

Northern Manganese Limited has extensive manganese exploration projects in the Northern Territory.

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Directors & Management

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Chairman

Mr Lloyd Jones
Managing Director

Mr David Ryan
Non-Executive Director

Mr Robert Marusco
Company Secretary

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ABN 24 119 494 772

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AMENDMENT TO MANAGING DIRECTORS REMUNERATION STRUCTURE

HIGHLIGHTS

- **Amended Managing Director's remuneration structure results in lower management costs for the Company.**

Northern Manganese Ltd ("NTM" or the "Company") is pleased to advise that it has agreed to amend the employment terms for the Managing Director, Lloyd Jones to reflect an updated and rebalanced remuneration structure. The Company acknowledges that the review was initiated and comes at the recommendation of Mr Jones himself.

The Company had previously advised (announced to market on 1 August 2014) that it had entered into a final agreement with the Northern Territory Government to surrender its 4 granted Groote Eylandt sea or "wet" tenements in exchange for a payment of \$2.8m which was subsequently received by NTM.

As a result of this settlement NTM is focusing its efforts on its remaining Blue Mud Bay tenements which are under application along with considering new projects or opportunities for the Company which has already commenced.

Mr Jones approached the Board and recommended that his remuneration structure be reduced until such time that the Company secures the Blue Mud Bay project to a granted status and/or the securing of a new project(s) for the Company. He advised that the reduction would be temporary and that all other terms and conditions in his existing contract are to remain.

The Board has accepted Mr Jones recommendation and in doing so determined that the remuneration structure for the Managing Director role should be rebalanced to better align with the Company's current position, strategic goals, and market expectations.

Overall, the restructured remuneration has resulted in a temporary decrease to the aggregate total remuneration which Mr Jones is eligible to receive.

A two year Executive Services Contract was executed with Mr Jones on the 8 August 2013 (announced to market on 13 August 2013) on the same terms and conditions as the previous contract whereby Mr Jones would receive a total package of \$280,000 inclusive of superannuation.

The Company has agreed with Mr Jones to reduce the total package to \$180,000 inclusive of superannuation with all other terms and conditions in the existing Executive Services Contract to remain. The reduced remuneration package will be effective from 1 November 2014.

The Company would like to take this opportunity to thank Mr Jones for volunteering this review and reduction and his ongoing commitment to Northern Manganese Limited.



Doug Daws
Chairman