

**NORTHERN MANGANESE LIMITED/NTM  
NORTHERN MANGANESE LIMITED**

**ACN 119 494 772**

**NOTICE OF  
ANNUAL GENERAL MEETING  
AND  
EXPLANATORY STATEMENT  
AND  
PROXY FORM**

**TIME 11.00AM**

**DATE: 9 NOVEMBER 2016**

**AT: THE PARK BUSINESS CENTRE  
45 VENTNOR AVENUE  
WEST PERTH WA**

**This Notice of Annual General Meeting and  
Explanatory Statement should be read in its entirety.  
If Shareholders are in doubt as to how to vote, they should seek advice from their  
accountant, solicitor or other professional adviser without delay.**

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Business of the Meeting (setting out the proposed resolution)

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Glossary

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## **IMPORTANT INFORMATION**

### **TIME AND PLACE OF MEETING**

Notice is given that the general meeting of the Shareholders to which this Notice of Meeting relates will be held, at 11.00am (WST) on Wednesday 9<sup>th</sup> of November 2016 at:

The Park Business Centre  
45 Ventnor Avenue  
West Perth WA

### **YOUR VOTE IS IMPORTANT**

The business of the Annual General Meeting affects your shareholding and your vote is important.

### **ELIGIBILITY**

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2011 (Cth) that persons eligible to vote at the General Meeting are those who are registered Shareholders at 7.00pm (WST) on 7 November 2016.

### **VOTING IN PERSON**

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

### **VOTING BY PROXY**

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instruction set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- Each member has the right to appoint a proxy;
- The proxy need not be a member of the Company; and
- A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware that:

- If proxyholders vote, they must cast all directed proxies as directed; and
- Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- The proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- If the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- If the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- If the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### **Transfer of non-chair proxy to the chair in certain circumstances**

Section 250BC of the Corporations Act provides that, if:

- An appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- The appointed proxy is not the chair of the meeting; and
- At the meeting, a poll is duly demanded on the resolution; and
- Either of the following applies:
  - a) the proxy is not recorded as attending the meeting;
  - b) the proxy does not vote on the resolution the chair if the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the specified time in accordance with the instructions set out on the Proxy Form:

Online            At [www.investorvote.com.au](http://www.investorvote.com.au)

By mail            Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia

By fax            1800 783 447      (within Australia)  
                     +61 3 9473 2555 (outside Australia)

By mobile        Scan the QR Code on your proxy form and follow the prompts

Custodian voting    For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions

All Proxy forms are to be received not later than 48 hours prior to the Meeting.

# NORTHERN MANGANESE LIMITED

ACN119 494 72

Northern Manganese Limited (ACN 119494 772) (**Company**) gives notice that the Annual General Meeting of Shareholders will be held at 11.00 am (WST) on 9<sup>th</sup> of November 2016 at The Park Business Centre, 45 Ventnor Ave, West Perth WA.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

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## BUSINESS OF THE MEETING

### AGENDA

#### Adoption of Annual Financial Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2016, which includes the Financial Report, the Directors' and Auditor's Reports.

#### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass with or without amendment, the following resolution as a non-binding **ordinary resolution**:

*"That for the purposes of Section 250R(2) of the Corporations Act, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2016."*

**Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.**

**Voting Exclusion Statement:** In accordance with Section 250R of the Corporations Act, a vote on Resolution 1 must not be cast by, or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or Closely Related Party of such member.

However, the Company will not disregard a vote if:

- (a) The person is acting as proxy, the proxy form specifies how the proxy is to vote and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) The person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of the member of the Key Management Personnel.

## RESOLUTION 2 – RE-ELECTION OF MR RODNEY DAVID FOSTER AS A DIRECTOR

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*"That, having been appointed during the year, in accordance with clause 13.3 of the Company's Constitution and for all other purposes, Mr Rodney David Foster, who offers himself for election, having consented to act as a Director of the Company and being eligible, is hereby elected as a Director of the Company."*

## RESOLUTION 3 – ELECTION OF MR PAUL PRICE AS A DIRECTOR

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*"That, having been appointed during the year, in accordance with clause 13.3 of the Company's Constitution and for all other purposes, Mr Paul Price, who offers himself for election, having consented to act as a Director of the Company and being eligible, is hereby elected as a Director of the Company."*

## RESOLUTION 4 – RE-ELECTION OF LLOYD JONES AS A DIRECTOR

To consider and if thought fit, to pass, the following resolution as an **ordinary resolution**:

*"That in accordance with clause 13.1 of the Company's Constitution and for all other purposes, Mr Lloyd Jones, who offers himself for re-election, having consented to act as a Director of the Company and being eligible, is hereby re-elected as a Director of the Company."*

## RESOLUTION 5 – CHANGE OF COMPANY NAME

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That pursuant to Section 157(1)(a) of the Corporations Act 2001 and for all other purposes approval be and is hereby given to change the name of the company from Northern Manganese Limited to **NTM Gold Limited**."*

*This Resolution is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, are voted in favour.*

## RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That for the purposes of ASX Listing Rule 7.4, Shareholders ratify the issue by the Company of 17,142,857 fully paid ordinary Shares in the capital of the Company to the parties on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on their Resolution by any person (and any associate of such person) who participated in the issue (refer Explanatory Statement).

However, the Company will not disregard a vote if:

- (a) it is cast by such a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That for the purposes of ASX Listing Rule 7.4, Shareholders ratify the issue by the Company of 5,150,513 fully paid ordinary Shares in the capital of the Company to the parties on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on their Resolution by any person (and any associate of such person) who participated in the issue (refer explanatory statement).

However, the Company will not disregard a vote if:

- (a) it is cast by such a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## RESOLUTION 8 - APPROVAL OF 10% PLACEMENT CAPACITY

To consider and if thought fit to pass with or without amendment the following resolution as a **Special Resolution**.

*"That pursuant to and in accordance with ASX Limited Listing Rule 7.1A and for all other purposes, approval is given for the Company to allot and issue Equity Securities up to 10% of the issued share capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Rule 7.1A.2 of the Listing Rules for the purposes and on the terms set out in the Explanatory Statement accompanying this Notice."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on their Resolution by any person (and any associate of such person) who may participate in the 10% Placement Facility and a person who may obtain benefit, except a benefit in the capacity of a holder of Shares if this Resolution is passed.

However, the Company will not disregard a vote if:

- (a) it is cast by such a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **Special Resolution**

*This Resolution is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, are voted in favour*

## **RESOLUTION 9 - APPROVAL OF ISSUE OF SHARES – PROPOSED CAPITAL RAISING**

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That for the purposes of ASX Listing Rule 7.1, approval is given for the Company to issue up to 75,000,000 fully paid ordinary Shares in the capital of the Company to investors entitled to subscribe for securities pursuant to Section 708 of the Corporations Act on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast on their Resolution by any person (and any associate of such person) who may participate in the 10% Placement Facility and a person who may obtain benefit, except a benefit in the capacity of a holder of Shares if this Resolution is passed.

However, the Company will not disregard a vote if:

- (a) it is cast by such a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **OTHER BUSINESS**

To consider any other business that may be brought forward in accordance with the constitution of the Company or the law.

The Chairman will allow reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

## **By Order of the Board**

**Paul Price**  
**Chairman**

**NORTHERN MANGANESE LIMITED**

DATED this 5th of October 2016

# EXPLANATORY STATEMENT

The Explanatory Statement is intended to provide Shareholders with all information known to the Directors of Northern Manganese Limited (**Company**) which is material to a decision on how to vote on the Resolutions to be considered at the Company's Annual General Meeting to be held at The Park Business Centre, 45 Ventnor Ave, West Perth, WA on 9<sup>th</sup> of November 2016.

This Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Please refer to the Glossary of terms contained in this Explanatory Statement that contains definitions of capitalised terms used in this Explanatory Statement.

## ANNUAL FINANCIAL REPORT

The first agenda item is to receive the Annual Report of the Company for the year ended 30 June 2016, comprising the Financial Reports, Directors' Report and Independent Auditor's Report.

There is no requirement for Shareholders to approve the Annual Report of the Company for the year ended 30 June 2016. However, Shareholders present at the Annual General Meeting will be able to:

- a) Ask the Directors present questions or make comment on the management of the Company; and
- b) Ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

Shareholders who are able to attend the Annual General Meeting but would still like to ask questions in relation to the Annual Report of the Company for the year ended 30 June 2016 can submit written questions to the Chairman about the management of the Company, or to the Company's Auditor about:

- a) The preparation and the content of the Auditor's Report;
- b) The conduct of the 2016 audit;
- c) Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d) The independence of the Auditor in relation to the conduct of the 2016 audit.

The questions will need to be submitted no later than five (5) business days before the Annual General Meeting to the Company Secretary at the Company's Registered Office.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available on its website at [www.northernmanganese.com.au](http://www.northernmanganese.com.au).

## RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with Section 250R(2) of the Corporations Act at a listed company's Annual General Meeting, the Board is required to table the Company's Remuneration Report to Shareholders as contained in the Company's Annual Financial Report for the financial year ended 30 June 2016 for consideration.

The Directors' Report contains the Remuneration Report which sets out the remuneration policy of the Company and reports the current remuneration arrangements in place for the non-executive directors, managing director and senior management.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company to the outcome passed. A failure of Shareholders to pass Resolution 1 will not require the Directors to alter any arrangements in the Remuneration Report.

If, at consecutive annual general meetings, at least 25% of votes cast on a remuneration report resolution are voted against adoption of the remuneration report a company is required to put to shareholders a resolution proposing the call of another meeting of shareholders to consider the appointment of directors of the Company at which all of the directors of the Company who were in office when the directors' report (as included in the Company's Annual Financial Report for the previous financial year was approved), other than the managing director of the company, will cease to hold office but may stand for re-election.

At the Company's previous annual general meeting the vote cast against the remuneration report considered at the annual general meeting were less than 25%. Accordingly, no further resolution will be required for this Annual General Meeting.

Shareholders appointing a proxy or this Resolution should note the following:

**If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report or a Closely Related Party of such a member as your proxy.**

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be coted and will not be counted in calculating the required majority if a poll is called on this Resolution.

**If you appoint the Chair as your proxy (where he is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or Closely Related Party of such a member).**

You do not need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, by signing the Proxy Form to expressly authorise the Chair to exercise his discretion in exercising your proxy even though the Resolution is connected directly or indirectly with the remuneration of Key Management Personnel. The Chair intends to vote any undirected proxies in favour of this Resolution.

You do not need to direct your proxy how to vote on this Resolution, and you do not need to mark any further acknowledgement on the Proxy Form.

## **RESOLUTION 2 – ELECTION OF RODNEY DAVID FOSTER**

Clause 13.4 of the Constitution and ASX Listing Rule 14.4 require that at the Company's Annual General Meeting a Director appointed to the Board since the last Annual General Meeting of the Company shall retire from office at the Annual General meeting and may seek election.

In accordance with clause 13.4 of the Constitution and ASX Listing Rule 14.4, Mr Rodney David Foster retires as a Director and, being eligible, offers himself for election as a Director of the company.

Mr Foster was appointed to the Board on 8 April 2016 and appointed as CEO of the Company on 1 August 2016.

Mr Foster is a geologist with over 27 years' experience in the gold exploration and mining industry in Western Australia and Victoria. His experience includes working for Pancontinental Mining at Paddington, Samantha Exploration, CSR's Gold Resources Pty Ltd and North Kalgurli Mines on the Golden Mile, Money Mining NL, Peak Resources Ltd and was founding Managing Director of Goldminco NL, a Victorian exploration company.

### **RESOLUTION 3 – ELECTION OF PAUL PRICE**

Clause 13.4 of the Constitution and ASX Listing Rule 14.4 require that at the Company's Annual General Meeting a Director appointed to the Board since the last Annual General Meeting of the Company shall retire from office at the Annual General meeting and may seek election.

In accordance with clause 13.4 of the Constitution and ASX Listing Rule 14.4, Mr Paul Price retires as a Director and, being eligible, offers himself for election as a Director of the company.

Mr Price was appointed to the Board on 7 July 2016 and appointed Chairman on 1 August 2016.

Paul is a commercial lawyer with extensive experience in legal and commercial matters focusing on the resource sector. He has advised national and international companies on commercial transactions, corporate governance, capital raising and structuring issues.

Paul is a member of the Australian Institute of Company Directors, AMPLA (the Resources and Energy Law Association) and the Association of Mining and Exploration Companies. He has a Bachelor of Jurisprudence, a Bachelor of Laws, and a Masters of Business Administration all from the University of Western Australia.

### **RESOLUTION 4 – RE-ELECTION OF LLOYD JONES AS A DIRECTOR**

Clause 13.2 of the Constitution and ASX Listing Rule 14.4 requires that at the Company's Annual General Meeting one third of the Directors (other than the Managing Director) for the time being shall retire from office and seek re-election.

In accordance with clause 13.2 of the Constitution and ASX Listing Rule 14.4, Mr Lloyd Jones retires as a Director and, being eligible, offers himself for re-election as a Director of the Company

Mr Lloyd relinquished his role as Managing Director of the Company on 30 June 2016 and has since that time continued to serve as a non-executive director of the Company.

Mr Jones has over 30 years of experience working within the private and government sectors providing administration, strategic development and project deployment in regional Western Australia and in Queensland for the last 11 years. He was previously employed as the Manager of Community Relations for a large Queensland based private coal exploration and mining company with extensive operations in the Moranbah Coal Basin. His role covered all aspects of Cultural Heritage, Native Title and land access.

His work focused on developing several negotiated agreements with traditional owners that would allow that company to secure the grant of mining leases from the State of Queensland. He was also responsible for general land access matters with pastoralists, the state and local government departments.

Previous experience in Queensland included several years as the Manager of Community and Stakeholder relations at MMG Century, the world's second largest open pit zinc mine. The Century Zinc Mine is located 250 kilometres north west of Mt Isa in the lower Gulf Region of North Western Queensland. His Department was responsible for the administration of the Gulf Communities Agreement that is fundamental to the operations at the mine, that company being strongly committed to honouring the spirit as well as the intent of that agreement.

## **RESOLUTION 5 – CHANGE OF COMPANY NAME**

The resolution is to change the name of the Company from Northern Manganese Limited to NTM Gold Limited.

Following the merger in March 2016 between Northern Manganese Limited and Redcliffe Resources Limited the Company has undertaken successful exploration on its gold licences in the Leonora district within the Eastern Goldfields of Western Australia. The Directors consider the name "Northern Manganese" provides an incorrect association with the Company's operations prior to the merger. The Directors have therefore proposed that the name of the Company be change to better align with the Company's operational focus and to address any investor or market confusion.

The Directors have proposed retention of the prefix NTM in order to reflect the Company's heritage.

Section 157 of the Corporations Act 2001 required that in order to change its name a company must first pass a special resolution adopting a new name and then lodge an application in the prescribed form with ASIC. Once this form is lodged and provided the proposed name is available, ASIC must change the Company's name by altering the details of the company's registration to the change. The change of name will take effect only when ASIC alters the details of the company's registration.

All Directors recommend that shareholders support this proposal.

Resolution 5 is a Special Resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, are voted in favour.

## **RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES TO SOPHISTICATED INVESTORS**

### *Background*

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue by the Company of 17,142,857 ordinary shares on 9 June 2016.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12-month period any equity securities, or other securities with rights to conversion to equity (such as an Option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. ASX Listing Rule 7.4 provides that where a company in a general meeting ratifies the pervious issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the pervious issue of securities did not breach ASX Listing Rule 7.1).

those securities will be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

By ratifying the issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in the ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### *Information Required by ASX Listing Rules*

In compliance with the information requirements of ASX Listing Rule 7.5 Shareholders are advised of the following particulars in relation to the issue of Shares pursuant to Resolution 6:

- (a) Number of securities allotted:  
17,142,857 Shares
- (b) Price at which the securities were issued:  
The Shares were issued for an issue price of \$0.035 per share.
- (c) Issue date:  
13 June 2016

- (d) Terms of issue:  
The Shares rank equally in all respects with the existing Shares on issue.
- (e) Name of Allottees:
- | <b>Allottees</b>              | <b>Shares Issues</b> |
|-------------------------------|----------------------|
| K Biggs Enterprises Pty Ltd   | 8,578,572            |
| Horseshoe Investments Pty Ltd | 5,714,285            |
| Trucking Nominees Pty Ltd     | 2,850,000            |
- (f) Intended use of funds raised:  
Funds raised are to be applied to exploration activities and working capital.
- (g) Relationship:  
The Allottees are not related entities of Northern Manganese Limited.

The Board believed that the ratification of this issue of Shares is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolution 6 as it allows the Company to ratify the above issue of securities and retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

## **RESOLUTION 7 RATIFICATION OF PRIOR ISSUE OF SHARES TO ADVISOR**

### *Background*

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue by the Company of 5,150,513 ordinary shares on 9 June 2016.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12-month period any equity securities, or other securities with rights to conversion to equity (such as an Option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12month period. ASX Listing Rule 7.4 provides that where a company in a general meeting ratifies the pervious issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the pervious issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.1.

By ratifying the issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in the ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### *Information Required by ASX Listing Rules*

In compliance with the information requirements of ASX Listing Rule 7.5 Shareholders are advised of the following particulars in relation to the issue of Shares pursuant to Resolution 7:

- (a) Number of securities allotted:  
5,150,513 Shares
- (b) Price at which the securities were issued:  
The Shares were issued for an issue price of \$0.009 per share.
- (c) Issue date:  
14 April 2016
- (d) Terms of issue:  
The Shares rank equally in all respects with the existing Shares on issue.
- (e) Name of Allottee:
- | <b>Allottees</b>   | <b>Shares Issues</b> |
|--------------------|----------------------|
| Metropolis Pty Ltd | 5,150,513            |
- (f) Intended use of funds raised:  
No funds were raised by the issue of securities.
- (g) Relationship:  
The Allottee are not related entities of Northern Manganese Limited.

The Board recommends Shareholders vote in favour of Resolution 7 as it allows the Company to ratify the above issue of securities and retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

## **RESOLUTION 8 – APPROVAL OF PLACEMENT FACILITY**

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1.

The effect of Resolution 8 is that the Directors of Northern Manganese Limited can issue Equity Securities under Listing Rule 7.1A over a twelve (12) month period between 30 October 2016 and 30 October 2017 in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Northern Manganese is an eligible entity.

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of Special Resolution at the Company's Annual General Meeting. A Special Resolution requires approval of 75% of the votes cast by Shareholders eligible to vote in person or by proxy.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 as explained below. Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

### **Formula for calculating the 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue, during the twelve (12) month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of shares on issue 12 months before the date of issue:

1. Plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
2. Plus the number of partly paid shares that became fully paid shares in the 12 months;
3. Plus the number of fully paid shares issued in the 12 months with the approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
4. Less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the twelve (12) months before the date of the issue of agreement to issue that are not issued within the approval of Shareholders under listing rule 7.1 or 7.4.

## 10% Placement Period

Shareholder approval in relation to the 10% Placement facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which approval is obtained, in this year being 9 November 2016 and expires on the earlier to occur of:

- a) The date that is 12 months after the date of the annual general meeting at which approval is obtained being 8 November October 2017; or
- b) The date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature and scale of activities) or 11.2 (disposal of main undertaking).

## Information required by ASX Listing Rule 7.3A

The following information is provided to Shareholders in accordance with ASX Listing Rule 7.3A on which trades in that class were recorded to assess the merits of the Resolution:

- a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the fifteen (15) Trading Days immediately before:
  - i. The date on which the price at which the Equity Securities are to be issued is agreed; or
  - ii. If the Equity Securities are not issued within five (5) Trading Days of the mention in paragraph (a) above, the date on which the Equity Securities are issued.
- b) If the Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:
  - i. The market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - ii. The Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset.

This may have the effect on the amount of funds raised by the issue of Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares on issue. The table also shows the affect is the current number of Shares on issue is Increased by 50% and 100% and where the issue price has decreased by 50% and increased by 100% as against the current market price.

		Dilution		
Shares on Issue				
		\$0.06 Issue Price	\$0.03 50% decrease in Issue Price	\$0.12 100% increase in Issue Price
Current Shares 226,286,146	10% Voting Dilution	22,628,615 Shares	22,628,615 Shares	22,628,615 Shares
	Funds Raised	\$1,357,717	\$678,858	\$2,715,434
50% increase 339,429,219	10% Voting Dilution	33,942,922 Shares	33,942,922 Shares	33,942,922 Shares
	Funds Raised	\$2,036,575	\$1,018,288	\$4,073,151
100% increase 452,572,292	10% Voting Dilution	45,257,229 Shares	45,257,229 Shares	45,257,229 Shares
	Funds Raised	\$2,715,434	\$1,357,717	\$5,430,868

The following assumptions were made when preparing the above table:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  2. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue;
  3. The table does not show the dilution affect that may be caused to a particular Shareholder;
  4. The table only shows the effect of Equity Securities under Listing Rule 7.1A and not under the 15% Placement capacity under Listing Rule 7.1.
  5. The issue of Equity Securities under the 10% Placement Facility consists of only Shares; and
  6. The issue price of \$0.06 is the closing price of the Shares on ASX 120 September 2016.
- c) The Equity Securities will only be issued during the Placement Period. The approval under Resolution 8 to issue the Equity Securities will cease to be valid in the event that Shareholders approve a significant change to the nature or scale of activities (Listing Rule 11.1.2) or disposal of a main undertaking (Listing Rule 11.2);
- d) The Company may seek to issue the Equity Securities for the following purposes:
1. Funds raised from the issue of Equity Securities for cash consideration may be used to fund expenditure on exploration projects being primarily the Redcliffe Gold Project and for working capital purposes.
  2. Potential acquisition of new resource assets and investments by either or both of the following:
    - (a) Cash consideration; and
    - (b) Non-cash consideration, if this was the purpose; the Company would provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy for issues under Listing Rule 7.1A may include placement to selected existing Shareholders, a cornerstone investor or several "new" professional/sophisticated investors not currently on the Company Register.

The identity of the allottees of the Equity Securities will be determined on a case by case basis having regard to the factors including but not limited to the following:

1. The methods of raising funds that are available to the Company including but not limited to, rights issue or other issue in which existing Shareholders can participate;
2. The effect of the issue of the Equity Securities on the control of the Company;
3. The financial situation of the Company; and
4. Advice from corporate, financial and broking advisors.

The allottee under the 10% Placement Facility are not known as at the date of this Notice but may include substantial Shareholders and/or new Shareholders who are not related parties or associated of a related party of the Company.

- e) The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its 2015 Annual General Meeting. The total number of Equity Securities issued by the Company in the 12 months preceding the date of this Notice is 11,754,977. The percentage of those Equity Securities representing the total number of Equity Securities on issue at the commencement of that 12-month period is 10%. In addition to Equity Securities issued in the preceding 12 months under Listing Rule 7.1A the Company issued 10,538,393 Equity Securities under Listing Rule 7.1 and 86,443,001 Equity Securities under a Federal Court approved merger scheme. The table at Annexure A details all issues of Equity Securities by the Company during the 12 months preceding the date of this Notice; and

- f) A Voting Exclusion Statement applies in relation to Resolution 8. As at the date of this Notice the Company has not approached any particular existing Shareholder or an identifiable class of existing Shareholder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the Voting Exclusion in the Notice,

## **RESOLUTION 9 - APPROVAL OF ISSUE OF SHARES – PROPOSED CAPITAL RAISING**

### *Background*

Resolution 9 seeks Shareholder approval for the Company to issue up to 75,000,000 Shares.

The Company is seeking approval for a capital raising to raise up to approximately \$3,750,000<sup>1</sup> at an issue price of at least 80% of the average market price for Shares traded on ASX over the last five days on which sales of Shares are recorded before the date on which the issue is made.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12-month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

### *Information required by ASX Listing Rules*

In compliance with the information requirements of ASX Listing Rule 7.3 Shareholders are advised of the following particulars in relation to the proposed issue of Shares pursuant to Resolution 9:

- (a) **Maximum number of securities proposed for issue:**  
75,000,000 Shares
- (b) **Date by which the Company will issue and allot securities:**  
No later than three months after Shareholder approval either progressively or as a single allotment (or such longer period of times as ASX may, in its discretion, allow pursuant to a waiver of ASX Listing Rules 7.3.2).
- (c) **Price at which the securities proposed for issue:**  
No less than 80% of the average market price for Shares calculated over the last five days on which sales of Shares are recorded on ASX before the date(s) on which the issue is made.
- (d) **Basis upon which allottees will be determined:**  
The allottees will be sophisticated, professional and other investors who are entitled to receive exempt offers under Section 708 of the Corporations Act.  
  
No related parties of the Company are entitled to participate in the proposed issue.
- (e) **Terms of issue:**  
The Shares will rank equally in all respects with the existing Shares on issue.
- (f) **Intended use of funds raised:**  
It is intended that the funds raised will be used to fund expenditure on the Redcliffe Gold Project and for working capital purposes.
- (g) **Date of issue:**  
The Shares will be issued progressively as the placement funds are received.

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<sup>1</sup> Based on 5 cents per share being approximately 80% of share price prevailing at date of issue of Notice.

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## Questions and Comments

In accordance with the Corporations Act at the Annual General Meeting the Chair will provide an opportunity for Shareholders to ask questions and make comments in relation to the management of the Company.

## ENQUIRIES

Shareholders are required to contact the Company Secretary, Mark Maine, on 08 9481 6666 or 0416 107244 if they have any queries in respect to the matters set out in these documents.

## GLOSSARY

In the Notice of Meeting and Explanatory Statement, unless the context otherwise requires:

**\$** means Australian dollars.

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice of Meeting.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

**Auditor** means the Company's auditor.

**Business Day** means a day that is not a Saturday, Sunday, public holiday or bank holiday in Melbourne, Australia;

**Board** means the current board of Directors.

**Closely Related Party** means a closely related party of a member of Key Management Personnel as defined in Section 9 of the Corporations Act, being:

- (a) a spouse or child of the member;
- (b) a child that member's spouse;
- (c) a dependant of that member or of that member's spouse;
- (d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;
- (e) a company that is controlled by that member; or
- (f) any other person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Company** means Northern Manganese Limited (ACN 119 494 772).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* of Australia.

**Directors** mean the current directors of the Company.

**Existing Shares** means the Shares on issue at the Record Date.

**Equity Securities** has the same meaning as in the ASX Listing Rules but includes:

- (a) a share
- (b) a unit
- (c) a right to a share or unit or option;
- (d) an option over an issued or unissued security;
- (e) a convertible security;
- (f) any security that ASX decides to classify as an equity security
- (g) but not a debt security

**Explanatory Statement** means the explanatory statement accompanying the Notice of Annual General Meeting.

**Key Management Personnel** means the key management personnel of the Company as defined in Section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

**Option** means an option to acquire a Share.

**Proxy Form** means the form accompanying this Notice of Meeting.

**Record Date** means 6 business days from the date of the Meeting.

**Remuneration Report** means the remuneration report set out in the Directors Report section of the Company's Annual Financial Report for the year ended 30 June 2016.

**Resolution** means a resolution set out in the Notice of Meeting.

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

**Shareholder** means a holder of a Share.

**Special Resolution** means a resolution approved by a majority of 75% of the votes of those Shareholders entitled to vote and voting on a resolution.

**WST** means Australian Western Standard Time.

## ANNEXURE A

### ISSUE OF EQUITY SECURITIES BY THE COMPANY OVER THE LAST 12 MONTHS

Date of Issue	Number of Equity Securities Issued	Class	Names of Alotees or basis on which Alotees Determined	Price at which Securities Issued and discount to Market Price <sup>1</sup>	Total Cash Consideration <sup>2</sup>	Amt. of Cash Spent or use of Cash	Cash Remaining and Intended Use	Non-cash consideration	Current Value <sup>1</sup> of Non-cash consideration
5 April 2016	86,443,001	Ord	Redcliffe Shareholders	\$0.0172	N/A	N/A	N/A	N/A	N/A
14 April 2016	5,150,513 <sup>3</sup>	Ord	Metropolis Pty Ltd	\$0.009	N/A	\$0	\$0	\$46,355	\$309,031
13 June 2016	17,142,857 <sup>4</sup>	Ord	Sophisticated Investors	\$0.035	\$600,000	N/A	\$600,000 Exploration	N/A	N/A

#### NOTES -

<sup>1</sup> Market price is the closing price on the trading platform, excluding special crossings, overnight sales and ETO exercises.

<sup>2</sup> Number of Equity Securities issued multiplied by the issue price less costs of the issue.

<sup>3</sup> Equity Securities issued under Listing Rule 7.1.

<sup>4</sup> Number of Equity Securities issued under Listing Rule 7.1A is 11,754,977 and 5,387,880 issued under Listing Rule 7.1.

