaries (Table 5.4 and Table 5.4).

Table 5.2 Expenditure breakdown by project area, minimum subscription case

Project area	Year 1 (A$M)	Year 2 (A$M)	Total (A$M)
Manbarrum	0.21	0.27	0.49
McArthur River	0.29	0.29	0.57
Walabanba	0.14	0.17	0.32
Mount Hardy	0.25	0.29	0.54
Tomkinson	0.05	0.12	0.17
Stokes Yard	0.07	0.12	0.19
Soldiers Creek	0.03	0.05	0.08
Sandover	0.05	0.06	0.11
Croker Island	0.02	0.02	0.04
Total	**1.11**	**1.38**	**2.50**

Table 5.3 Expenditure breakdown by project area, full subscription case

Project area	Year 1 (A$M)	Year 2 (A$M)	Total (A$M)
Manbarrum	0.30	0.38	0.68
McArthur River	0.40	0.40	0.80
Walabanba	0.20	0.24	0.44
Mount Hardy	0.35	0.40	0.75
Tomkinson	0.08	0.16	0.24
Stokes Yard	0.10	0.16	0.26
Soldiers Creek	0.05	0.06	0.11
Sandover	0.07	0.09	0.16
Croker Island	0.02	0.03	0.05
Total	**1.56**	**1.94**	**3.50**

TRT is aware that exploration success or failure and new circumstances have the potential to affect the manner in which the funds are ultimately applied and has explained to Snowden that it reserves the right to alter the way funds are applied.

Table 5.4 Expenditure breakdown by activity, minimum subscription case

Expenditure activity	Year 1 (A$M)	Year 2 (A$M)	Total (A$M)
Geological field activities	0.20	0.18	0.38
Geochemical and metallurgical activities	0.10	0.09	0.20
Geophysics	0.09	0.02	0.12
Drilling	0.38	0.57	0.95
Rehabilitation	0.00	0.05	0.05
Technical studies	0.07	0.15	0.22
Geological studies	0.15	0.17	0.32
Field costs and tenement administration	0.12	0.14	0.25
Total	**1.11**	**1.38**	**2.50**

Table 5.5 Expenditure breakdown by activity, full subscription case

Expenditure activity	Year 1 (A$M)	Year 2 (A$M)	Total (A$M)
Geological field activities	0.28	0.26	0.54
Geochemical and metallurgical activities	0.14	0.13	0.28
Geophysics	0.13	0.03	0.16
Drilling	0.53	0.80	1.33
Rehabilitation	0.00	0.07	0.07
Technical studies	0.10	0.21	0.31
Geological studies	0.21	0.24	0.45
Field costs and tenement administration	0.16	0.19	0.35
Total	**1.56**	**1.94**	**3.50**

Snowden has interviewed TRT staff and worked with them on a number of assignments over a period of some years and considers these personnel to be capable and suitably qualified to implement the proposed exploration strategy in a professional and productive manner. Snowden comments that the most valuable asset for any mining or exploration company is its knowledge of its Mineral Assets. Snowden considers that TRT staff are dedicated to acquiring and preserving this knowledge.

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7 ABBREVIATIONS AND UNITS

Table 7.1 Abbreviations and units

Abbreviation/unit	Definition
%	percent
°	degree
°C	degree Celsius
A$	Australian dollars
AEM	airborne electromagnetic
ALRA	Aboriginal Land Rights Agreement
AMMTC	Australian Metallurgical and Mineral Testing Consultants
ASX	Australian Securities Exchange
Anglo	Anglo American Corporation
BIF	banded iron formation
BMR	Bureau of Mineral Resources
CaO	calcium oxide
CLC	Central Land Council
cm	centimetre
CO	carbon monoxide
CO_2	carbon dioxide
CPR	Competent Person's Report
CSA	CSA Australia Pty Ltd
DHEM	downhole electromagnetics
DME	Department of Minerals and Energy
DMR	Department of Mineral Resources
ELA	Exploration Licence Application
Eng	engineering
Enigma	Enigma Mining Limited
ha	hectares
hr(s)	hour(s)
ID	inverse distance
IOCG	iron oxide copper gold
IP	induced polarisation
ITR	Independent Technical Review
JORC	(Australian) Joint Ore Reserves Committee
KBL	KBL Mining Limited
kg	kilogram
kℓ	kilolitre
km	kilometre
km^2	square kilometres
ℓ/hour	litres per hour

Abbreviation/unit	Definition
ℓ/s	litres per second
M	million
m	metre
m/min	metres per minute
m^2	square metre
m^3/s	metres cubed per second
MgO	magnesium oxide
mH	metres high
Mn	manganese
Mt	million tonnes
Mt/a	million tonnes per annum
MVT	Mississippi Valley Type
mW	metres wide
NTGS	Northern Territory Geological Survey
P_2O_5	phosphorous oxide
pXRF	portable x-ray fluorescence
RC	reverse circulation
RD	relative density
RGC	RGC Exploration Pty Ltd
RMC	Reynolds Metals Company
ROM	run of mine
SiMn	silicomanganese
SiO_2	silicon dioxide or silica
Snowden	Snowden Mining Industry Consultants Pty Ltd
TCG (NT)	Tennant Creek Gold (NT) Pty Ltd
TNG	TNG Limited
TRT	Todd River Resources
VALMIN Code	2015 Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets
VMS	volcanic massive sulphide
WDS	Western Desert Resources
XRF	x-ray fluorescence

Appendix A Snowden Sandy Creek Mineral Resource Estimate

Sandy Creek Mineral Resources as at January 2017 reported above 1% Zn cut-off

Classification	Material	Tonnes Mt	Zn %	Pb %	Ag g/t
Indicated	Oxide	0.6	1.45	0.43	5.14
	Primary	4.5	2.00	0.88	5.91
Total Indicated		**5.1**	**1.94**	**0.82**	**5.82**
Inferred	Oxide	0.9	1.26	0.28	3.24
	Primary	16.5	1.80	0.33	4.24
Total Inferred		**17.4**	**1.77**	**0.33**	**4.19**
Grand total		**22.5**	**1.81**	**0.44**	**4.56**

Small discrepancies may occur due to rounding

Competent Persons Statement

The information in this report that relates to the Sandy Creek Mineral Resource estimate is based on information compiled by John Graindorge who is a Chartered Professional (Geology) and a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to 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". John Graindorge is a full-time employee of Snowden Mining Industry Consultants Pty Ltd and consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

JORC (2012) Table 1 – Section 1 Sampling Techniques and Data

Item	Comments
Sampling techniques	• The data used for resource estimation is based on the logging and sampling of RC and diamond core drilling. RC samples were collected at 1 m intervals using a static cone splitter mounted below the cyclone. A sample of 2kg to 4kg each, along with the bulk reject, were collected for each interval. Sample bags were pre-numbered. PQ diamond core was quarter core sampled and HQ core was half core sampled, with the core cut by a saw.
Drilling techniques	• Drilling at Sandy Creek comprises 120 RC drillholes and 53 PQ/HQ diamond drillholes (some with RC pre-collars), for a total of 20,430 m of RC and 12,054.5 m of diamond drilling. All drilling was conducted by TNG in 2006 and 2007. • The majority of drilling was completed using angled RC holes using a conventional cross-over sub with a 5.5" button bit. • Diamond drilling was completed using either PQ or HQ diameter, with triple tubing used to improve core recovery. The core was not oriented.
Drill sample recovery	• Sample weights (with a precision of 2 kg) were measured for some RC drillholes and the recovery calculated based on a nominal/assumed 20 kg expected weight (i.e. 100% recovery = 20 kg). Where recovery is recorded, the average RC recovery is approximately 50%, which in Snowden's opinion indicates poor recovery. Moreover, the vast majority of samples taken from below approximately 70 m vertical depth were recorded as being wet. • No sample recovery was recorded for the diamond drilling.
Logging	• Qualitative geological logging of most drillhole intervals (RC and core) was done with sufficient detail to meet the requirements of resource estimation. • All intervals were logged. • A handheld Niton XRF tool was used to aid the geological logging.
Subsampling techniques and sample preparation	• A nominal 1 m sample interval was used for the RC drilling. • Diamond core was sawn in half (HQ) or quarter (PQ) using a diamond saw and samples collected at 1 m intervals within the dolomite. RC samples were split using a static cone splitter with approximately 2 kg to 4 kg samples collected. • Laboratory sample preparation for whole rock assays conducted at ALS Chemex in Brisbane, Queensland. The exact sample preparation process is not documented; however the following process is assumed: – Drying at 105°C – Crush and pulverise to nominally 75 µm – Sub-sample from pulp collected (technique not documented) • The sample sizes are considered to be reasonable to correctly represent the mineralisation based on the style of mineralisation, the thickness and consistency of intersections and the drilling methodology.

Item	Comments
Quality of assay data and laboratory tests	• Assaying of Ag, As, Cd, Cu, Fe, Pb, S and Zn using 4-acid digest with analysis by ICP-AES. • Quality control results for the 2006 and 2007 assays were reported by SRK in the 2009 QAQC report for the Sandy Creek project Snowden reviewed the report and also generated independent QC charts for standards, field duplicates and blanks. • A number of certified standards have been employed by TNG for the Sandy Creek sample batches, sourced from Geostats Pty Ltd and Gannet Holdings Ltd. • Control charts for the seven standards sourced from Geostats Pty Ltd show reasonable analytical accuracy for Zn, Pb and Ag assays. • Duplicate RC samples were collected in the field from either the rig mounted cone splitter or a manual riffle splitter. Just over half of the duplicate samples were collected using the rig mounted cone splitter at the same time as the original sample was being collected. • In Snowden's opinion, the analysis of the field duplicate sampling data from the RC drilling (duplicate sample collected from second sample port on the cone splitter) at the Sandy Creek deposit indicates that the sampling precision, whilst reasonable, is not ideal for all the elements assessed (Zn, Pb and Ag). The lower than expected precision levels is likely to be a function of the wet samples below the water table along with the use of a cross-over sub, rather face sampling bit, during RC drilling. • Results of the submitted blank materials identified three samples with elevated grades for Zn, Pb and Ag. No other significant problems were identified for the remainder of the blank samples and there is any evidence of systematic contamination of samples during the laboratory sample preparation or assaying. • Results show that reasonable precision was achieved during sampling, sample preparation and assaying, although improvements to the drilling and sampling process should improve the precision (as measured by the field duplicates). Additionally, the analytical accuracy of the assaying is considered to be reasonable.
Verification of sampling and assaying	• Snowden has not conducted any independent verification of the assay data. • Detailed procedures for drilling, sampling and geological logging are not documented by TNG, although summaries of the processes employed are provided in various drilling reports. • Eight RC drillholes have been twinned (within 5 m) by diamond core drilling. Comparisons using QQ plots show that for Zn and Pb grades within the mineralisation, the RC samples are on average around 50% to 100% higher grade than the diamond core. Snowden notes that high grades intersected in the RC drilling are not reproduced in the DDH holes. It is thought that this bias may be due to poor recovery of diamond core in broken and/or vuggy ground along with a loss of fines from the diamond drilling. Snowden believes that this explanation is plausible; however given the wet RC sampling and poor precision shown by the RC field duplicates, it is recommended that further studies are conducted to verify the cause of the observed bias. • Values below the analytical detection limit were replaced with half the detection limit value. Other negative assay codes within the database to represent unsampled intervals, were reset to null. No other adjustments have been made to the assay data.
Location of data points	• The grid is based on the MGA94 Zone 52 grid system. • Drillhole collars from the 2006 and 2007 drilling programmes were surveyed using either handheld GPS or differential GPS. All diamond drillhole collars were surveyed by a contract surveyor after completion of the hole using differential GPS. The nominal horizontal and vertical accuracy of the collar surveying is not known. • RC drillholes from 2006 were only surveyed at the collar. RC drilling from 2007 was surveyed downhole at approximately 60 m intervals if greater than 100 m deep; if less than 100 m deep then only a collar and end-of-hole survey were taken. All downhole surveying of RC drillholes was completed using a single-shot Eastman camera, recording the inclination and azimuth. • Diamond drillholes were surveyed downhole at approximately 30 m intervals, primarily using a single-shot Eastman camera and then later an electronic Globaltech Pathfinder tool. • A topography surface for the Sandy Creek area was developed by Snowden using point data derived from a space shuttle radar topography mission, with points collected at 30 m intervals. This data was adjusted down by 2.5 m based on a comparison with the surveyed drillhole collar points. A wireframe topographical surface was then generated using the adjusted shuttle data along with the drillhole collars.

Item	Comments
Data spacing and distribution	• The drilling was completed along a set of east-west trending sections. The drill spacing is based on a 50 mN by 50 mE drilling grid, with infill drilling in the central portion of the deposit to 25 mE by 25 mN. • The section spacing is sufficient to establish the degree of geological and grade continuity necessary to support the resource classification applied. • The drilling was composited downhole using a 1 m interval.
Orientation of data in relation to geological structure	• The vast majority of the drilling has been drilled at an inclination of 60° towards the east. • The location and orientation of the Sandy Creek drilling is appropriate given the strike and sub-vertical morphology of the dolomites and associated base metal mineralisation.
Sample security	• No specific measures have been taken to ensure sample security. • Once received at the laboratory, samples were compared by the laboratory to the sample dispatch documents. • Snowden has no reason to believe that sample security poses a material risk to the integrity of the assay data used in the Mineral Resource estimate.
Audits and reviews	• Snowden is not aware of any independent reviews of the drilling, sampling and assaying protocols, or the assay database, for the Sandy Creek project.

JORC (2012) Table 1 – Section 2 Reporting of Exploration Results

Item	Comments
Mineral tenement and land tenure	• The Sandy Creek deposit occurs within the southern portion of the TNG-owned tenement MA24518, which covers approximately 16.85 km^2.
Exploration done by other parties	• Drilling at Sandy Creek was conducted TNG over several campaigns from 2006 to 2007, with 173 holes drilled. The drilling database comprises 120 reverse circulation (“RC”) drillholes and 53 PQ/HQ diamond drillholes (some with RC pre-collars), for a total of 20,430 m of RC and 12,054.5 m of diamond drilling.
Geology	• The Sandy Creek deposit occurs in the eastern portion of the Bonaparte Basin and is hosted within a sequence of Devonian-to-Carboniferous shelf carbonate sediments (the Burt Range Formation). • Upper Burt Range Formation dolomites host numerous occurrences of classic Mississippi Valley Type (MVT) base metal mineralisation, primarily Zn-Pb-Ag mineralisation. Mineralisation is both structurally controlled and strata-bound, hosted by northerly-trending fault breccias along with sedimentary breccias which host lower grade, strata-bound mineralisation. Mineralisation is believed to be controlled by extensional splay faults from the regional Halls Creek fault system. • The deposit is covered by a 5 m to 15 m thick layer of alluvial material comprising soil and ferruginous clays.
Drillhole information	• No exploration results being reported.
Data aggregation methods	• No exploration results being reported.
Relationship between mineralisation widths and intercept lengths	• No exploration results being reported.
Diagrams	• Refer to figures in main summary.
Balanced	• No exploration results being reported.

Item	Comments
reporting	
Other substantive exploration data	• No exploration results being reported.
Further work	• Snowden understands that no further exploration work is planned for Sandy Creek at this stage.

JORC (2012) Table 1 – Section 3 Estimation and Reporting of Mineral Resources

Item	Comments
Database integrity	• The drill data was supplied as a series of comma delimited text files extracted from the master Access database. • Snowden undertook a basic check of the data for potential errors as a preliminary step to compiling the resource estimate. No significant flaws were identified.
Site visits	• Snowden visited the Sandy Creek deposit in August 2016. No drilling or sampling was taking place at the time of the site visit
Geological interpretation	• Snowden believes that the local geology is reasonably well understood as a result of work undertaken by TNG. Different styles of mineralisation have been identified and further work is required to assess the impact on the Mineral Resource estimation. • The geology and faulting were used to guide the mineralisation interpretation to define enclosed mineralised areas where the Zn grades were 0.15% or higher. Sometimes samples were included where the grade was less than 0.15% to aid with the grade continuity and maintain the overall shape of the polygons. The 0.15% cut-off was selected because it represents a change in the overall mineralisation style of the area and can be seen as an inflection point on a cumulative frequency curve of all the data for oxide and primary material. • The deposit is covered by a 5 m to 15 m thick layer of alluvial material comprising soil and ferruginous clays. • Zinc within the fresh mineralisation primarily comprises sphalerite, which is oxidised in the near surface portions to franklinite, zincite. • The oxide zone averages 20 m to 30 m thick, but is locally up to approximately 100 m. The transition from oxide through to fresh likely occurs over a 5 m to 10 m wide zone. This transitional material has not been modelled and is included as part of the oxide zone in the resource model. • Alternative interpretations of the mineralisation are unlikely to significantly change the overall volume of the mineralised envelopes in terms of the reported classified resources.
Dimensions	• Mineralisation occurs over a strike length of approximately 1 km, striking roughly northeast-southwest and dipping at 25°→295 and ranging in thickness from between 50 m and 750 m, with a down-dip extent of approximately 700 m.
Estimation and modelling techniques	• Grade estimation was completed using Datamine software. • Estimation of Zn, Pb and Ag using ordinary block kriging (parent cell estimation) with hard domain boundaries and top cuts, where required, to control the impact of outlier grades. A top cut of 10% Pb was applied to oxide mineralisation only; no other top-cuts were applied. The grade estimation was constrained within the mineralisation and fault block domains, with the oxide and fresh zones estimated separately. • Block model constructed using a parent block size of 25 mE x 25 mN x 10 mRL based on the results of a KNA study, along with an assessment of the grade continuity and geometry of the mineralisation. The parent block size represents half the nominal drillhole spacing. The search ellipse orientation and radius was based on the results of the grade continuity analysis, with the same search neighbourhood parameters used for all elements to maintain the metal balance and correlations between elements. An initial search of 75 m along strike by 75 m down dip by 5 m thick was used, with a minimum of 10 and maximum of 28 samples. • Only the mineralisation was modelled. Surrounding host rock (waste) domains were not

Item	Comments
	modelled. • Grade estimates were validated against the input drillhole composites (globally and using grade trend plots) and show a reasonable comparison.
Moisture	• All tonnages have been estimated as dry tonnages.
Cut-off parameters	• The mineralisation has been reported above a 1% Zn cut-off. • A 1% Zn cut-off was applied for the reporting based on the pit optimisation carried out by Snowden (see Section 10), along with consideration of continuity of the mineralisation above various cut-off.
Mining factors and assumptions	• It is assumed the deposit will be mined using conventional open cut drill and blast mining methods.
Metallurgical factors and assumptions	• Metallurgical test work has been carried out on composite samples generated from RC and DDH drilling, and concludes that floatation test work has shown the production of lead and zinc concentrates from the upper zone and a zinc concentrate from the lower zone that would be acceptable to smelters, with recoveries of greater than 90% for Zn in the upper zone. The testwork is considered to be at a preliminary stage and further testwork and variability studies on representative samples are required to validate the metallurgical assumption.
Environmental factors and assumptions	• It is assumed that no environmental factors exist that could prohibit any potential mining development at the Sandy Creek deposit.
Bulk density	• In-situ density was measured for 34 samples from a single diamond drillhole at Sandy Creek using the water immersion method with wax-coating. The average of the density measurements is approximately 2.7 t/m^3. It is assumed that these samples all fall within the dolomite domains. • Bulk density values were assigned to the model blocks for the dolomite domains based on the diamond core density measurements. Assumed values were applied to other rock types based on average values for similar lithologies.

<table>
<tr><th>Item</th><th>Comments</th></tr>
<tr><td>Classification</td><td>

The resources have been classified based on the continuity of both the geology and the grades, along with the drillhole spacing and data quality.
The Mineral Resource has been classified as combination of Indicated and Inferred Resources.
Within the mineralised envelope, below the transported surface has been classified as Inferred. The central portion of the project which is bounded on four sides by faults has been classified as Indicated. Due to predominately wet samples being returned for drilling deeper than approximately 75 m below surface, the Indicated portion of the resource is limited to areas shallower than -70 mRL.
Snowden developed a preliminary pit optimisation to assess the potential for mining by open-pit methods, based on the following parameters:

<table>
<tr><th>Parameter</th><th>Units</th><th>Value</th></tr>
<tr><td>Sales</td><td></td><td></td></tr>
<tr><td>Zn price</td><td>US$/t</td><td>2,200</td></tr>
<tr><td>Pb price</td><td>US$/t</td><td>1,800</td></tr>
<tr><td>Ag price</td><td>US$/oz</td><td>16</td></tr>
<tr><td>Exchange rate</td><td>USD/AUD</td><td>0.80</td></tr>
<tr><td>Royalty</td><td>%</td><td>2.50</td></tr>
<tr><td>Mining</td><td></td><td></td></tr>
<tr><td>Open-pit mining cost</td><td>A$/t</td><td>3.50</td></tr>
<tr><td>Mining dilution (zero grade)</td><td>%</td><td>10%</td></tr>
<tr><td>Ore loss</td><td>%</td><td>5%</td></tr>
<tr><td>Overall wall angle</td><td>Degrees</td><td>Cover = 35°
Fresh = 45°</td></tr>
<tr><td>Processing</td><td></td><td></td></tr>
<tr><td>Processing cost</td><td>A$/t</td><td>25</td></tr>
<tr><td>Administration cost</td><td>A$/t</td><td>5</td></tr>
</table>

The Mineral Resource classification appropriately reflects the view of the Competent Person.

</td></tr>
<tr><td>Audits and reviews</td><td>

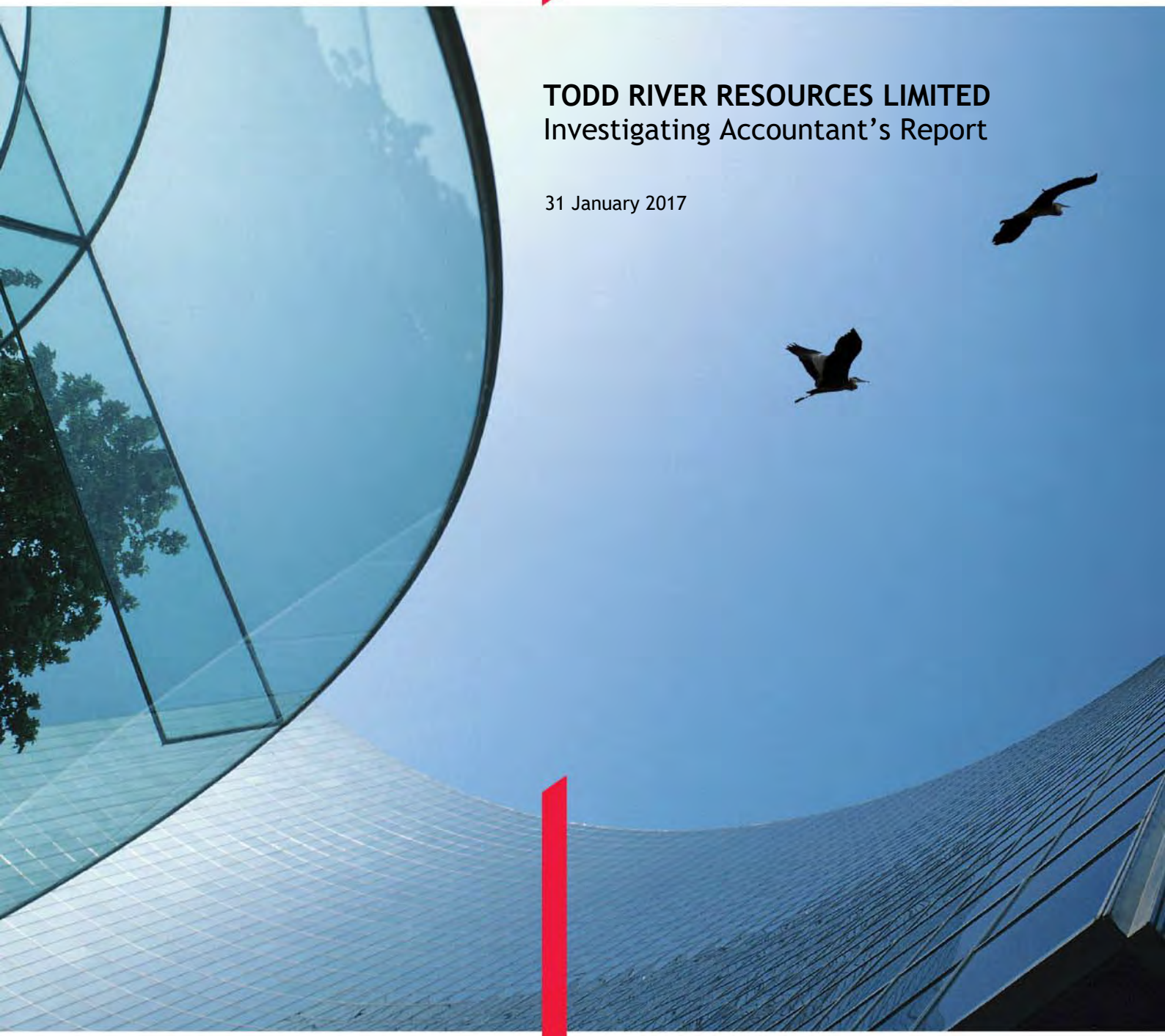
The Mineral Resource estimate has been peer reviewed as part of Snowden’s standard internal peer review process.
Snowden is not aware of any external reviews of the Sandy Creek Mineral Resource estimate.

</td></tr>
<tr><td>Discussion of relative accuracy/ confidence</td><td>

The Mineral Resource has been validated both globally and locally against the input composite data. Closer spaced drilling is required to assess the confidence of the short range grade continuity and local accuracy of the block grade estimates.
No production data is available for comparison with the Mineral Resource estimate at this stage.

</td></tr>
</table>

10. INVESTIGATING ACCOUNTANTS REPORT



TODD RIVER RESOURCES LIMITED

Investigating Accountant's Report

31 January 2017

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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

31 January 2017

The Directors

Todd River Resources Limited

Level1, 282 Rokeby Road

Subiaco WA 6008

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

1. Introduction

BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) has been engaged by Todd River Resources Limited (**'Todd River'** or **'the Company'**) to prepare this Investigating Accountant's Report (**'Report'**) in relation to certain financial information and pro forma historical financial information for inclusion in a prospectus (**'Prospectus'**) to be issued by the Company in respect of the proposed initial public offering (**'IPO'**) and listing on the Australian Securities Exchange (**'ASX'**).

Broadly, the Prospectus will offer up to 30 million Shares at an issue price of $0.20 each to raise up to $6 million, before costs, together with 1 free attaching Option (exercisable at $0.25 each and expiring 3 years from the date of issue) for every 2 Shares subscribed for and issued (**'General Offer'**). The minimum subscription under the General Offer is $5 million, before costs.

The Prospectus also incorporates a priority offer as part of the General Offer to shareholders of TNG Limited registered on a record date of 1 February 2017 (**'TNG Offer'**).

The Company was incorporated on 24 June 2014 as a wholly owned subsidiary of TNG. Following a strategic review of its assets, TNG decided to demerge its base metal assets situated in the Northern Territory (**'NT Base Metal Assets'**) via the Company (**'Spin-out'**).

Expressions defined in the Prospectus have the same meaning in this Report. BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) holds an Australian Financial Services Licence (AFS Licence Number 316158).

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

2. Scope

You have requested BDO to perform a review engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested BDO to review the following historical financial information (together the **'Historical Financial Information'**) of the Company included in the Prospectus:

- the reviewed Statements of Financial Position, Performance and Cash Flows for the Company for the half year ended 31 December 2016 and the audited Statements of Financial Performance and Cash Flows for the Company for the years ended 30 June 2016 and 30 June 2015.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies. The Historical Financial Information has been extracted from the financial reports of the Company for the half year ended 31 December 2016 and the years ended 30 June 2016 and 30 June 2015.

The financial report for the half year ended 31 December 2016 was reviewed by KPMG in accordance with the Australian Auditing Standards. KPMG issued an unmodified review conclusion on the financial report.

The financial reports for the years ended 30 June 2016 and 30 June 2015 were audited by KPMG in accordance with the Australian Auditing Standards. KPMG issued an unmodified audit opinions on the financial reports.

Pro Forma Historical Financial Information

You have requested BDO to review the following pro forma historical financial information (the **'Pro Forma Historical Financial Information'**) of the Company included in the Prospectus:

- the pro forma historical Statement of Financial Position as at 31 December 2016.

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of the Company, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in Section 7 of this Report, as if those events or transactions had occurred as at the date of the Historical Financial Information. Due to its nature, the Pro Forma Historical Financial Information does not represent the company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by the Company to illustrate the impact of the events or transactions described in Section 6 and Section 7 of the Report on the Company's financial position as at 31 December 2016. As part of this process, information about the Company's financial position has been extracted by the Company from its financial statements for the half year ended 31 December 2016.

3. Directors' responsibility

The directors of the Company are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

4. Our responsibility

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our review procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

5. Conclusion

Historical Financial Information

Based on our review engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising:

- the reviewed Statements of Financial Position, Performance and Cash Flows for the Company for the half year ended 31 December 2016 and the audited Statements of Financial Performance and Cash Flows for the Company for the years ended 30 June 2016 and 30 June 2015,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

Pro Forma Historical Financial information

Based on our review engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position as at 31 December 2016,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

6. Subsequent Events

The pro-forma statement of financial position reflects the following events that have occurred subsequent to the period ended 31 December 2016:

- The Company made an additional drawdown of $24,055 from the loan provided by TNG under the Costs Reimbursements Agreement between TNG and the Company.

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of the Company not described above, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

7. Assumptions Adopted in Compiling the Pro-forma Statement of Financial Position

The pro forma historical Statement of Financial Position is shown in Appendix 2. This has been prepared based on the financial statements as at 31 December 2016, the subsequent events set out in Section 6, and the following transactions and events relating to the issue of Shares under this Prospectus:

- The issue of up to 30 million Shares at an offer price of $0.20 each to raise up to $6 million before costs based on the full subscription under the General Offer or the issue of 25 million Shares at an offer price of $0.20 each to raise $5 million before costs based on the minimum subscription under the General Offer. For every 2 Shares subscribed for and issued there will be an entitlement to receive 1 free-attaching Option, exercisable at $0.25 on or before 3 years from the date of issue;
- Cash costs of the Offers and listing expenses to be paid are estimated to be $631,313 based on the full subscription or $571,313 based on the minimum subscription. Those costs which relate to the raising of equity under the General Offer are to be offset against the contributed equity while the remaining costs are to be expensed;
- $300,000 has been paid to date by TNG on behalf of the Company to cover costs of the Offers and listing to the date of the Prospectus. Under the Costs Reimbursement Agreement between TNG and the Company these costs will be repaid to TNG from proceeds of the Offers;
- As part of the Spin-out, TNG has transferred the NT Base Metal Assets to the Company in consideration for being issued 35 million Shares in the Company. The Company has determined that the fair value of the NT Base Metals Assets, based on a valuation report provided by independent consultants, is $7 million;
- In consideration for services performed as Lead Manager to the Offers, the Company will issue Sanlam Private Wealth Pty Ltd 3.5 million Options, exercisable at $0.25 each on or before the third anniversary of their date of issue (**'Lead Manager Options'**). The Lead Manager Options have been valued using the Black-Scholes option pricing model; and
- In consideration for services performed as Directors, the Company will issue Directors and Management 11.5 million Options, exercisable at $0.30 each on or before the third anniversary of their date of issue (**'Director and Management Options'**). The Director Options and Management have been valued using the Black-Scholes option pricing model.

8. Independence

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offers other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received.

9. Disclosures

This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

BDO Corporate Finance (WA) Pty Ltd

Adam Myers

Director

APPENDIX 1

TODD RIVER RESOURCES LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Historical Statement of Profit or Loss and Other Comprehensive Income	Reviewed half year ended 31-Dec-16 $	Audited for the year ended 30-Jun-16 $	Audited for the year ended 30-Jun-15 $
Corporate and administration expenses	(243,752)	(34,997)	(181,688)
Profit/(loss) from operations	**(243,752)**	**(34,997)**	**(181,688)**
Income tax expense	-	-	-
Total comprehensive loss for the period	**(243,752)**	**(34,997)**	**(181,688)**
	(243,752)	(34,997)	(181,688)

This consolidated statement of profit or loss and other comprehensive income shows the historical financial performance of Company and is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4. Past performance is not a guide to future performance.

APPENDIX 2

TODD RIVER RESOURCES LIMITED

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Reviewed at 31-Dec-16	Subsequent events	Pro forma adjustments $5 million	Pro forma adjustments $6 million	Pro forma after Offers $5 million	Pro forma after Offers $6 million
	Notes	$	$	$	$	$	$
CURRENT ASSETS							
Cash and cash equivalents	2	-	-	4,428,687	5,368,687	4,428,687	5,368,687
TOTAL CURRENT ASSETS		-	-	4,428,687	5,368,687	4,428,687	5,368,687
NON CURRENT ASSETS							
Exploration and evaluation	3	8,120	-	7,000,000	7,000,000	7,008,120	7,008,120
TOTAL NON CURRENT ASSETS		8,120	-	7,000,000	7,000,000	7,008,120	7,008,120
TOTAL ASSETS		8,120	-	11,428,687	12,368,687	11,436,807	12,376,807
CURRENT LIABILITIES							
Trade and other payables	4	275,945	24,055	(300,000)	(300,000)	-	-
TOTAL CURRENT LIABILITIES		275,945	24,055	(300,000)	(300,000)	-	-
TOTAL LIABILITIES		275,945	24,055	(300,000)	(300,000)	-	-
NET ASSETS		**(267,825)**	**(24,055)**	**11,728,687**	**12,668,687**	**11,436,807**	**12,376,807**
EQUITY							
Contributed equity	5	192,612	-	11,334,219	12,265,735	11,526,831	12,458,347
Reserves	6	-	-	1,126,500	1,126,500	1,126,500	1,126,500
Accumulated losses	7	(460,437)	(24,055)	(732,032)	(723,548)	(1,216,524)	(1,208,040)
TOTAL EQUITY		**(267,825)**	**(24,055)**	**11,728,687**	**12,668,687**	**11,436,807**	**12,376,807**

The pro-forma consolidated statement of financial position after the Offers is as per the consolidated statement of financial position before the Offers adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The pro forma consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4.

APPENDIX 3

TODD RIVER RESOURCES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

Historical Statement of Cash Flows	Reviewed for the half year ended 31-Dec-16 $	Audited for the year ended 30-Jun-16 $	Audited for the year ended 30-Jun-15 $
Net increase in cash and cash equivalents	-	-	-
Cash at the beginning of the financial year	-	-	-
Cash and cash equivalents at the end of the period	**-**	**-**	**-**

This consolidated statement of cash flows shows the historical cash flows of Company and is to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4.

APPENDIX 4

TODD RIVER RESOURCES LIMITED

NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of Historical Financial Information

The Historical Financial Information has been prepared in accordance with the recognition and measurement, but not all the disclosure requirements of the Australian equivalents to International Financial Reporting Standards ('**AIFRS**'), other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

The Financial Information has also been prepared on a historical cost basis, except for derivatives and available-for-sale financial assets that have been measured at fair value. The carrying values of recognised assets and liabilities that are hedged are adjusted to record changes in the fair value attributable to the risks that are being hedged. Non-current assets and disposal group's held-for-sale are measured at the lower of carrying amounts and fair value less costs to sell.

Going Concern

The Historical Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

Reporting Basis and Conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial report from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Gains and losses are recognised as the contributed assets are consumed or sold by the associates, if not consumed or sold by the associate, when the Group's interest in such entities is disposed of.

b) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at statement of financial position date.

Deferred income tax liabilities are recognised for all taxable temporary differences except where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and at the time of transaction, affects neither the accounting profit nor taxable profit or loss. In respect of taxable temporary differences associated with investments in subsidiaries and associates except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

c) Tax consolidation

The Company and its wholly-owned Australian resident entities are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is TNG Limited. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax consolidated group are recognised by TNG Limited (as the head company of the tax-consolidated group).

Entities within the tax-consolidated group have not entered into a tax sharing or tax funding agreement with TNG Limited. The effect of not having entered into a tax sharing or tax funding agreement is that whilst TNG Limited (as the head company of the tax-consolidated group) will be liable for the income tax debts of the tax-consolidated group that are applicable to the period of consolidation, income tax debts may be recovered from subsidiary members in certain circumstances.

d) Goods and services tax

The Company is part of a GST Group. The Representative Member is TNG Limited. Accordingly TNG Limited is responsible for the GST payable if any and claim the GST credits on transaction undertaken by the GST Group members.

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;

Receivables and payables are stated net of the amount of GST.

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

e) Loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the effective interest method.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment loss.

f) Share capital

Ordinary shares

Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

g) Accounting estimates and judgements

In the process of applying the accounting policies, management has made certain judgements or estimations which have an effect on the amounts recognised in the financial information.

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

Valuation of share based payment transactions

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

Options

The fair value of options issued is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

Recoverability of capitalised exploration and evaluation expenditure

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

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

	Reviewed	Pro forma after Offers	
	31-Dec-16	$5 million	$6 million
NOTE 2. CASH AND CASH EQUIVALENTS	$	$	$
Cash and cash equivalents	-	4,428,687	5,368,687
Reviewed balance of Todd River as at 31 December 2016		-	-
Pro-forma adjustments:			
Proceeds from shares issued pursuant to the Offers		5,000,000	6,000,000
Repayment of funds under Costs Reimbursement Agreement		(300,000)	(300,000)
Cash costs of the offer not included in the Reimbursement Agreement		(271,313)	(331,313)
		4,428,687	5,368,687
Pro-forma Balance		**4,428,687**	**5,368,687**

NOTE 3. EXPLORATION AND EVALUATION	Reviewed 31-Dec-16 $	Pro forma after Offers $5 million $	Pro forma after Offers $6 million $
Exploration and evaluation	8,120	7,008,120	7,008,120
Reviewed balance of Todd River as at 31 December 2016		8,120	8,120
Pro-forma adjustments:			
Transfer of NT Base Metals Assets from TNG		7,000,000	7,000,000
		7,000,000	7,000,000
Pro-forma Balance		**7,008,120**	**7,008,120**

NOTE 4. TRADE AND OTHER PAYABLES	Reviewed 31-Dec-16 $	Pro forma after Offers $5 million $	Pro forma after Offers $6 million $
Trade and other payables	275,945	-	-
Reviewed balance of Todd River as at 31 December 2016		275,945	275,945
Subsequent events:			
Additional drawdown of funds under Costs Reimbursement Agreement		24,055	24,055
		24,055	24,055
Pro-forma adjustments:			
Repayment of funds under Costs Reimbursement Agreement		(300,000)	(300,000)
		(300,000)	(300,000)
Pro-forma Balance		-	-

NOTE 5. CONTRIBUTED EQUITY	Reviewed 31-Dec-16 $		Pro forma after Offers $5 million $	Pro forma after Offers $6 million $
Contributed equity	192,612		11,526,831	12,458,347
	Number of shares min	**Number of shares max**	**A$**	**A$**
Reviewed balance of Todd River as at 31 December 2016	100	100	192,612	192,612
Pro-forma adjustments:				
Issue of shares to TNG in consideration for transfer NT Base Metal Assets	35,000,000	35,000,000	7,000,000	7,000,000
Proceeds from shares issued pursuant to the Offers	25,000,000	30,000,000	5,000,000	6,000,000
Costs of the Offers	-	-	(378,781)	(447,265)
Issue of Lead Manager Options considered costs of the Offers	-	-	(287,000)	(287,000)
	60,000,000	65,000,000	11,334,219	12,265,735
Pro-forma Balance	**60,000,100**	**65,000,100**	**11,526,831**	**12,458,347**

NOTE 6. RESERVES	Reviewed 31-Dec-16 $	Pro forma after Offers $5 million $	$6 million $
Reserves	-	1,126,500	1,126,500
Reviewed balance of Todd River as at 31 December 2016		-	-
Pro-forma adjustments:			
Issue of Lead Manager Options		287,000	287,000
Issue of Director and Management Options		839,500	839,500
		1,126,500	1,126,500
Pro-forma Balance		**1,126,500**	**1,126,500**

Lead Manager Options

Using the Black Scholes option pricing valuation methodology, the fair value of the Lead Manager Options to be issued has been calculated. The following inputs were used:

	Lead Manager Options
Number of Lead Manager Options	3,500,000
Exercise price	$ 0.25
Expected volatility	70%
Implied option life	3.00
Expected dividend yield	nil
Risk free rate	1.99%

Director Options

Using the Black Scholes option pricing valuation methodology, the fair value of the Director and Management Options to be issued has been calculated. The following inputs were used:

	Director Options
Number of Director and Management Options	11,500,000
Exercise price	$ 0.30
Expected volatility	70%
Implied option life	3.00
Expected dividend yield	nil
Risk free rate	1.99%

Total options on issue following completion of the Offers will be as follows:

Options	$5 million Number	$6 million Number
Options currently on issue	nil	nil
Options to be issued pursuant to the Offers	12,500,000	15,000,000
Options to be issued to the Lead Manager	3,500,000	3,500,000
Options to be issued to Directors and management	11,500,000	11,500,000
Total Options on completion of the Offer	**27,500,000**	**30,000,000**

NOTE 7. ACCUMULATED LOSSES	Reviewed 31-Dec-16 $	Pro forma after Offers $5 million $	$6 million $
Accumulated losses	(460,437)	(1,216,524)	(1,208,040)
Reviewed balance of Todd River as at 31 December 2016		(460,437)	(460,437)
Subsequent Events:			
Payment of costs with funds drawn down under Costs Reimbursement Agreement		(24,055)	(24,055)
		(24,055)	(24,055)
Pro-forma adjustments:			
Costs of the Offer relating to listing expenses		(192,532)	(184,048)
Reversal of costs of the Offer previously expensed		300,000	300,000
Issue of Director and Management Options		(839,500)	(839,500)
		(732,032)	(723,548)
Pro-forma Balance		**(1,216,524)**	**(1,208,040)**

NOTE 8: RELATED PARTY DISCLOSURES

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

NOTE 9: COMMITMENTS AND CONTINGENCIES

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

11. SOLICITOR'S REPORT ON TENEMENTS

Ward Keller

TO: Todd River Resources Limited
Level 1, 282 Rokeby Road
Subiaco, Perth WA 6008

FROM: Ward Keller

DATE: 27 January 2017

SUBJECT: **SOLICITOR'S REPORT ON MINERAL TITLES**

1. INTRODUCTION

This report has been prepared in response to instructions from Todd River Resources Limited (ACN 600 308 398) (the **Company**) in relation to a prospectus for the initial public offer of shares in the Company.

2. SCOPE

We have been requested to report on certain mineral titles and applications for mineral titles in which the Company has or, related entities of the Company, have an interest (the **Mineral Titles**). The Mineral Titles are located in the Northern Territory of Australia.

Details of the Mineral Titles are set out in the Mineral Titles Schedule (the **Schedule**) contained in this report.

3. REVIEW OF MINERAL TITLES

In preparation of this report, we conducted searches and made enquires of each of the Mineral Titles as follows:

(a) We have obtained Minister's Certificates (with written authority), on 27 January 2017, under section 128 of *the Mineral Titles Act* (**MTA**) in relation to each of the Mineral Titles.

(b) We have obtained copies of registered dealings 93632, 93609, 93625 and 93631 (the Dealings) being the current dealings registered on the Mineral Titles Register (maintained under section 121 of the MTA) in relation to the relevant Mineral Titles and as recorded on the Minister's Certificates.

(c) We have obtained extracts of registered native title claims and native title determinations that apply to the Mineral Titles, as recorded on the National Native Title Register maintained by the National Native Title Tribunal (**NNTT**) pursuant to the *Native Title Act 1993* (Cth) (**NTA**) on 12 January 2017.

(d) We have obtained copies of the grant documents on 16 September 2016 in relation to each of the Mineral Titles.

(e) We have obtained certificates as to title from the Land Register (maintained under the *Land Title Act*) on 12 January 2017 in relation to the underlying land tenure for each of the Mineral Titles.

Part I of the Schedule - Mineral Titles Records contains a list of the Mineral Titles and relevant Mineral Title particulars ascertainable from the Minister's Certificates.

Part II of the Schedule - Native Title identifies those Mineral Titles which are located on land where native title rights may exist (excluding Aboriginal Freehold Land). Part II contains a summary of the status of native title determinations made by the Federal Court of Australia (**Federal Court**) concerning the existence or otherwise of native title, and the native title claims and indigenous land use agreements in relation to those Mineral Titles.

Part III of the Schedule - Aboriginal Freehold Land identifies those Mineral Titles which are located on Aboriginal freehold land (**Aboriginal Freehold Land**), being land in which freehold title is held by an Aboriginal Land Trust (**Land Trust**) established under the *Aboriginal Land Rights (Northern Territory) Act 1976* (Cth) (**ALRA**). Part III sets out details of the current status of the negotiating period for those applications for exploration licences being either the period within which the Company's subsidiary holding the Mineral Title is permitted to negotiate agreed terms to the grant of the exploration licence applications with the relevant Land Council or the moratorium period for any exploration licence applications in moratorium. Part III also sets out the expected position concerning the existence of any agreement governing the terms of the grant of exploration licences made with the relevant Land Council in relation to the granted Mineral Titles on Aboriginal Freehold Land.

4. OPINION

As a result of our searches and enquiries, but subject to the assumptions and qualifications set out below, we are of the view that, as at the date of the relevant searches:

(a) the details of the Mineral Titles included in this report are accurate as to the status of the Mineral Titles and the interest of the Company (or related entities) in the Mineral Titles;

(b) where the Mineral Title is an application that has not been granted or an application for the extension or renewal of a term of a Mineral Title that is pending, that fact is disclosed in the Schedule;

(c) the valid grant of any of the current applications for Mineral Titles which are situated on Pastoral Leases, Vacant Crown Land or Crown Lease Land, the grant of which may affect native title, will require compliance with the applicable processes of the NTA; and

(d) the valid grant of any of the current applications for Mineral Titles which are situated on Aboriginal Freehold Land require compliance with the negotiation and consent processes under ALRA.

5. DESCRIPTION OF THE MINERAL TITLES

The Mineral Titles include mineral leases (**ML**), mineral authorities (**MA**) or mineral exploration licences (**EL**), granted or applied for under the MTA or earlier mining legislation applying in the Northern Territory. MLs, MAs or ELs are compliant forms of mineral titles under the MTA and those mineral titles granted under earlier mining legislation. Mineral titles granted in the Northern Territory prior to the MTA coming into force are now subject to the MTA (following a conversion to a corresponding interest).

5.1 Rights

(a) Mineral Leases

An ML holder is authorised by sections 40 and 44 of the MTA to occupy the title area and to conduct activities in connection with mining for minerals on the ML area including:

(i) the exclusive right to conduct mining for minerals in the ML area;

(ii) to conduct activities in the ML area that are ancillary to mining (for example, operating a treatment plant); or

(iii) to conduct tourist fossicking in the ML area.

An ML that gives the holder the right to conduct mining in the ML area also gives the holder the right:

(i) to explore for minerals in the ML area, to evaluate, process or refine minerals;

(ii) to treat tailings and other materials;

(iii) to store waste and other material, to remove minerals from the title area; and

(iv) to conduct any other activities as specified in the ML in connection with any such activities.

(b) Exploration Licences

An EL holder is authorised by sections 26 and 31 of the MTA to conduct activities in connection with the exploration for minerals in the EL area including:

(i) the exclusive right to conduct exploration for minerals in the EL area;

(ii) digging pits, trenches and holes, and sinking bores and tunnels;

(iii) activities for ascertaining the quality, quantity or extent of ore or other material by drilling or other methods; and

(iv) extraction and removal of samples of ore and other substances in amounts reasonably necessary for the evaluation of the potential for mining in the area.

An EL holder, pursuant to section 26(1)(c) of the MTA, has a priority right to make an application for an ML for the EL area because a person, other than an the EL holder, is only entitled to apply for an ML in relation to any part of the EL area with the consent of the EL holder subject to the *Mineral Title Regulations* (the **Regulations**) (noting that consent is not to be unreasonably withheld if the person seeks an ML for ancillary purposes associated with another ML held by the person).

(c) Mineral Authorities

An MA is a mineral title that corresponds to some other form of mineral title under the MTA. An MA gives the holder the same rights as the title holder of the corresponding title (including the right to conduct the same activities on the MA that could be conducted by the holder of the corresponding mineral title). An MA holder is subject to the same obligations as the title holder of the corresponding title. Provisions in the MTA applying to a corresponding mineral title may be excluded from an MA by the Northern Territory Minister for Primary Industry and Resources (**NT Mining Minister**) at the time of grant or as per the Regulations.

The Mineral Titles include two MAs being MA 24518 and MA 26581. These MAs were originally granted by the NT Mining Minister under section 178 of the *Mining Act* (repealed). Both MAs were granted for the purpose of authorising mineral exploration on the mineral reserve RL 1405: which is known as Ord River Irrigation Scheme (Stage 2) - Reserved from Exploration for Extractive Minerals and Extraction of Extractive Minerals. ROL 1405 prevents the grant of extractive mineral

titles (subject to certain exceptions). The corresponding mineral titles for both MA 24518 and MA 26581 are ELs.

5.2 Term

(a) Mineral Leases

An ML may be grated for a term that the NT Mining Minister considers appropriate.

An ML holder may apply, in the approved form, to the NT Mining Minister for a renewal of an ML at any time before the expiry of the ML term. Pursuant to section 43 of the MTA the NT Mining Minister may renew the ML for the term they consider appropriate (and there are no limits to the number of terms an ML can be renewed for).

(b) Exploration Licences

Pursuant to section 27 of the MTA, an EL may be granted for a term not exceeding six years

An EL holder may apply, in the approved form, to the NT Mining Minister for renewal of an EL at any time before the end of its term. Pursuant to section 30(2) of the MTA, an EL may be renewed for further terms, not exceeding two years for each further term, at the NT Mining Minister's discretion (there are no limits to the number of terms an EL can be renewed for).

(c) Mineral Authorities

An MA may be granted or renewed by the NT Mining Minister for the period the Minister considers appropriate. The MA holder, under section 118(5) of the MTA, may make application for renewal of an MA as if it were a corresponding mineral title.

Section 68 of the MTA provides that if a renewal application has been made then the mineral title continues in force until the Minister's decision takes effect (as to the renewal or the refusal of renew).

5.3 Area

(a) Mineral Leases

MLs are not subject to any limit in area.

(b) Exploration Licences

Under section 28 of the MTA, the area of land in respect of which an EL may be granted must not exceed 250 blocks and the EL area may, if the NT Mining Minister considers it appropriate, be divided into a maximum of three separate areas.

The area of an EL must be reduced by 50% at the end of each period of two years from the date that the EL first came into force, subject to the discretion of the NT Mining Minister as per section 29(2) of the MTA. The EL is not subject to reduction requirements upon the renewal of the mineral title.

(c) Mineral Authorities

Pursuant to section 118 of the MTA MAs are not subject to any limit in area unless determined otherwise by the NT Mining Minister. Any restriction in relation to area applicable to the corresponding mineral title will apply to the MA.

5.4 General conditions

(a) Mineral Leases

An ML is granted subject to certain standard conditions under section 45 of the MTA, including that the title holder must comply with all contractual arrangements with the Northern Territory relating to the mining, development and processing of minerals in the ML area. Further, the title holder must conduct authorised activities within the ML area in a way that interferes as little as possible with the rights of other occupiers of land in the vicinity of the ML area.

(b) Exploration Licences

An EL is granted subject to certain standard conditions under section 32 of the MTA including:

(i) an obligation to carry out exploration activities in accordance with a technical work program;

(ii) a requirement to give landowners or occupiers of the land in the EL title area notice of intention to start conducting the activities, and of the entry of the title holder onto the land to conduct the activities; and

(iii) minimum expenditure and reporting requirements.

(c) Mineral Authorities

MAs are subject to the same conditions set out in the MTA as apply to the corresponding mineral title, unless at the time of grant the NT Mining Minister specifies that a provision of the MTA applicable to the corresponding mineral title does not apply.

5.5 Conditions applying to all mineral titles

There are general conditions under Part 5, Division 4 of the MTA that apply to all mineral titles, including MLs, ELs and MAs, including:

(i) obligations to actively conduct authorised activities in the mineral title area;

(ii) to pay the rents and fees prescribed by the Regulations;

(iii) restrictions on disturbance of improvements in the mineral title area;

(iv) a prohibition against conducting authorised activities on pastoral land within 200 metres of a building not enclosed by a fence or within 50 metres of a fence that encloses a building; and

(v) a prohibition against cutting timber within the mineral title area except for authorised activities.

Various rights attach to all mineral titles including:

(i) a right to take water in the mineral title area (except water artificially conserved by the landowner) or to sink a bore or well;

(ii) a right to access the mineral title area by the shortest practicable route from a public road or other specified infrastructure; and

(iii) the right to enter land to construct or maintain a road and do other work to enable the title holder to have access to the title area.

The NT Mining Minister, as per section 105(1) of the MTA, may, after giving the title holder notice and an opportunity to make submissions, cancel a mineral title if the holder:

(i) has contravened a condition of the mineral title;

(ii) has failed to make payment of an amount due to the Northern Territory under the MTA within three months of it becoming due;

(iii) has not used good work practices in conducting authorised activities;

(iv) no longer has the financial resources to carry out the technical works program; or

(v) has not, for a period of two years, conducted authorised activities in the title area to a degree consistent with genuine mining or exploration.

5.6 Environment

Under section 35 of the *Mining Management Act* (**MMA***),* any mining activity (other than for exploration that does not involve substantial disturbance) on any mineral title (including an ML, EL or MA) requires the NT Mining Minister to grant an authorisation before that activity can commence.

Any such activity must be undertaken in accordance with a mining management plan under section 40 of the MMA, which is integral to the authorisation and must, amongst other things, includes:

(i) details of the management system;

(ii) plans of proposed and current mine working and infrastructure; and

(iii) a plan of the closure activities for the mining site.

The current policy of the Department Primary Industry and Resources (**DPIR**) is to require that an access agreement, on terms mutually agreed or determined by an arbitration panel, be made between the holder and the pastoral lease holder, before approving a mining management plan in relation to exploration activities on a Pastoral Lease.

5.7 Health & Safety

All mining activities on an EL, ML or MA require a risk management plan to be in place and provided to the regulator (Work Health Authority), in relation to work place health and safety matters associated with the mining activities, in accordance with requirements in the *Work Health and Safety (National Uniform Legislation) Act* and the *Work Health and Safety (National Uniform) Legislation Regulations*.

5.8 Uranium mining restrictions

Pursuant to the *Atomic Energy Act 1953* (Cth) and the *Northern Territory Self-Government) Regulations 1978* (Cth) the Commonwealth has reserved its powers on mining prescribed substances (being uranium and other metals suitable for the generation of atomic energy) in the Northern Territory.

The MTA requires that, in relation to the grant of mineral titles for the purposes of mining prescribed substances, the NT Mining Minister must not exercise their powers other than in accordance with the advice of the relevant Commonwealth Minister.

5.9 Royalty rate

The *Mineral Royalty Act* levies a royalty at a rate of 20% on a profit basis based on the net value of mineral commodities sold or removed from a mine, regardless of the type of mineral commodity or the underlying land tenure.

5.10 Specific conditions

There are specific conditions that apply to the granted ELs as part of the terms of grant. These conditions commonly include:

(i) covenants by the holder to carry out activities so as to minimise disturbance to the environment;

(ii) to consult with native title parties prior to commencing exploration activities other than reconnaissance;

(iii) to consult with the Aboriginal Areas Protection Authority (**AAPA**) and to inspect the Register of Sacred Sites prior to carrying out any work in the EL area; and

(iv) if the EL area is within a park (pursuant to the *Territory Parks and Wildlife Conservation Act*) to liaise with the Northern Territory Parks and Wildlife Commission in relation to the manner of exploration.

5.11 Transfer

Legal and equitable interests in mineral titles (including applications for mineral titles) are transferable in accordance with section 123 of the MTA upon the NT Mining Minister's approval and registration of a transfer in the approved form. The NT Mining Minister must approve and register an application to transfer such an interest, unless satisfied that there are circumstances why the application to transfer should be refused.

The MTA provides that an instrument of transfer has no effect until it is registered on the Mineral Titles Register kept by the NT Mining Minister under MTA.

6. ABORIGINAL SACRED SITES & ARCHAEOLOGICAL SITES

6.1 Commonwealth Legislation

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) (**Commonwealth Heritage Act**) is aimed at the preservation and protection of any Aboriginal areas and objects.

Under the Commonwealth Heritage Act, the Minister for the Environment and Energy (**Federal Environment Minister**) may make interim or permanent declarations of preservation in relation to significant Aboriginal areas or objects, which have the potential to halt exploration activities. Compensation is payable by the Federal Environment Minister to a person who is, or is likely to be, affected by a permanent declaration of preservation. It is an offence to contravene a declaration made under the Commonwealth Heritage Act.

We have not undertaken searches of any declarations of preservation in relation to the Mineral Titles under the Commonwealth Heritage Act.

6.2 Northern Territory Legislation

"Heritage places" and "heritage objects" under the *Heritage Act* (**Northern Territory Heritage Act**) are places and objects that are either declared to be heritage places and objects under Part 2.1 or 2.2 of the Northern Territory Heritage Act or, a protected class of heritage places or objects. Aboriginal or Macassan archaeological places and objects are a protected class of heritage

places and objects (i.e. they are protected without any declaration being required).

Broadly, an "Aboriginal or Macassan archaeological place" is a place pertaining to the past occupation by Aboriginal or Macassan people of the Northern Territory that has been modified by the activity of such people and in or on which the evidence of such activity exists. An "Aboriginal or Macassan archaeological object" generally includes a relic pertaining to the past occupation by Aboriginal or Macassan people of the Northern Territory and is either in an Aboriginal or Macassan archaeological place or, stored in a place in accordance with Aboriginal tradition.

We have not undertaken searches to ascertain if any heritage places or objects (including any Aboriginal or Macassan archaeological places or objects) have been declared or registered in the vicinity of the Mineral Titles. There is no obligation under the Northern Territory Heritage Act to declare Aboriginal or Macassan archaeological places or objects which are a protected class of heritage places and objects whether registered or not.

It is an offence under the Northern Territory Heritage Act to:

(i) engage in conduct resulting in damage to a heritage place or object;

(ii) to remove part of a heritage place or object; or

(iii) to fail to report to the Chief Executive Office, under the Northern Territory Heritage Act, the discovery of a site or object known to be a heritage site or object.

Damage or removal of a heritage site or object, without commission of an offence, is permitted in certain limited circumstances including in accordance with the terms of a heritage agreement or subject to a works approval under the Northern Territory Heritage Act.

6.3 Sacred Sites

The *Northern Territory Aboriginal Sacred Sites Act* (**Sacred Sites Act**) protects aboriginal sacred sites and may apply to the Mineral Titles.

It is an offence under Part IV of the Sacred Sites Act to enter onto, work on or desecrate a sacred site other than in accordance with the Northern Territory Sacred Sites Act. A person proposing to carry out works on the Mineral Titles may apply for an Authority Certificate from AAPA. Work carried out on a sacred site in accordance with an Authority Certificate, by the holder of the certificate, is permitted under the Sacred Sites Act without offending the prohibition against carrying out works on a sacred site.

A sacred site is defined as "a site that is sacred to Aboriginals or is otherwise of significance according to Aboriginal tradition". This definition includes, but is not limited to:

(i) sites which have been entered on the Register of Sacred Sites maintained by the AAPA known as "registered sacred sites"; and

(ii) sites which have not yet been evaluated or entered on the Register of Sacred Sites but there is sufficient information indicating that they are nonetheless significant according to Aboriginal tradition, known as "recorded sacred sites".

The protection of sacred sites under the Sacred Sites Act applies whether or not those sites are registered or recorded sacred sites. There is no obligation to register sacred sites and accordingly the Register of Sacred Sites

maintained by AAPA is not comprehensive. We have not undertaken searches of the Register of Sacred Sites in relation to the Mineral Titles.

The issue of Aboriginal sacred sites is separate and distinct from Aboriginal land rights issues.

7. ABORIGINAL INTERESTS IN LAND

Aboriginal interests in land in the Northern Territory are governed by either ALRA or the NTA, depending on the nature of the land.

ALRA applies to land which is held as Aboriginal Freehold Land by a Land Trust established under ALRA. Section 233(3) of the NTA provides that an act affecting land or waters held by or for the benefit of Aboriginal peoples (including land held under ALRA) is not an act regulated by the NTA. Accordingly, the NTA does not apply to acts done on Aboriginal Freehold Land. The NTA applies to all other land within the Northern Territory in which native title rights and interests exist, which may include Pastoral Leases granted under the *Pastoral Land Act*.

A number of the Mineral Titles are applications for ELs which are located on Pastoral Leases, or on Aboriginal Freehold Land. One application for an EL is partially located on a Perpetual Crown Lease and Pastoral Lease. There is one application for an ML application on Pastoral Lease. Discussion of the requirements of the NTA and ALRA which must be complied with before the applications for ELs within Pastoral Leases, Crown Leases and Aboriginal Freehold Land are granted, and before the ML within Pastoral Lease are granted is contained in sections 8 and 9 of this report.

Section 6 of the *Aboriginal Land Act* requires a permit be issued to a person to enter upon Aboriginal Freehold Land. Exploration Agreements with Land Councils over Aboriginal Freehold Land generally deal with entry conditions. Section 70(2) of ALRA permits the holder of an estate or interest (including a mining interest) in Aboriginal Freehold Land to enter and remain on the land for any purpose that is necessary for the use or enjoyment of that estate or interest.

8. NATIVE TITLE

8.1 Native Title Claims

Persons claiming to hold native title may lodge an application for determination of native title with the Federal Court. The Federal Court will then refer the application to the Native Title Registrar to apply the registration test pursuant to the NTA.

If the Native Title Registrar is satisfied that the lodged claim meets the registration requirements set out in the NTA (**registration test**), it will be entered on the Register of Native Title Claims maintained by the NNTT. Claimants of registered claims are afforded certain procedural rights under the NTA including the “right to negotiate”.

Some of the Mineral Titles are on land which is currently the subject of one or more registered or unregistered native title claims. Any claims that have not been registered may be entered on the Register at a later date if additional information is provided by the claimant that satisfies the registration test. If a claim fails to meet the registration test, the native title claimants do not have access to the right to negotiate procedures under the NTA. This does not mean that the claim must be dismissed or discontinued. An unregistered claim must still be heard and determined by the Federal Court.

The fact that a native title claim has been lodged does not necessarily indicate that native title exists or does not exist over the area claimed, nor does the absence of a claim indicate, of itself, that no native title exists over that area.

We have not undertaken the considerable historical, anthropological and ethnographic work that would be required to determine the likelihood that existing claims may be successful, or the possibility of any further native title claims being made in the future.

Some of the Mineral Titles are on land where the Federal Court has made determinations that native title exists. It is specified in each of the determinations that native title has been extinguished over parts of the claim area, for example as a result of public works, and that there are no native title rights in minerals as defined in section 2 of the *Minerals (Acquisition) Act* or prescribed substances as defined in section 5(1) of the *Atomic Energy Act 1953* (Cth). We have not made any enquires to determine the location of those parts of the Mineral Title areas where native title is recorded in the determinations as being extinguished.

For those Mineral Titles which are applications on land subject to a registered native title claim or a Federal Court determination that native title exists the "future act" regime in the NTA will apply to the title holder in relation to its applications for those Mineral Titles. The reason for this is that an act which affects native title rights such as the grant of a Mineral Title may be invalid unless there has been compliance with the "future act" provisions of the NTA.

Those Mineral Titles which are on Pastoral Leases or other land where native title may exist (excluding Aboriginal Freehold Land) are set out in Part II of the Schedule. Part II of the Schedule identifies whether there is a native title claim, and if so, whether it is a registered native title claim or, whether the Mineral Titles are subject to a determination by the Federal Court whether or not native title exists, and whether there are any indigenous land use agreements affecting the Mineral Titles.

8.2 Native Title – Validity of Mineral Titles

(a) Mineral Titles granted before 1 January 1994

The grant before 1 January 1994 of a mineral title over land other than freehold, "exclusive possession" leasehold or vested reserve is an act that is capable of affecting native title and could have been invalid under the *Racial Discrimination Act 1975* (Cth) (**RDA**). However, the NTA has validated any such mineral titles.

To the extent that any mineral titles granted prior to 1 January 1994 may have been invalid by reason of native title and the operation of the RDA, those mineral titles were validated by the *Validation (Native Title) Act* (enacted pursuant to section 19 of the NTA).

MLC 647 is the only mineral title granted before 1 January 1994.

(b) Mineral Titles granted since January 1994

Mineral titles granted since January 1994 may be invalid to the extent they affect native title if they were granted over land other than freehold, "exclusive possession" leasehold or vested reserve and the applicable processes prescribed by the NTA were not complied with.

(c) Future Mineral Titles grants

The valid grant of any of the current applications for mineral titles which may affect native title requires compliance with the "future act" provisions of the NTA.

The NTA regulates all future acts (such as the grant of a mineral title) which affect native title rights. These actions are known as "future acts". A future act will be valid if it falls within one of a number of categories of dealings specified in the NTA provided that there is compliance with the applicable procedural requirements: NTA Part 2, Division 3, Subdivisions B-P.

Accordingly, if the grant of any of the current applications for mineral titles situated on Pastoral Leases affects native title, the grant will be a future act and will be valid only if there has been compliance with the relevant requirements of the NTA.

The "future act" requirements known as the "right to negotiate procedures" will apply to those applications for mineral titles on land subject to a Federal Court determination that native exists in the application area or, to a registered native title claim. The right to negotiate procedures involve the notification and advertising of a proposed grant, negotiation by the Territory and the mineral title applicant with any registered native title claimants and, if agreement on the terms of grant cannot be reached, determination by the NNTT.

In the case of low impact mineral titles such as ELs, the Territory may nominate that the NTA "expedited procedure" applies. If the registered native title claimants do not object to the application of the expedited procedure within four months after receiving notification of the proposed act, the grant may proceed. If they do object and the objection is upheld by the NNTT, the right to negotiate procedure applies.

Mineral titles may also be validly granted under an Indigenous Land Use Agreement (Subdivisions B, C and D of the NTA) which must be entered into with all the registered native title claimants for the area and registered under the NTA.

The expedited procedure is sometimes nominated by the Northern Territory in relation to ELs in the Northern Territory. We have not made enquires whether the expedited procedure has been nominated in relation to those ELs subject to the "future act" requirements in the NTA. If it has been nominated and followed in relation to granted EL's, there is no mandatory requirement for any form of agreement between the native title parties and the title holder setting out agreed terms and conditions of grant of the mineral title. The right to negotiate procedure will generally apply in relation to applications for MLs for mining of minerals in the Northern Territory on land subject to the NTA future act regime.

9. ABORIGINAL LAND RIGHTS

Part IV of the ALRA sets out the legislative scheme for mining on Aboriginal Freehold Land. As noted previously, the NTA future act regime does not apply to acts affecting Aboriginal Freehold Land.

Before an EL application can be processed under the provisions of ALRA, the application for an EL must be lodged and the NT Mining Minister (as per section 62 of

the MTA) must first give consent to the applicant to enter into negotiations with the relevant Land Council for its consent to the grant of the EL (**consent to negotiate**).

Section 40 of ALRA then provides that an EL shall not be granted to a person in respect of Aboriginal Freehold Land unless:

(a) the relevant Land Council gives consent to the grant of the licence under section 42(1) of ALRA;

(b) the Minister responsible for Indigenous Affairs (**Federal Minister for Indigenous Affairs**) gives consent to the grant of the licence under section 42(8) of ALRA; and

(c) the Land Council and the applicant have entered into an agreement under Part IV of ALRA regarding the terms and conditions that operations on the exploration licence will be subject (and subject to the grant of the exploration licence pursuant to the MTA by the NT Mining Minister).

After the NT Mining Minister has granted "consent to negotiate" under the MTA, the applicant must submit an application in writing to the relevant Land Council for consent to the grant of the licence within three months.

The Land Council must notify the applicant of its decision on whether or not to grant consent to the grant of the EL (in whole or in part) before the expiry of the 22 month period commencing on 1 January in the calendar year after the calendar year in which the application is received by the Land Council (**negotiating period**). The applicant and the Land Council may agree in writing to extend the negotiating period by a further two years and thereafter for further periods of 12 months, subject to the approval of the Federal Minister for Indigenous Affairs. There is no limit to the number of extensions that may be allowed.

If Land Council refuses an application for consent, ALRA provides that the land subject to the EL application is to be placed in moratorium for a five year period. During this moratorium period, no person may apply for an EL in respect of that land. The applicant retains a priority right to re-apply for an EL over the land for a 30 day period after the end of the five year moratorium period.

There is one EL granted over Aboriginal Freehold Land - EL 25581 which was granted on 12 May 2009. We expect this Mineral Title will be subject to an agreement between the holder and the Central Land Council (**CLC**) under section 40 of ALRA setting out terms and conditions on which the grant of the Mineral Title is agreed. We have not reviewed any agreement between the title holder and the CLC in relation to EL 25581.

There are various provisions in the ALRA which require an applicant for an ML on Aboriginal Freehold Land to negotiate with and enter into an agreement with the relevant Land Council setting out the terms and conditions on which an ML over Aboriginal Freehold Land may be granted. Unlike an application for an EL over Aboriginal Freehold Land, the Land Council does not have a right to refuse consent to the holder of an EL securing the grant of an ML. ALRA contains an arbitral process that applies in the event that the Land Council and the applicant are unable to agree terms on which an ML is to be granted. There is one ML granted over Aboriginal Freehold Land being MLC 647. This was granted on 9 September 1970 before ALRA was enacted and therefore the procedures and requirements under ALRA did not apply to that Mineral Title at the time of grant.

Those Mineral Titles which are on Aboriginal Freehold Land are set out in Part III of the Schedule. Part III of the Schedule identifies whether those Mineral Titles are granted Mineral Titles or applications; and whether the Mineral Titles are currently in the negotiating period or in moratorium.

10. REGISTERED DEALINGS

The Minister's Certificates obtained in relation to the Mineral Titles reveal the existence of the Dealings registered on the Mineral Titles Register kept by the NT Mining Minister under section 121 of the MTA in relation to some of the Mineral Titles. A Minister's Certificate is an extract of information contained on the Mineral Titles Register and is deemed to be evidence as to the matter certified and therefore can be relied on. Part I of the Schedule identifies the relevant Mineral Titles affected by the Dealings and sets out the title of the dealing agreement, the names of the parties to it, and the date it was entered into. The Dealings listed do not include particulars of registered transfers or caveats and any dealings that have been listed as terminated, expired or withdrawn on the Minister's Certificates.

A brief summary of the nature of the dealing identified in Part I of Schedule follows. No statement is made in this report in relation to the detailed content of the dealing documents, their enforceability, their current status, whether they may have been varied and whether they have been validly entered into.[1]

Dealing 93632: Rover Joint Venture Agreement – it is acknowledged in the agreement that the joint venture was established on or about 1 August 2009 and as at 26 August 2013 the joint venture interests were WDR Base Metals Pty Ltd (**WDRB**) 80% and Tennant Creek Gold (NT) Pty Ltd (**TCG**) 20%, a wholly owned subsidiary of TNG Limited (**TNG**). The agreement extends to EL(A)s 25582 and 25587.

Dealing 93625: Rover Joint Venture Agreement Side Deed - the parties waive any previous non-compliance with a 'Contractual Joint Venture' and affirm that the Rover Joint Venture Agreement will be entered into contemporaneously with the side deed.

Dealing 93609 and Dealing 93631: are both Joint Venture Deeds of Cross Security - creating a security interest granted by WDRB (Dealing 93631) and TCG (Dealing 93609).

TCG, WDRB and Western Desert Resources Limited (in liquidation) have entered into agreements transferring WDRB's 80% interest in the Mineral Titles the subjects of Dealings 93632, 93625, 93609 and 93631 to TCG and terminating all joint venture interests. Upon completion of those agreements the Rover Joint Venture Agreement, Rover Joint Venture Agreement Side Deed and the Joint Venture Deeds of Cross Security will be terminated and TCG (or its related entities) can seek to note that termination on the Mineral Titles Register. TCG has, subject to Ministerial consent and registration, transferred its 80% interest to TNG who in turn has, subject to Ministerial consent and registration, transferred its 80% interest to Todd River Metals Pty Ltd (**TRM**) which holds the other 20% interest and is wholly owned by the Company.

11. QUALIFICATIONS AND ASSUMPTIONS

While the status of the Mineral Titles is dealt with in the Schedule, we point out, by way of summary, that:

(a) we have assumed the accuracy and completeness of all Mineral Title searches and other information or responses which were obtained from the relevant department or authority. We cannot comment on any obligations of the Company or related entities that may arise from agreements that are not registered as a dealing, encumbrance or otherwise noted on the searches of the Mineral Titles;

[1] References to parties to the Dealings in this report follow the same definitions as set out in the Schedule

(b) with respect to the Mineral Titles, we have assumed the accuracy and completeness of the information which we have received from the various departments;

(c) the holding of the Mineral Titles is subject to compliance with the terms and conditions and the provisions of the applicable Northern Territory mining legislation;

(d) we have assumed the accuracy and completeness of any instructions or information which we have received from the Company or any of its officers, agents and representatives;

(e) with respect to any application for the grant of a Mineral Titles, we express no opinion as to whether such application will ultimately be granted and that reasonable conditions will be imposed upon grant, although we have no reason to believe that any application will be refused or that unreasonable conditions will be imposed;

(f) with respect to any application for the renewal of a Mineral Title, we express no opinion as to whether such application will ultimately be granted;

(g) where compliance with the requirements necessary to maintain a Mineral Title in good standing (including payment of rent, fees and the lodgement of all necessary reports pursuant to the MTA) is not disclosed on the face of the searches referred to in this report, we express no opinion on such compliance;

(h) references in the Schedule to any area of land are taken from details shown on searches obtained from the relevant department. It is not possible to verify the accuracy of those areas without conducting a survey; and

(i) the information in the Schedule is accurate as at the date the relevant searches were obtained. We cannot comment on whether any changes have occurred in respect of the Mineral Titles between the date of the searches and the date of this report.

Yours faithfully
WARD KELLER

KEVIN STEPHENS

Partner

Direct Line (08) 8946 2921
Email kevinstephens@wardkeller.com.au

Todd River Resources Limited

Mineral Titles Schedule Part I – Mineral Title Records

27 January 2017

Mineral Title	Holder/ Applicant/ Percentage	Status	Application Date	Grant Date	Expiry Date	Approximate area (km^2)	Minimum Annual Expenditure ($)	Annual Rent ($) (2015-2016) [i]	Dealings
MANBARRUM PROJECT									
EL 24395	TRM (100%)	Granted	08.09.04	16.08.05	15.08.17	144.36	62,000.00	9,045.00	Nil
EL 25646	TRM (100%)	Granted	16.10.06	23.08.07	22.08.17	65.17	24,000.00	3,819.00	Nil
MA 24518	TRM (100%)	Granted	15.12.04	25.08.05	24.08.17	16.85	20,000.00	1,206.00	Nil
MA 26581	TRM (100%)	Granted	14.01.08	01.08.08	31.07.18	14.65	12,000.00	1,206.00	Nil
ML 27357	TRM (100%)	Application	15.05.09	N/A		2.04	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
MCARTHUR RIVER PROJECT									
EL 27711	TRM (100%)	Granted	14.10. 09	09.07.10	08.07.18	170.77	50,000.00	10,452.00	Nil
EL 30085	TRM (100%)	Granted	27.08.13	11.04.14	10.04.20	52.51	25,000.00	1,136.00	Nil
EL 28509	TRM (100%)	Application	13.12.10	N/A		29.55	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
WALABANBA HILLS PROJECT									
EL 26848	TRM (100%)	Granted	09.07.08	04.03.09	03.03.17	154.35	60,000.00	9,045.00	Nil
EL 27115	TRM (100%)	Granted	23.12.08	18.09.09	17.09.17	30.87	23,500.00	1,809.00	Nil
MOUNT HARDY PROJECT									
EL 27892	TRM (100%)	Granted	21.12.09	04.08.10	03.08.16 (renewal application lodged 02.08.16)	101.76	25,000.00	6,432.00	Nil

EL 28694	TRM (100%)	Granted	21.03.11	01.03.12	28.02.18	109.76	30,000.00	4,576.00	Nil
EL 29219	TRM (100%)	Granted	18.11.11	17.09.12	16.09.18	116.62	20,000.00	4,862.00	Nil
TOMKINSON PROJECT									
EL 30348	TRM (100%)	Granted	22.04.14	20.01.15	19.01. 21	163	18,000.00	1,750.00	Nil
EL 30359	TRM (100%)	Granted	28.04.14	20.01.15	19.01. 21	231.69	20,000.00	2,485.00	Nil
EL 31265	TRM (100%)	Granted	01.04.16	05.12.16	04.12.22	164.52	-	1,785.00	Nil
STOKES YARD									
EL 30131	TRM (100%)	Granted	15.10.13	11.08.14	10.08. 20	50.42	25,000.00	1,136.00	Nil
SANDOVER PROJECT									
EL 29252	TRM (100%)	Application	05.12.11	N/A		669.54	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
EL 29253	TRM (100%)	Application	05.12.11	N/A		739.12	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
SOLDIERS CREEK PROJECT									
EL 31209	TRM (100%)	Granted	12.02.16	05.12.22	04.12.22	564.14	-	6,335.00	Nil
CROKER ISLAND PROJECT									
EL 29164	TRM (100%)	Application	31.10.11	N/A		140.87	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
GODDARDS PROJECT									
EL 24260	TRM (100%)	Application	15.04. 04	N/A		462.3	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
PETERMANNS PROJECT									
EL 25562	TRM (100%)	Application	23.08. 06	N/A		945.4	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil

EL 25564	TRM (100%)	Application	23.08. 06	N/A		1550	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
EL 26382	TRM (100%)	Application	16.08. 07	N/A		406.4	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
EL 26383	TRM (100%)	Application	16.08. 07	N/A		1303	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
EL 26384	TRM (100%)	Application	16.08. 07	N/A		910.7	Mineral Title is in application and therefore minimum annual expenditure and annual rent is not due and payable.		Nil
ROVER PROJECT									
EL 25581	TRM (20%) WDRB 80%*	Granted	06.09. 06	12.05. 09	11.05. 17	556.6	50,000.00	29,920.00 (annual rent has not been paid for 2015-2016 due to a rent deferral on the Mineral Title. Annual rent for 2015-2016 must be paid in conjunction with 2016-2017 annual rent).	Dealing 93632 Rover Joint Venture Agreement made between WDR Base Metals, Western Desert Resources & Tennant Creek Gold on 26.08. 13 Dealing 93625 Rover Joint Venture Agreement Side Deed made between WDR Base Metals, WDR & Tennant Creek Gold on 26.08.13. Dealing 93609 Joint Venture Deed of Cross Security made between Tennant Creek Gold, WDR Base Metals & WDR on 26.08.13. Dealing 93631 Joint Venture Deed of Cross Security made between WDR Base Metals, Tennant Creek Gold & WDR on 26.08.13.
EL 25582	TRM (20%) WDRB 80%*	Application	06.09. 06	N/A		1207	Mineral Titles are in application and therefore Minimum Annual Expenditure and Annual Rent is not due and payable		
EL 25587	TRM (20%) WDRB 80%*	Application	11.09. 06	N/A		248.2	Mineral Titles are in application and therefore Minimum Annual Expenditure and Annual Rent is not due and payable		
MLC 647	TRM (100%)	Granted	26.03.70	09.09.70	31.12. 20	0.08	-	160.00	Nil

* Agreements to transfer WDRB's 80% legal interest to TCG, then from TCG to TNG and from TNG to TRM such that TRM beneficially holds 100% subject to Ministerial consent and registration under the MTA.

Todd River Resources Limited

Mineral Titles Schedule Part II – Native Title and Pastoral Leases

27 January 2017

Mineral Title	Holder/ Applicant/ Percentage	Underlying Land Tenure	Native Title Determination	Native Title Claim	Registered /Unregistered Claim	Date of Determination /Claim Registration Date	ILUA
MANBARRUM PROJECT							
EL 24395	TRM (100%)	NT Portion 798 Legune Station: Pastoral Lease	NTD9/2010	N/A		Determinations from 31.05.11 determining non-exclusive native title over the whole or part of the determination area.	Nil
EL 25646	TRM (100%)	NT Portion 798 Legune Station: Pastoral Lease	NTD9/2010	N/A			
MA 24518	TRM (100%)	NT Portion 798 Legune Station: Pastoral Lease, NT Portion 5775 and NT Portion 3221 Spirit Hills Station: Pastoral Lease	NTD38/2010 and NTD9/2010	N/A			
MA 26581	TRM (100%)	NT Portion 798 Legune Station: Pastoral Lease, NT Portion 5775 Spirit Hills Station: Pastoral Lease	NTD38/2010 and NTD9/2010	N/A			
ML 27357	TRM (100%)	NT Portion 3221 Spirit Hills Station: Pastoral Lease	NTD38/2010	N/A			
MCARTHUR RIVER PROJECT							
EL 27711	TRM (100%)	NT Portion 677 Mallapunyah Springs Station: Pastoral Lease NT Portion 4319 McArthur River Station: Pastoral Lease	NTD17/2014 and NTD26/2014	N/A		Determinations from 26.11.15 determining non-exclusive native title over the whole or part of the determination area.	Nil
EL 30085	TRM (100%)	NT Portion 677 Mallapunyah Springs Station: Pastoral Lease NT Portion 4319 McArthur River Station: Pastoral Lease NT Portion 1164 Kiana Station: Pastoral Lease	NTD17/2014, NTD26/2014 and NTD3/2014	N/A			
WALABANBA HILLS PROJECT							
EL 26848	TRM (100%)	NT Portion 361 Anningie Station: Pastoral Lease	N/A	N/A		N/A	Nil

EL 27115	TRM (100%)	NT Portion 361 Anningie Station: Pastoral Lease NT Portion 655 Stirling Station: Pastoral Lease	NTD17/2011 (Stirling Station only)	N/A		Determination from 07.04.16 determining non-exclusive native title over the whole or part of the determination area.	Nil
MOUNT HARDY PROJECT							
EL 27892	TRM (100%)	NT Portion 1947 Mount Doreen Station: Pastoral Lease	NTD39/2011	N/A		Determination from 03.07.13 determining non-exclusive native title over the whole or part of the determination area.	ILUA between Tanami Exploration and CLC registered over Mount Doreen Station (DIA2001/001). TNG is not bound by the ILUA as they are not a party to the ILUA.
EL 28694	TRM (100%)	NT Portion 1947 Mount Doreen Station: Pastoral Lease	NTD39/2011	N/A			
EL 29219	TRM (100%)	NT Portion 1947 Mount Doreen Station: Pastoral Lease NT Portion 4264: Vacant Crown Land	NTD39/2011	N/A			
TOMKINSON PROJECT							
EL 30348	TRM (100%)	NT Portion 1512 Helen Springs Station: Pastoral Lease	N/A	NTD6040/2001 and NTD32/2011	NTD6040/2001 is a registered claim. NTD32/2011 is an unregistered claim.	NTD6040/2001 registered from 20.07.01 NTD32/2011 application filed on 08.09.11 with FCA	Nil
EL 30359	TRM (100%)	NT Portion 1512 Helen Springs Station: Pastoral Lease NT Portion 2094 Powell Creek Station: Pastoral Lease	N/A	NTD6038/2001, NTD6040/2001, NTD32/2011 and NTD52/2011	NTD6038/2001 and NTD6040/2001 are registered claims NTD32/2011 and NTD52/2011 are unregistered claims	NTD6038/2001 and NTD6040/2001 registered from 21.06.01 and 20.07.01 respectively. NTD32/2011 & NTD52/2011 filed with FCA on 08.09.11 and 21.11.11 respectively.	
EL 31265	TRM (100%)	NT Portion 1512 Helen Springs: Pastoral Lease	N/A	NTD6040/2001 and NTD32/2011	NTD6040/2001 is a registered claim. NTD32/2011 is an unregistered claim	NTD6040/2001 registered on 20.07.01. NTD32/2011 application filed with FCA on 08.09.11	
STOKES YARD							
EL 30131	TRM (100%)	NT Portion 719 Glen Helen Station: Pastoral Lease	NTD34/2010	N/A		Determination from 25.09.12 determining non-exclusive native title over the whole or part of the determination area.	Nil
SOLDIERS CREEK PROJECT							
EL 31209	TRM (100%)	NT Portion 2700: Crown Lease Perpetual, NT Portion 1666 Elizabeth Downs Station: Pastoral Lease, NT Portion 3435: Crown Lease Perpetual	N/A	NTD6028/2001	NTD6028/2001 is a registered claim	NTD6028/2001 registered on 24.05.01	Nil

Todd River Resources Limited

Mineral Titles Schedule Part III – Aboriginal Freehold Land

27 January 2017

Mineral Title	Holder/ Applicant/ Percentage	Underlying Land Tenure	Negotiating Period	In Moratorium
MCARTHUR RIVER PROJECT				
EL 28509	TRM (100%)	NT Portion 5706 Mambaliya Rrumburriya Wuyaliya Aboriginal Land Trust: Aboriginal Freehold Land	N/A	In moratorium until 30.05.17
SANDOVER PROJECT				
EL 29252	TRM (100%)	NT Portion 4029 Alkwert Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
EL 29253	TRM (100%)	NT Portion 4029 Alkwert Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
CROKER ISLAND PROJECT				
EL 29164	TRM (100%)	NT Portion 1647 Arnhem Land Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the NLC is due to expire on 31.10.17. Period may be extended by mutual consent of the NLC	N/A
GODDARDS PROJECT				
EL 24260	TRM (100%)	NT Portion 1740 Central Desert Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
PETERMANNS PROJECT				
EL 25562	TRM (100%)	NT Portion 1634 Petermann Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
EL 25564	TRM (100%)	NT Portion 1634 Petermann Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
EL 26382	TRM (100%)	NT Portion 1634 Petermann Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
EL 26383	TRM (100%)	NT Portion 1634 Petermann Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
EL 26384	TRM (100%)	NT Portion 1634 Petermann Aboriginal Land Trust: Aboriginal Freehold Land\	N/A	In moratorium until 09.12.19
ROVER PROJECT				
EL 25581	TRM (20%) WDRB (80%)*	NT Portion 2844 Karlantijpa South Aboriginal Land Trust: Aboriginal Freehold Land NT Portion 3556 Karlantijpa South Aboriginal Land Trust: Aboriginal Freehold Land	Granted under ALRA. We expect this Mineral Title will be subject to an agreement between the Tennant Creek Gold and WDR Base Metals and the CLC under section 40 of ALRA.	

EL 25582	TRM (20%) WDRB (80%)*	NT Portion 3784 Mungkarta 2 Aboriginal Land Trust: Aboriginal Freehold Land NT Portion 718 Mungkarta Aboriginal Land Trust: Aboriginal Freehold Land NT Portion 2343 Mungkarta 2 Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
EL 25587	TRM (20%) WDRB (80%)*	NT Portion 4068 Warumungu Aboriginal Land Trust: Aboriginal Freehold Land	Negotiating period with the CLC is due to expire on 31.10.18. Period may be extended by mutual consent of the CLC	N/A
MLC 647	TRM (100%)	NT Portion 718 Mungkarta Aboriginal Land Trust: Aboriginal Freehold Land	Granted before ALRA was enacted and therefore procedures and requirements under ALRA did not apply to this Mineral Title at the time of grant	

* Agreements to transfer WDRB's 80% legal interest to TCG, then from TCG to TNG and from TNG to TRM such that TRM beneficially holds 100% subject to Ministerial consent and registration under the MTA.

These definitions apply to Parts 1, 2, and 3 of the Schedule

ILUA	Indigenous Land Use Agreement
MLC	Mineral Lease Central
NTD	Federal Court file number for a native title determination or a native title claim
NLC	Northern Land Council
TCG	Tennant Creek Gold (NT) Pty Ltd (ACN 085 057 398), a wholly owned subsidiary of TNG
TNG	TNG Limited (ACN 000 817 023)
TRM	Todd River Metals Pty Ltd (ACN 600 314 038), a wholly owned subsidiary of the Company
WDR	Western Desert Resources Limited (ACN 122 301 848) (in liquidation)
WDRB	WDR Base Metals Pty Ltd (ACN 125 044 984), a wholly owned subsidiary of WDR

[i] As per section 95 of the MTA the holder of a mineral title must pay fees and rent in relation to the mineral title as prescribed in schedule 1 of the Regulations. Fees and rent are calculated by revenue units which are notified by the Commissioner of Territory Revenue for each financial year as per the *Revenue Units Act 2009*.

12. BOARD, MANAGEMENT AND INTERESTS

12.1 Directors and key personnel

Mr Paul Edward Burton, B.Sc (Hons) Geology (Plymouth University, UK), M.Sc Mineral Exploration (McGill University, Canada), MAusImm, CIMB, FAEG, GAICD, IoD – Non-Executive Technical Director

Mr Burton is a highly experienced Exploration Geologist/Geochemist with over 25 years' experience in Exploration and Mining. Mr Burton is experienced in running successful exploration programs for a variety of commodities. He has held consulting and senior management roles with major exploration companies.

Prior to his appointment to the TNG Board, Mr Burton was the Exploration Manager and Exploration Director of TNG, and has been instrumental in establishing the NT Base Metal Assets and had significant involvement in their initial exploration.

He holds an Honours degree in Geology, an MSc in Mineral Exploration and is a graduate of the Australian Institute of Company Directors, a fellow of the Association of Applied Exploration Geochemists, and member of both the Australian and Canadian Institutes of Mining and Metallurgy.

Mr Burton is currently a director of TNG. Mr Burton does not expect that his other directorship will impact his ability to act as a Director of the Company.

Mr Geoffrey Crow - Non-Executive Director

Mr Crow has more than 30 years' experience in all aspects of financial services, corporate finance, stockbroking and investor relations in Australia and international markets and has owned and operated his own businesses in these areas for the last sixteen years. He brings extensive working knowledge of capital markets to the Board.

Mr Crow is currently Chairman of Lake Resources N.L. and a non-executive director of TNG and Iron Ridge Resources Limited. Mr Crow does not expect that his other directorships will impact his ability to act as a Director of the Company.

Mr Rex Turkington, BCom(Hons), BCA, GAICD, AAFSI, ADA1 (ASX) - Non-Executive Director

Mr Turkington is a highly experienced corporate advisor and economist who has worked extensively in financial services in Australia, specializing in the exploration and mining sectors. He has extensive experience with equities, derivatives, foreign exchange and commodities and has participated in numerous corporate initial public offerings and capital raisings for listed exploration and mining companies.

Mr Turkington is currently a Director of an Australian corporate advisory company, offering corporate finance and investor relations advice to listed companies. He holds a first class Honours Degree in economics, is a graduate of the Australian Institute of Company Directors and is an Associate of the Securities Institute of Australia.

Mr Turkington is currently a director of TNG and is also the Chairman of ASX listed oil and gas exploration company Key Petroleum Limited. Mr Turkington does not expect that his other directorships will impact his ability to act as a Director of the Company.

Mr Eddie Fry – Proposed Non-Executive Chairman

Mr Eddie Fry was a Director of TNG between 2006 and 2011. Mr Fry has extensive experience within the Australian resource sector and is a specialist in Indigenous and Native Title issues. Mr Fry is an Executive Director of Gimbulki Limited, a Native Title Land access company he established in 2002 which has provided consulting services to a range of Australian exploration and mining companies including Rio Tinto, Barrack, Ferraus, Transfield Services, Western Desert Resources and Sherwin Iron.

During his career he also held senior executive roles with Normandy Mining Limited, where he established the company's Traditional Owner policy, and later was manager of logistics and marketing of Normandy's base-metal portfolio. His early employment included involvement with the Aboriginal and Torres Strait Islander Commission (ATSIC) and also the Aboriginal Development Commission. Mr Fry holds a Diploma in Business Management from Adelaide University. Mr Fry is also Chairman of Transfield Services Indigenous Advisory Board and Deputy Chair of the Aboriginal foundation of South Australia. Mr Fry's appointment as a Director will take effect upon the date the Company is admitted to the Official List.

Mr Fry currently has no other public company directorships.

Simon Robertson - Company Secretary

Mr Robertson gained a Bachelor of Business from Curtin University in Western Australia and Masters of Applied Finance from Macquarie University in New South Wales. He is a member of the Institute of Chartered Accountants and Chartered Secretaries of Australia. Mr Robertson currently holds the position of Company secretary for a number of publically listed companies and has experience in corporate finance, accounting and administration, capital raisings and ASX compliance and regulatory requirements.

Kim Grey – Exploration Manager

Mr Grey has over 15 years' experience as an exploration geologist, including senior roles with a number of Australian resource companies including Goldminex Resources Limited, Mincor Resources N.L. and Norilsk Nickel Australia. He has been involved in the discovery and delineation of a variety of ore deposits both in Australia and internationally, including nickel, gold, porphyry and sediment-hosted copper, heavy mineral sands, base metals and industrial minerals.

Management and Consultants

The Company is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the projects in which the Company has, or will in the future have, an interest and the Board will continually monitor the management roles in the Company. As the Company's projects require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's projects.

12.2 Disclosure of Interests

None of the Directors hold Shares in the Company as at the date of this Prospectus. For each of the Directors, the proposed annual remuneration for the financial year following the Company being admitted to the Official List together with the relevant interest in the securities of the Company each Director will obtain pursuant to the In-specie Distribution is set out in the table below.

Director	Remuneration	Shares to be acquired pursuant to the In-specie Distribution[1]	Options[2]
Paul Burton	$75,000	464,303	4,000,000
Geoffrey Crow	$60,000	246,516	2,000,000
Rex Turkington	$60,000	278,744	2,000,000
Eddie Fry	$80,000	34,847	2,000,000

Notes:

1. Assuming an approximately 1 for 28.7 ratio for the In-specie Distribution for illustrative purposes only. It is not clear at the date of this Prospectus what the exact ratio for the In-specie Distribution will be.

2. The Options will be unquoted and exercisable at 30 cents on or before the third anniversary of their date of issue.

12.3 Agreements with Directors and Related Parties

The Company's policy in respect of related party arrangements is:

(a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and

(b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements the Company has entered into with Directors are listed in Section 14.

12.4 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors. Under these deeds, the Company agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant officer and must also allow the officers to inspect board papers in certain circumstances.

13. CORPORATE GOVERNANCE

13.1 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (3rd Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website (www.trrltd.com.au).

13.2 Board of directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

(a) maintain and increase Shareholder value;

(b) ensure a prudential and ethical basis for the Company's conduct and activities; and

(c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

(a) developing initiatives for profit and asset growth;

(b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;

(c) acting on behalf of, and being accountable to, the Shareholders; and

(d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

13.3 Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto:

(a) membership of the Board of Directors will be reviewed on an on-going basis by the Chairman to determine if additional core strengths are required to be added to the Board in light of the nature of the Company's businesses and its objectives; and

(b) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent shareholders and fulfil the business objectives of the Company.

The Board currently consists of three directors with one additional director to be appointed on the date the Company is admitted to the Official List (being four non-executive Directors) of whom one is considered independent, being Mr Fry. Whilst the Company does not have a majority of independent directors, the Board considers the current balance of skills and expertise is appropriate for the Company which is proposing to advance the NT Base Metal Assets.

The detailed skills matrix of the Board for a company of the Company's size and complexity is not considered necessary and, in addition, the Board comprises directors who each have extensive technical, financial and commercial expertise. The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director. The Company does not have a formal induction program for Directors but will provide Directors with an information pack detailing policies, corporate governance and various other corporate requirements of being a director of an ASX listed company (assuming admission to the Official List occurs).

13.4 Identification and management of risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

13.5 Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

13.6 Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

13.7 Remuneration arrangements

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $500,000 per annum.

In addition, a Director may be paid fees or other amounts (e.g. subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having consideration to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

13.8 Trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Chair).

13.9 External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

13.10 Audit committee

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

13.11 Diversity policy

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

13.12 Departures from Recommendations

Following admission to the Official List of ASX, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are set out on the following pages.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should disclose: a) the respective roles and responsibilities of its board and management; and b) those matters expressly reserved to the board and those delegated to management.	YES	The Company has adopted a Board Charter. The Board Charter sets out the specific responsibilities of the Board, the requirements as to the Board's composition, the roles and responsibilities of the Chairman, Company Secretary and management, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter is contained in its Corporate Governance Plan which is available on the Company's website.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	YES	(a) The Board will undertake appropriate checks as to the character, experience, education, criminal record and bankruptcy history of the candidate before appointing a person, or putting forward to security holders a candidate for election, as a Director. (b) All material information relevant to a decision on whether or not to elect or re-elect a Director will be provided to security holders in any notice of meeting pursuant to which the resolution to elect or re-elect such Director will be voted on.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	YES	Each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. The respective engagement terms of each director and senior executive are summarised within this Prospectus.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	YES	The Board Charter outlines the role, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the Board, through the Chair, on all matters

		relating to the proper functioning of the Board.
Recommendation 1.5 A listed entity should: (a) have a diversity policy which includes requirements for the board or a relevant committee of the board: (i) to set measurable objectives for achieving gender diversity; and (ii) to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary or it; and (c) disclose as at the end of each reporting period: (i) the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them; and (ii) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012.	PARTIALLY	(a) The Company has adopted a tiered approach to the implementation of its Diversity Policy and framework which is relative to the size of the Company and its workforce. The Board considers that, due to the size, nature and stage of development of the Company, setting measurable objectives for the Diversity Policy at this time is not practical. The Board will consider setting measurable objectives as the Company increases in size and complexity. (b) A copy of the Company's Diversity Policy is contained in its Corporate Governance Plan which is available on the Company's website. Should the Company set measurable objectives for its Diversity Policy in the future, it will disclose these (as well as the respective proportions of men and women on the board, in senior executive positions and across the whole organisation) at the end of each reporting period.
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	YES	(a) The Company the board has adopted a self-evaluation process to measure its own performance and the performance of its committees during each financial year. The chairperson is also responsible for conducting an annual review of overall board performance during a regular meeting of the board. (b) The Company's Corporate Governance Plan requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period. Details of the performance evaluations conducted will be provided in the Company's Annual Reports.
Recommendation 1.7 A listed entity should:	YES	(a) The Company has in place procedures for evaluating the performance of its senior

(a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.		executives overseen by the Board. These procedures include a review by the Board of the Company's financial performance and an annual performance appraisal meeting with each senior executive. (b) The Company's Corporate Governance Plan requires disclosure as to whether or not performance evaluations were conducted during the relevant reporting period and details of the performance evaluations conducted to be contained in the Company's annual reports.
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.	NO	Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have a Nomination Committee. The full Board considers Board composition and identifies and assesses candidates to fill any casual vacancy which may arise from time to time as outlined in the Company's Corporate Governance Plan. The Board considers that at this stage no efficiencies or other benefits would be gained by establishing a separate Nomination Committee. The Board devotes time on an annual basis to discuss Board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.
Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	YES	The Board has developed a skill matrix setting out the mix of skills and diversity that the Board currently has (or is looking to achieve). The composition of the Board is to be reviewed regularly against the Company's skill matrix to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. This role will be performed by the full Board (in the absence of a Nomination Committee). The Company will disclose the Board skill matrix in, or in conjunction with, its Annual Reports.
Recommendation 2.3 A listed entity should disclose:	YES	(a) On admission to the Official List, the independent Director of the

(a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director		Company will be Eddie Fry (Non-Executive Chairman). (b) Paul Burton, Rex Turkington and Stuart Crow, Non-Executive Directors, are not considered to be independent due to their roles as directors of TNG Limited, a substantial shareholder of the Company. (c) The names of the Directors considered by the Board to be independent will be disclosed on the Company's website and in its Annual Reports. (d) The Board Charter requires Directors to disclose their interest, positions, associations and relationships and requires that the independence of Directors is regularly assessed by the Board in light of the interests disclosed by Directors. Details of the Directors' interests, positions, associations and relationships are provided in this Prospectus. (e) The Board Charter requires the disclosure of the length of service of each Director. The Directors in office at the date of this Prospectus have served continuously since their respective dates of appointment which are as follows: Paul Burton: appointed 24 June 2014; Rex Turkington: appointed 24 June 2014; Stuart Crow: appointed 24 June 2014; and Eddie Fry: appointment to take effect from the date of the Company's admission to the Official List.
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	NO	As at the date of this Prospectus, the majority of the Board are not independent Directors. Details of each Director's independence are provided in this Prospectus. Whilst the Company does not have a majority of independent directors, the Board considers the current balance of skills and expertise is appropriate for the Company which is proposing to advance the NT Base Metal Assets. The Company will consider appointing additional independent directors once the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude to justify such appointments.

Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	YES	The proposed Chairman, Eddie Fry is an independent non-executive director and is not the same person as the Managing Director of the Company.
Recommendation 2.6 A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	YES	As the Company has elected not to establish a Nomination Committee at this stage, the full Board is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities.
Recommendation 3.1 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	YES	(a) The Company has established a code of conduct that sets out standards which the Board, management and employees of the Company are to comply with when dealing with each other, shareholders, customers and the broader community. (b) The Company's Corporate Code of Conduct is contained in its Corporate Governance Plan which is available on the Company's website.
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	YES	(a) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company does not currently have an Audit and Risk Committee. The full Board carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee. The role and responsibilities of the Audit and Risk Committee are contained in the Company's Corporate Governance Plan which is available on the Company's website. (b) The Board devotes time annually to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors. All members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.
Recommendation 4.2		The Company's Corporate Governance Plan states that a duty and

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	YES	responsibility of the Board is to ensure that before the Board approves the entity's financial statements for a financial period, the CEO (once appointed) and CFO (or equivalent) have declared that in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
Recommendation 4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	YES	The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.
Recommendation 5.1 A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	YES	(a) The Company has established a continuous disclosure policy which forms part of its overall corporate governance policy which is designed to guide compliance with ASX Listing Rule disclosure requirements and to ensure that all Directors, senior executives and employees of the Company understand their responsibilities under the policy. The Board has designated the CEO (once appointed) as the person responsible for ensuring that all required price sensitive information is disclosed to the ASX as required (in the meantime, to be undertaken by the full Board). In accordance with the Company's continuous disclosure policy, all information provided to ASX for release to the market will be posted to the Company's website after ASX confirms an announcement has been made. (b) The Corporate Governance Plan is available on the Company's website.
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	YES	The Company's website contains information about the Company's projects, Directors and management and the Company's corporate governance practices, policies and charters. All ASX announcements made

		to the market, including annual, half year and quarterly reports will be posted on the website as soon as they have been released by the ASX. The full text of all notices of meetings and explanatory material, the Company's Annual Report and copies of all investor presentations will also posted on the Company's website.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	YES	The Company's CEO (when appointed) and in the meantime, the full Board is the Company's contact for investors and potential investors available to discuss the Company's activities when requested. In addition to announcements made in accordance with its continuous disclosure obligations, the Company, from time to time, will prepare and release general investor updates about the Company. The Company has engaged the services of an Investor Relations company to assist the Company with its investor relations activities. Contact with the Company can be made via an email address provided on the website and investors can subscribe to the Company's electronic mailing list.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	YES	The Company will encourage participation of shareholders at any general meeting and its Annual General Meeting each year. Shareholders are encouraged to lodge direct votes or proxies subject to the adoption of satisfactory authentication procedures if they are unable to attend the meeting. The full text of all notices of meetings and explanatory material will be posted on the Company's website.
Recommendation 6.4 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	YES	Contact with the Company can be made via an email address provided on the website and investors can subscribe to the Company's electronic mailing list. The Company's share register provides a facility whereby investors can provide email addresses to receive correspondence from the Company electronically and investors can contact the share register via telephone, facsimile or email.

Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.	NO	Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company currently does not have an Audit and Risk Committee. The full Board is responsible for the oversight of the Company's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the CEO (once appointed) and Chief Financial Officer (or equivalent) having ultimate responsibility to the Board for the risk management and control framework (in the meantime, to be the responsibility of the full Board). Arrangements put in place by the Board to monitor risk management include regular reporting to the Board in respect of operations and financial position of the Company and reports to the Board by the Chairman of each committee at the next Board meeting following the committee meeting. The Board considers that is at this stage no efficiencies or other benefits would be gained by establishing a separate Risk Committee.
Recommendation 7.2 The board or a committee of the board should: (a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and (b) disclose in relation to each reporting period, whether such a review has taken place.	YES	(a) The Company's process for risk management and internal compliance includes a requirement on the Board to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. The Company has adopted a Risk Management Policy which is contained within the Company's Corporate Governance Plan and details the Company's disclosure requirements with respect to the risk management review procedure and internal compliance and controls. (b) For each reporting period following the Company's admission to the Official List of the ASX, the Company will disclose in its annual report whether a review of the Company's risk management framework was undertaken in line with its *Risk Management Policy*.
Recommendation 7.3 A listed entity should disclose:	YES	Given the Company's current size and level of operations it does not have an internal audit function. The Board

(a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.		oversees the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements and monitors the quality of the accounting function. In addition the Audit Committee's role is to monitor the integrity of the financial statements of the Company, the appropriateness of accounting policies adopted by the Company and review significant financial reporting judgements. The Audit Committee serves as an independent and objective party to review the financial information submitted by management to the Board.
Recommendation 7.4 A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	YES	The Company has exposure to economic risks, including general economy wide economic risks and risks associated with the economic cycle which impact on the price and demand for minerals which affects the sentiment for investment in exploration companies. There will a requirement in the future for the Company to raise additional funding to pursue its business objectives. The Company's ability to raise capital may be effected by these economic risks. The Company has in place risk management procedures and processes to identify, manage and minimise its exposure to these economic risks where appropriate. The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. The Board currently considers that the Company does not have any material exposure to social sustainability risk. The Company has established a code of conduct that sets out standards which the Board, management and employees of the Company are to comply with when dealing with each other, shareholders, customers and the broader community.
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which:	NO	(a) Due to the size and nature of the existing Board and the magnitude of the Company's operations, the Company does not currently have a

(i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.		Remuneration Committee. The full Board currently carries out the duties that would ordinarily be assigned to the Remuneration Committee under the written terms of reference for that committee. The role and responsibilities of the Remuneration Committee are outlined in the Remuneration Committee Charter which is contained within the Company's Corporate Governance Plan which is available on the Company's website. (b) The Board will devote time on an annual basis to fulfil the roles and responsibilities associated with setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.	YES	The Company's general policies and practices regarding the remuneration of non-executive and executive directors and other senior employees are set out in the Remuneration Policy which is contained in the Company's Corporate Governance Plan.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	YES	Participants in any Company equity based remuneration scheme are not permitted to enter into transactions which limit the economic risk of participating in the scheme.

14. MATERIAL CONTRACTS

14.1 Lead Manager Mandate

On 19 December 2016, the Company entered into a mandate letter with Sanlam Private Wealth Pty Ltd (**Sanlam**) pursuant to which Sanlam has agreed to act as Lead Manager of the Offers on a non-exclusive basis (**Lead Manager Mandate**). Sanlam's engagement will continue until completion of the Offers unless the Lead Manager Mandate is terminated earlier in accordance with its terms.

The Company has agreed to pay Sanlam the following fees and issue Sanlam (or its nominee) the following Options under the Lead Manager Mandate:

(a) an upfront payment of $7,000 (excluding GST) within 1 month of signing the Lead Manager Mandate;

(b) a management fee of 2% (excluding GST) on the total amount raised under the Offers payable upon completion of the Offers and admission of the Company to the Official List;

(c) a fee of 4% (excluding GST) on the total amount raised under the Offers excluding all funds raised directly from the TNG Shareholders under the TNG Offer payable upon completion of the Offers and admission of the Company to the Official List. Any fees paid to participating brokers will be paid by Sanlam from this fee;

(d) a one off corporate administration fee of $10,000 (excluding GST) for certain specified administrative services to be provided by Sanlam in its role as Lead Manager payable upon completion of the Offers and admission of the Company to the Official List; and

(e) issue 3,500,000 Options on the terms and conditions outlined in Section 15.3 (**Option Fee**).

Sanlam will also be entitled to reimbursement of its reasonable expenses (including travel and legal expenses) incurred in respect of the Offers following approval from the Company. In the event that the Lead Manager Mandate is terminated prior to completion of Sanlam's engagement, the Company will pay Sanlam all fees and expenses that accrued prior to termination (other than the Option Fee).

The Lead Manager Mandate may be terminated by the Company or Sanlam by giving the other party 7 days' written notice in the event of the gross negligence or wilful misconduct of the other party or where the other party has committed a material breach of the Lead Manager Mandate which is not remedied within 7 days of being notified of such breach by the non-defaulting party. Further, the Lead Manager Mandate may be terminated by the Company without cause by giving Sanlam written notice at any time.

14.2 Services Agreement – TNG

The Company has entered into an services agreement with TNG (**Services Agreement**) pursuant to which TNG will, on a non-exclusive basis, provide the Company with geological, administrative and accounting services (**Services**) as

well as access to TNG plant, furniture, computers and equipment (**Facilities**) necessary for the operation of the Company's business.

The Company will pay TNG the following fees under the Services Agreement:

(a) 40% of TNG's administration expenditure per month (plus GST) payable in arrears in respect of administrative services (**Administrative Services**) provided by TNG to the Company, such payment to be subject to a three monthly review;

(b) such additional fees as agreed, on an estimated time basis, in respect of Services performed and Facilities provided by TNG to the Company that are not Administration Services; and

(c) geological staff and services may from time to time be charged from TNG to the Company as agreed between the parties at cost inclusive of salary and superannuation.

The Services Agreement will commence on the date the Company is admitted to the Official List and will continue for a period of 12 months unless terminated earlier. Either party may terminate the Services Agreement without cause by giving the other party three months' written notice. The Company may terminate the Services Agreement without notice in the event TNG enters into any arrangement with its creditors or TNG (or its employees) commit a serious breach of the Services Agreement or TNG is guilty of misconduct or wilful neglect of the discharge of the Services. TNG may terminate the Services Agreement without notice in the event the Company fails to pay any amount due within 30 days of the due date for such payment.

The Services Agreement contains other terms and conditions considered standard for an agreement of this nature.

14.3 Appointment Letters – Messrs Burton Turkington, Crow and Fry, Non-executive Directors

The Company has entered into non-executive letters of appointment with Messrs Burton, Turkington, Crow and Fry (**NED Agreements** or **NED Agreement** as the context requires) which set out the terms and conditions upon which each of the above mentioned parties will serve as Non-Executive Directors (or Non-Executive Chairman in the case of Eddie Fry) of the Company. While Messrs Burton, Turkington and Crow are current Directors of the Company, Mr Fry's appointment will commence following the Company's admission to the Official List of ASX.

Each Director will receive the following remuneration for services rendered under the NED Agreements, commencing on the date of the Company's admission to the Official List of ASX:

(a) Mr Fry – $80,000 per annum;

(b) Mr Burton – $75,000 per annum;

(c) Mr Turkington -- $60,000 per annum; and

(d) Mr Crow -- $60,000 per annum.

Each Director is also entitled to reimbursement for reasonable expenses properly incurred whilst undertaking their respective duties. The Company may engage a Director in a consulting capacity where a particular expertise and/or time

commitment is required and any such engagement will be on normal commercial terms, as may be approved by the Board from time to time. Directors are subject to the provisions of the Company's Constitution relating to retirement by rotation and re-election of directors. A Director may terminate their directorship at any time by advising the Board in writing.

The NED Agreements are otherwise made on standard commercial terms.

14.4 Costs Reimbursement Agreement - TNG

The Company and TNG have entered into a costs reimbursement agreement dated 12 December 2016 pursuant to which TNG has agreed to meet the Company's costs incurred prior to being admitted to the Official List including in relation to the Offers from 1 July 2016 until the date the Company is admitted to the Official List to a maximum of $300,000. The Company is required to reimburse TNG for these costs from the proceeds of the Offers within 10 business days of the Company being admitted to the Official List. As at the date of this Prospectus, the Company anticipates a reimbursement to TNG of approximately $300,000 will be made.

15. ADDITIONAL INFORMATION

15.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

15.2 Rights attaching to Shares

The following is a summary of the more significant rights attaching to Shares offered under this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the

amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) **Variation of rights**

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the

holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

15.3 Options offered under the Offers and to be issued to the Lead Manager

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (j), the amount payable upon exercise of each Option will be $0.25 (**Exercise Price**)

(c) Expiry Date

Each Option will expire at 5:00 pm (WST) on the third year anniversary of its date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

(i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) Quoted

The Company will apply for quotation of the Options on ASX.

(n) Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

15.4 Options intended to be offered to Directors and management

The Options intended to be offered to Directors and management will be issued on the same terms and conditions set out in Section 15.3 above, except they will be unquoted and the exercise price will be $0.30 each.

15.5 Employee Incentive Option Plan

The Company has adopted an Incentive Option Plan (**Plan**) to allow eligible participants to be granted Options in the Company. The principle terms of the Plan are summarised below:

(a) **Eligibility and Grant of Options**: The Board may grant Options to any Director, full or part time employee, or casual employee or contractor who falls within ASIC Class Order 14/1000 (**Class Order**), of the Company or an associated body corporate (**Eligible Participant**). The Board may also offer Options (**Offer**) to a prospective Eligible Participant provided the Offer can only be accepted if they become an Eligible Participant. Options may be granted by the Board at any time.

(b) **Consideration**: Each Option granted under the Plan will be granted for no more than nominal cash consideration.

(c) Conversion: Each Option is exercisable into one Share in the Company ranking equally in all respect with the existing issued Shares in the Company.

(d) **Exercise Price and Expiry Date**: The exercise price and expiry date for Options granted under the Plan will be determined by the Board prior to the grant of the Options.

(e) **Exercise Restrictions**: The Options granted under the Plan may be subject to conditions on exercise as may be fixed by the Directors prior to grant of the Options (**Exercise Conditions**). Any restrictions imposed by the Directors must be set out in the offer for the Options.

(f) **Lapsing of Options**: An unexercised Option will lapse:

(i) on its Expiry Date;

(ii) if any Exercise Condition is unable to be met and is not waived, as determined by the Board; or

(iii) subject to certain good leaver exceptions or a determination by the Board, where the Eligible Participant ceases to be an Eligible Participant.

(g) **Disposal of Options:** Options will not be transferable except to the extent the Plan or any offer provides otherwise.

(h) **Quotation of Options**: Options will not be quoted on the ASX, except to the extent provided for by the Plan or unless an offer provides otherwise.

(i) **Trigger Events**: The Company may permit Options to be exercised in certain circumstances where there is a change in control of the Company (including by takeover) or entry into a scheme of arrangement.

(j) **Participation generally:** There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Rights Issues and Bonus Issues:** If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the option exercise price shall be reduced according to the formula specified in ASX Listing Rule 6.22.2. In the event of a bonus issue of Shares being made pro rata to Shareholders, (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue. No adjustment will be made to the exercise price per Share of the Option.

(l) **Reorganisation**: The terms upon which Options will be granted will not prevent the Options being re-organised as required by the Listing Rules on the re-organisation of the capital of the Company.

(m) **Limitations on Offers**: The Company must have reasonable grounds to believe, when making an Offer, that the number of Shares to be received on exercise of Options offered under an Offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.

15.6 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

(a) as an inducement to become, or to qualify as, a Director; or

(b) for services provided in connection with:

(i) the formation or promotion of the Company; or

(ii) the Offers.

15.7 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or

(b) promoter of the Company,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(d) the formation or promotion of the Company; or

(e) the Offers.

Snowden Group has acted as Independent Geologist and has prepared the Independent Geologist's Report which is included in Section 9 of this Prospectus. The Company estimates it will pay Snowden Group a total of $32,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Snowden Group has received $64,626 in fees from the Company..

BDO Corporate Finance (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Section 10 of this Prospectus. The Company estimates it will pay BDO Corporate Finance (WA) Pty Ltd a total of $5,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, BDO Corporate Finance (WA) Pty Ltd has not received any fees from the Company for any other services.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin $80,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received fees from the Company for any other services.

Ward Keller has acted as the solicitors to the Company in relation to the NT Base Metal Assets and has prepared the Solicitor's Report on Tenements which is included in section 10 of this Prospectus. The Company estimates it will pay Ward Keller $18,500 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Ward Keller has not received fees from the Company for any other services.

15.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, any persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Snowden Group has given its written consent to being named as Independent Geologist in this Prospectus, the inclusion of the Independent Geologist's Report in Section 9 of this Prospectus in the form and context in which the report is included. Snowden Group has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

BDO Corporate Finance (WA) Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Section 10 of this Prospectus in the form and context in which the information and report is included. BDO Corporate Finance (WA) Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in relation to the Offers in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Ward Keller has given its written consent to being named as the solicitors to the Company in relation to the NT Base Metal Assets in this Prospectus and to the inclusion of the Solicitor's Report on Tenements in section 10 of this Prospectus in

the form and context in which the report is included. Ward Keller has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Sanlam Private Wealth has given its written consent to being named as the Lead Manager to the Company in this Prospectus. Sanlam Private Wealth has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

KPMG has given its written consent to being named as Auditors in this Prospectus. KPMG has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

15.9 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately $571,313 for minimum subscription or $631,313 for full subscription and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Minimum Subscription ($)	Full Subscription ($)
ASIC fees	2,350	2,350
ASX fees	79,888	79,888
Broker Commissions*	300,000	360,000
Legal and Preparation Fees	95,000	95,000
Solicitor Report on Tenement Fees	18,500	18,500
Independent Geologist's Fees	32,000	32,000
Investigating Accountant's Fees	5,000	5,000
Printing and Distribution	4,000	4,000
Share Registry (and associated costs)	24,575	24,575
Miscellaneous	10,000	10,000
TOTAL	**571,313**	**631,313**

* Broker commissions will only be paid on applications made through a licensed securities dealers or Australian financial services licensee and accepted by the Company (refer to Section 6.13 of this Prospectus for further information). The amount calculated is based on 100% of applications being made in this manner. For those applications made directly to and

accepted by the Company no broker commissions will be payable and the expenses of the Offers will be reduced and the additional funds will be put towards working capital.

15.10 Continuous disclosure obligations

Following admission of the Company to the Official List, the Company will be a "disclosing entity" (as defined in Section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's Securities.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

15.11 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of this Prospectus or both. Alternatively, you may obtain a copy of this Prospectus from the website of the Company at www.trrltd.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

15.12 Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

15.13 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements

will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

15.14 Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

17. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Paul Burton
Non-Executive Technical Director
For and on behalf of
TODD RIVER RESOURCES LIMITED

18. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

$ means an Australian dollar.

Administrative Services has the meaning set out in Section 14.2.

Application Form means the General Offer Application Form and/or the TNG Offer Application Form (as the context requires) attached to or accompanying this Prospectus.

ASIC means Australian Securities & Investments Commission.

Associated Body Corporate means:

(a) a related body corporate (as defined in the Corporations Act) of the Company;

(b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and

(c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the official listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the settlement and operating rules of ASX Settlement.

ATO means the Australian Taxation Office.

Board means the board of Directors as constituted from time to time.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Class Order has the meaning set out in Section 15.5.

Closing Date means the General Offer Closing Date and/or the TNG Offer Closing Date (as the context requires).

Company or **Todd River** means Todd River Resources Limited (ACN 600 308 398).

Constitution means the constitution of the Company.

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

Costs Reimbursement Agreement means the agreement between the Company and TNG pursuant to which TNG agreed to meet certain of the Company's costs summarised in Section 14.4.

Directors means the directors of the Company at the date of this Prospectus.

Eligible Participant has the meaning set out in Section 15.5.

Eligible TNG Shareholders means TNG Shareholders who are registered on the TNG Record Date.

EM has the meaning set out in Section 7.2.3.

Exposure Period means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to Section 727(3) of the Corporations Act.

Facilities has the meaning set out in Section 14.2.

General Offer means the public offer of up to 30,000,000 Shares at $0.20 each pursuant to this Prospectus to raise up to $6,000,000 (before costs) and includes the TNG Offer.

General Offer Application Form means the Application Form in respect of the General Offer.

General Offer Closing Date means the closing date of the General Offer as set out in the indicative timetable in Section 3.

General Offer Opening Date means the opening date of the General Offer as set out in the indicative timetable in Section 3.

In-specie Conditions means the following conditions which must be satisfied or waived for the In-specie Distribution to occur:

(a) TNG obtaining approval from its shareholders for the In-specie Distribution (satisfied);

(b) TNG receiving a draft class ruling from the ATO confirming the taxation implications for TNG Shareholders in respect of the availability of demerger tax relief for income tax purposes (satisfied);

(c) the Company raising the amount of $6,000,000 (or such other amount as is required for the Company to satisfy the assets test pursuant to ASX Listing Rule 1.3) pursuant to this Prospectus; and

(d) the Company receiving a letter confirming that the ASX will admit the Company to the Official List, subject to the satisfaction of certain conditions on terms acceptable to the Company.

In-specie Distribution has the meaning given in Section 7.1.

IP has the meaning set out in Section 7.2.3.

JORC Code has the meaning given in Section 2.6 .

Lead Manager means Sanlam.

Lead Manager Mandate has the meaning set out in Section 14.1.

Minimum Subscription has the meaning set out in Section 6.1.

MVT has the meaning set out in Section 7.2.1.

NED Agreement has the meaning set out in Section 14.3.

NT Base Metal Assets or **Tenements** has the meaning set out in Section 7.1 of this Prospectus or any one of them as the context requires.

Offers means the General Offer and the TNG Offer.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Opening Date means the General Offer Opening Date or the TNG Offer Opening Date as the context requires.

Option means an option to acquire a Share.

Option Fee has the meaning set out in Section 14.1.

Option holder means a holder of an Option.

Plan has the meaning set out in Section 15.5.

ppm has the meaning set out in Section 7.2.2.

Prospectus means this prospectus.

Recommendations has the meaning set out in Section 13.1.

Sanlam has the meaning set out in Section 14.1.

Section means a section of this Prospectus.

Securities means Shares and Options.

Services Agreement means the agreement between the Company and TNG for the provision of administrative, corporate compliance, accounting and secretarial services summarised in Section 14.2.

Services has the meaning set out in Section 14.2.

Spin-out has the meaning given in Section 7.1.

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

Shareholder means a holder of Shares.

Tenements or NT Base Metal Assets has the meaning set out in Section 7.1 of this Prospectus or any one of them as the context requires.

TNG means TNG Limited (ACN 000 817 023).

TNG Offer means a priority offer of Shares to Eligible TNG Shareholders, as described in Section 6.1.

TNG Offer Application Form means the Application Form in respect of the TNG Offer.

TNG Offer Closing Date the closing date of the TNG Offer as set out in the indicative timetable in Section 3.

TNG Offer Opening Date the opening date of the TNG Offer as set out in the indicative timetable in Section 3.

TNG Record Date the record date for the TNG Offer as set out in the indicative timetable in Section 3.

TNG Shareholder means a shareholder of TNG.

WST means Western Standard Time as observed in Perth, Western Australia.

TODD RIVER RESOURCES LIMITED

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