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**ACQUISITION OF 51% STAKE IN REDCLIFFE GOLD PROJECT
PROPOSED MERGER WITH REDCLIFFE RESOURCES LIMITED**

A LOW-COST NEAR TERM GOLD PRODUCTION OPPORTUNITY

HIGHLIGHTS

- Northern Manganese has acquired a 51% stake in Redcliffe Gold Project Leonora, WA, and assumed project management
- Mineral resource of 278,100 ounces of gold over eight deposits
- Considerable scope to expand resources
- Potential for near term gold production
- Agreement also entered into to merge with Redcliffe Resources
- Merger to be effected by way of a Redcliffe Scheme of Arrangement

Northern Manganese Limited (“**NTM**” or the “**Company**”) is pleased to advise that it has today acquired a 51% stake in the Redcliffe Gold Project (“**RGP**”) from Redcliffe Resources Limited (“**Redcliffe**”).

The transaction was undertaken pursuant to an acquisition and farm-in agreement, with consideration payable to RCF being cash in the amount of \$260,000 and the allotment of 13,888,889 fully paid ordinary NTM shares.

The transaction is expected to see NTM transition from manganese explorer to gold producer in the near term.

The RGP is located approximately 40 to 55 km north-east of Leonora in the Eastern Goldfields of Western Australia. The RGP encompasses granted mining leases of an area of 47 square kilometres that cover a substantial strike length of the Mertondale Shear Zone, a feature that has been demonstrated to host significant gold mineralisation in many small to moderate sized gold deposits.

An estimated resource of 278,100 ounces of gold is currently interpreted, of which 969,000 tonnes @ 2.70g/t (84,100 ounces) is categorised as indicated with the remainder inferred. (see Appendix 1)

Of the eight currently mapped deposits, the two most advanced are Golden Terrace South and Kelly Supergene.

The Golden Terrace South deposit consists of a total resource of 1.39Mt @ 2.02g/t for 90,500 ounces of gold with mineralisation open along strike and at depth. The resource encompasses a near surface zone of oxide ore commencing at a depth of approximately 15 meters where results of a recently completed scoping study illustrate the potential for robust economics based on initial exploitation by way of an open-pit.

The Kelly Supergene deposit, covering a strike length of approximately 150 metres, encompasses 2.41Mt @ 1.04g/t for 80,400 ounces of gold. Moreover, the Kelly feature is open to the north and at depth. Indeed, a number of high-grade gold intersections beneath the supergene zone are yet to be factored into resource calculations. With mineralisation commencing near surface, again, this deposit is most likely to be exploited by way of an open-pit.

The RGP, which encompasses a significant number of targets that are yet to be drill-tested, is illustrated in the diagram set out below.

With a number of plants in the general Leonora area currently operating at less than full capacity, both NTM and Redcliffe are confident that arrangements for the processing of RGP ore can be procured on reasonable terms.

From today, NTM is manager of the joint venture.

Pursuant to the arrangements, the Company has the right to earn an additional 19% interest in the joint venture by expenditure of \$300,000 over a period of up to 18 months. The arrangements further provide that once the Company has earned the additional interest Redcliffe may fund its proportionate share of expenditure moving forward. However, should it elect not to do so, NTM can sole fund to earn a further 15% interest in the joint venture, with the option to acquire from Redcliffe the 15% outstanding should its interest increase to 85%.

Mr Garry Connell, Non-Executive Chairman of NTM, said today:

"I have always thought that our previous manganese exploration strategy was perhaps too high-risk for a small company, particularly in the depressed environment for junior resources companies such as we are currently experiencing. As shareholders are aware, upon joining the Board in January 2015, my plan has been to seek out a more advanced opportunity, something with an existing resource that could be quickly brought into production, and which would generate cash-flow with which we could seek out further value-adding opportunities.

"Of the numerous opportunities the Company considered since that time, none has met our criteria better than the RGP. The project is of an appropriate size and a good match given NTM's cash position, is well located in terms of infrastructure and is in an area we know well, is in a commodity that we well understand, is technically straightforward, and offers a high operating margin at the current gold price. Moreover, there is considerable scope for adding to resources."

NTM and Redcliffe have also announced their intention of merging the two companies.

Mr Connell went on to say:

"Merging the two companies would not only bring us the benefit of the RGP project but also the benefit of the personnel who know the project best, and who also bring a different mix of skills to the NTM Board. In addition, the merger would see the market capitalisation of the Company nearly double in size, which would hopefully result in increased share liquidity and, in turn, increased interest from the investment community. Clearly, this would be a win-win outcome for both companies and both sets of shareholders."

The proposed merger, which is the subject of a Scheme Implementation Agreement, will take place by way of a Scheme of Arrangement pursuant to which shareholders in Redcliffe will receive one (1) NTM share for every two and three-quarters (2.75) Redcliffe shares held. On the basis of the Volume Weighted Average Price of both NTM and Redcliffe shares traded on the ASX over the last three months, the merger terms see NTM paying a premium of approximately 23% to Redcliffe shareholders.

Upon completion of the merger, Redcliffe Director Messrs Rodney Foster and Bruce McFarlane will be appointed to the NTM Board.

Redcliffe have advised that preparation of the Scheme booklet and Notice of Meeting, which will include the report of an independent expert, is underway. Redcliffe anticipates that these documents will be sent to Redcliffe shareholders early to mid-October with the meeting of shareholders to consider the merger to be held early to mid-November. If all approvals are received, it is anticipated that the merger will become effective mid to late November.

If the Scheme of Arrangement proceeds to completion, the arrangements under the acquisition and farm-in agreement will essentially be subsumed.

Mr Connell added:

“Since we first entered into discussions with Redcliffe in March 2015, considerable evaluation, negotiation and due diligence has been undertaken. One of their key requirements was that activity on the RGP commences as soon as reasonably possible.

“As we own a majority interest in the RGP as of today, work on bringing the project towards production can commence immediately which is equally to the benefit of NTM. And, of course, our ownership of 51% of this exciting project is not dependent on the outcome of the Scheme.”



Lloyd Jones







Managing Director



REDCLIFFE GOLD PROJECT

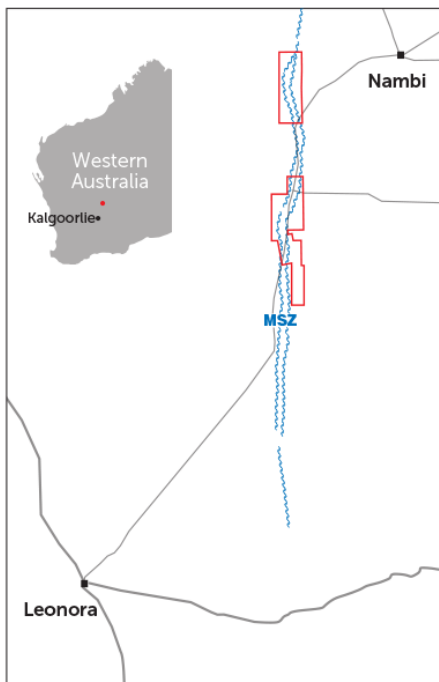
Eastern Goldfields, Western Australia

-  Redcliffe Gold Resource Estimates (Ounces)
-  Redcliffe Prospects
-  Other Mines
-  Other Prospects
-  Redcliffe Tenement Area
-  Mertondale Shear Zone (MSZ)
-  Road

-  Black-Graphitic Shale
 -  Quartz-mica schist
 -  Fine-coarse grained seds & Felsic volcanic/tuffs
 -  Felsic - intermediate volcanics, tuff
 -  Basalt, minor felsic volcanic ('Mixed Sequence')
 -  Dolerite
 -  Ultramafic
 -  Granitoid (Internal)
 -  Granite-Granite Gneiss
- } Associated with MSZ



GDA94 Zone51 August 2015



Competent Person Statement

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

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

APPENDIX 1

Gold Resource Information

Redcliffe Gold Project Resource Table (at 0.5g/t Au lower cut off)

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

Note:

1. Resource tonnes and ounces have been subjected to rounding of component elements.
2. Resource Estimations for Kelly, BMGS (2012); GTS and GTN, BMGS (2011). All other deposits – Coffey Mining (2008)