

5 July 2016

BOARD RESTRUCTURE REDUCED REMUNERATION

HIGHLIGHTS

- **Restructure of the Board's current remuneration framework results in lower management costs for the Company**

Northern Manganese Ltd ("**NTM**" or the "**Company**") is pleased to advise a revised Board remuneration and role framework effective 1 July 2016.

Mr Jones' Managing Director contract came to an end 30 June 2016. This change means that Mr Jones' directors fees will reduce from \$180,000 p/a to \$36,000 p/a in line with Non-Executive directors, plus an hourly payment for input beyond 10 hours per Month.

Current Board

- Rodney Foster – Technical Director/Chairman
- Lloyd Jones – Executive Director
- David Ryan – Non Executive Director
- Bruce McFarlane – Non Executive Director

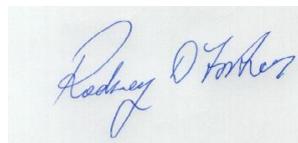
Accrued costs in relation to the Mr Jones' previous contract including annual leave and CPI escalation finalised as at 30 June 2016 amount to \$15,595.

Mr Foster as Technical Director/Chairman will similarly receive an hourly payment for input beyond 10 hours per Month.

REMUNERATION COST RESTRUCTURE FRAMEWORK

Of the \$36,000 fee, the directors will receive a cash payment of \$12,000 each on an annualised basis. The remainder, \$24,000 on an annualised basis will be payable either in the form of shares in the Company (subject to shareholder approval) or cash depending on funding status.

The Board is planning to direct cost savings toward further exploration programs and mining studies expected to be accelerated over the coming months.



Rodney Foster
Chairman

Registered Office Address

Level 3, South Mill Centre
9 Bowman Street
SOUTH PERTH WA 6151

Tel: +61 8 9217 2400
Fax: +61 8 9217 2401

Postal Address

PO Box 2546
IDALIA QLD 4811

Tel: 07 4725 7777

Email: admin@northernmanganese.com.au

Directors & Management

Mr Rodney Foster
Non-Executive Chairman

Mr Lloyd Jones
Executive Director

Mr David Ryan
Non-Executive Director

Mr Bruce McFarlane
Non-Executive Director

Mr Robert Marusco
Company Secretary

ASX Code: NTM

Website: www.northernmanganese.com.au

ABN 24 119 494 772