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NORTHERN MANGANESE LIMITED

ASX RELEASE

22 August 2016

Nambi Diamond Drilling Programme - Deeper Gold intercepts

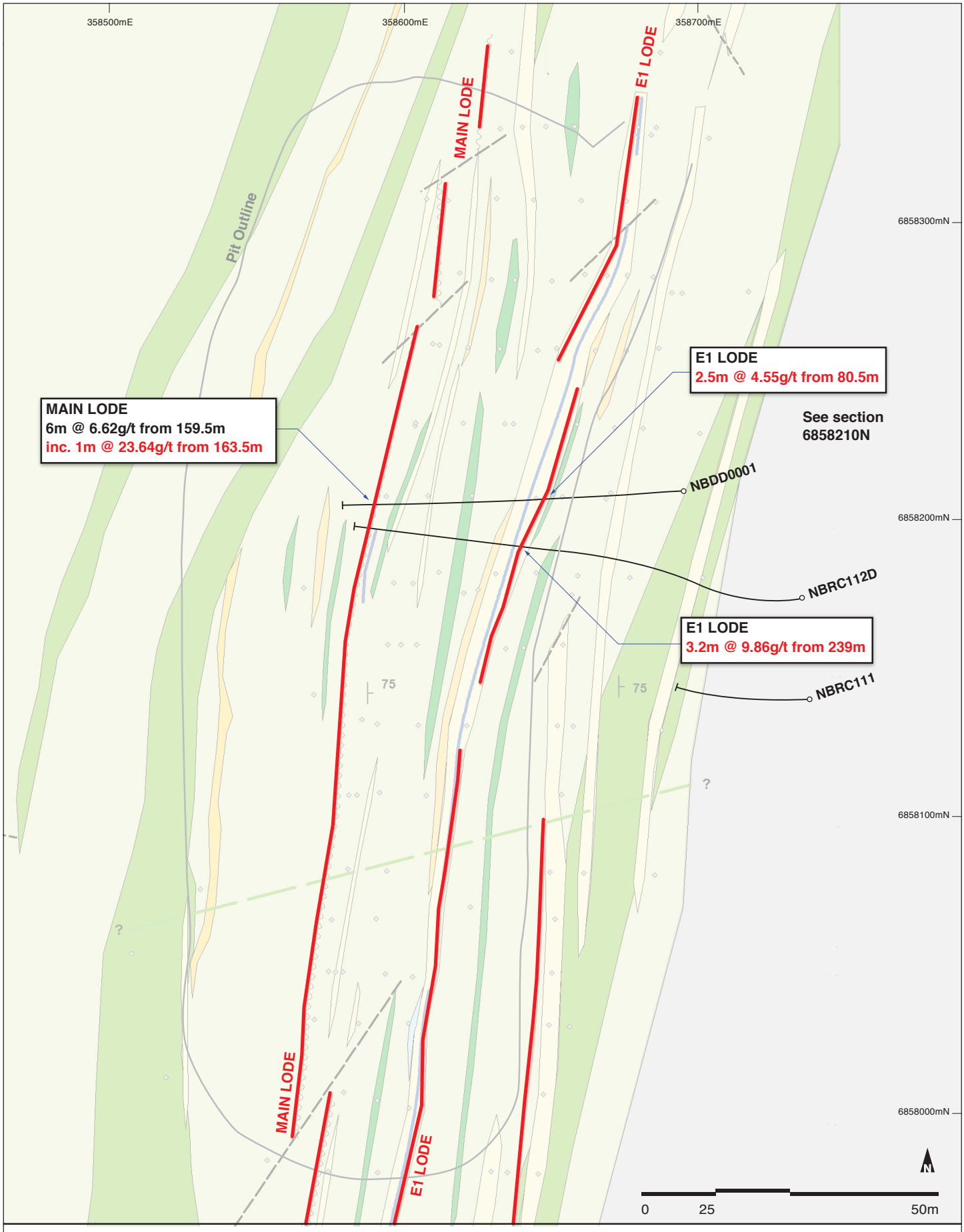
The Company is pleased to announce results from the recently completed deep drilling programme at the Nambi Gold Deposit. The drilling programme was part of the Department of Minerals & Petroleum WA co-funded Exploration Incentive Scheme and has successfully intersected mineralisation at greater depths than previous drilling. Notably, intercepts from E1 Lode show strong mineralisation to depths below 200 metres with grades improving with depth.

		FROM	TO	Down Hole Width (m)	Gold Assay Average (g/t)	Intercept
NBDD001	E1 LODE	80.5	81	0.5	1.50	**2.5m @ 4.55 g/t gold**
		81	81.5	0.5	0.12	
		81.5	82	0.5	4.75	
		82	82.5	0.5	3.90	
		82.5	83	0.5	12.5	
	MAIN LODE	159.5	160.2	0.7	1.72	**6m @ 6.62 g/t gold**
		160.2	161.2	1.0	5.49	
		161.2	162.2	1.0	2.13	
		162.2	163	0.8	6.58	
		163	163.5	0.5	3.94	
		163.5	164	0.5	9.85	
		164	164.5	0.5	36.0	
		164.5	165	0.5	0.56	
		165	165.5	0.5	0.90	
NBRC112D	E1 LODE	239	240	1.0	10.4	**3.2m @ 9.86 g/t gold**
		240	241	1.0	9.65	
		241	242.2	1.2	9.55	
	MAIN LODE	382.5	383.1	0.6	0.72	1.6m @ 0.66 g/t gold
		383.1	384.1	1.0	0.63	

The table is a summary of results obtained from each hole. Intercepts are down hole widths calculated using a nominal 0.5g/t lower cut, maximum 1metre of internal dilution included. No upper cut. Intercepts are weighted averages.

The Nambi Deposit forms part of the Company's Redcliffe Gold Project (RGP), located 65km NE of Leonora in the Eastern Goldfields of Western Australia within granted ML37/1286. The Deposit was mined in the early 1990's where an estimated total of 32,500 ounces at approximately 3 g/t Au was mined as oxidised/transitional ore.

Previous exploration was aimed at delineating gold mineralisation directly beneath the open pit to vertical depths of around 150m from surface. The Resource at Nambi estimated in 2008* comprises 552,000t @ 2.9 g/t for 52,000 ounces. (Indicated; 262,000t @ 3.3 g/t Inferred; 298,000t @ 2.5 g/t).



Nambi Project

Geology & Drill hole location plan

August 2016 GDA 94 Zone 51

- Mineralisaton
- Pit outline
- Drill hole
- New drill hole

Geology

- Basalt
- Felsic Sediment
- Shale
- Intermediate Sediment
- Mylonite
- Dolerite
- Chert
- Felsic Porphyry
- Dolerite Dyke
- Fault/Shear

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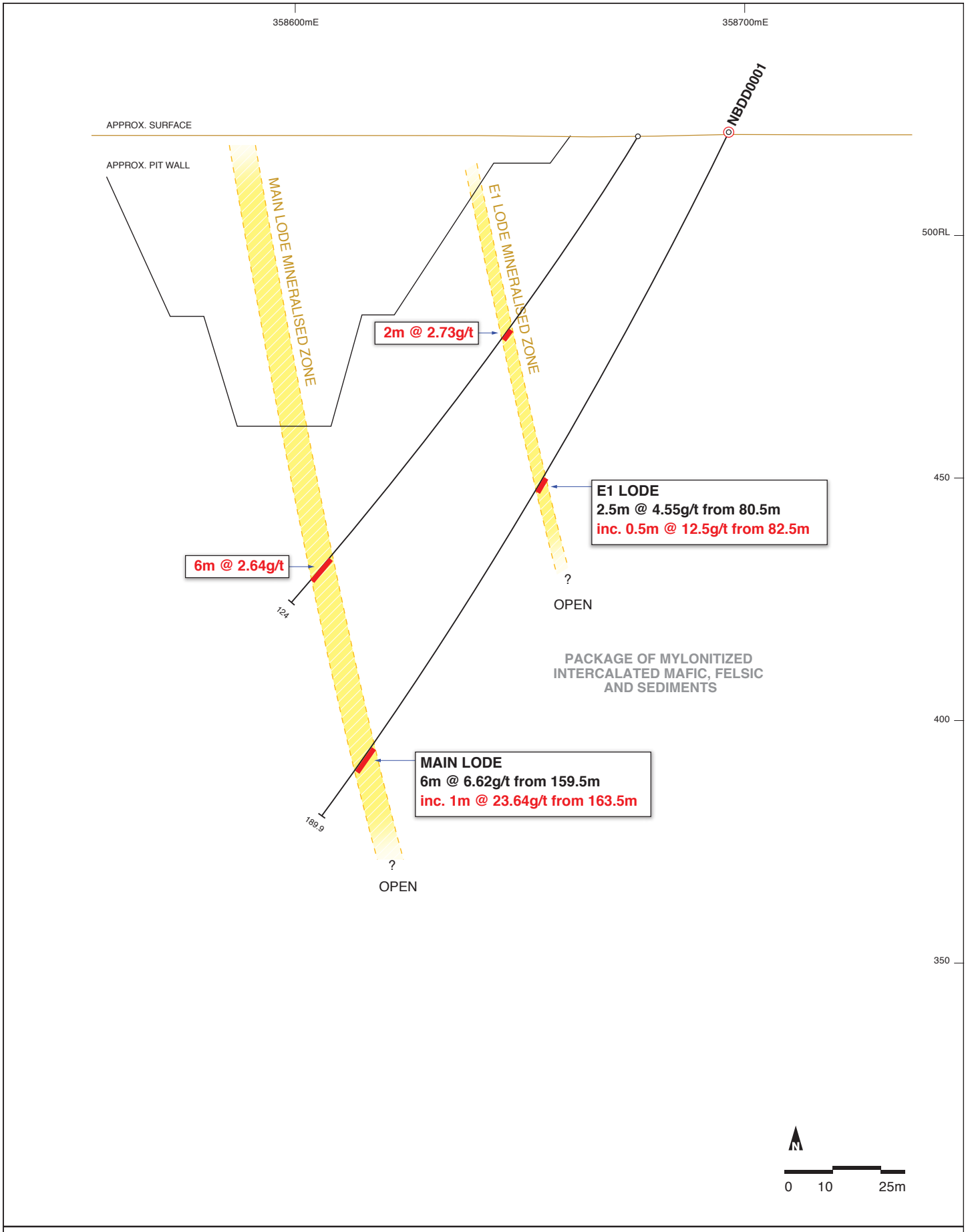

Nambi Deposit

Schematic Section 6858210mN

Section looking North +/-10m
Drill hole intercept, metres at g/t gold)
August 2016 GDA 94 Zone 51

Drill holes
- >0.5g/t
- Historical RC hole
- Drill hole (DD)

Geology
- Anomalous gold +0.1g/t

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This most recent co-funded drilling programme consisted of three holes. One RC pre-collar NBRC111 to 133m and two completed with diamond drill coring. NBDD001 was drilled to a total depth of 189.9m and NBRC112D was drilled to a total depth of 507.9 metres.

Both completed diamond core holes intersected the Main Lode and E1 lode, although it is considered the interpreted high grade shoot of the Main Lode in NBRC1112D may not have been optimally tested due to hole deviation from the target pierce point.

Nambi EIS Drilling- Drill hole Summary (GDA94 Coordinates, Zone 51).

Hole No.	GDA_mE	GDA_mN	Dip/Azimuth (°)	Depth (RC) (m)	Depth (DC) (m)	TOTAL (m)
NBRC111	358140	6858739	-70/270	133	0	133
NBRC112D	358736	6858172	-68/270	122	385.9	507.9
NBDD001	358695	6856212	-60/270	34	155.9	189.9

The local geological setting of the Nambi mineralised system comprises a northerly striking, steep east dipping package of Archean-aged intercalated mafic, felsic and sedimentary rocks. All are highly sheared to mylonitised.

MAIN LODE

The Main lode is characterised by a grey to grey green siliceous mylonitic zone with 5-15% pyrrhotite-pyrite occurring as foliation controlled veinlets and whispy blebs. Minor quartz veining is present and the zone is often defined by thin often brecciated, black shale/felsic units with abundant sulphide (pyrrhotite-pyrite) towards the base of mineralisation.

Excessive hole deviation in NBRC112D is interpreted to have caused the drill hole to have intersected the Main Lode north of the targeted high grade southerly plunging zone. A siliceous mylonite zone with a narrow black shale towards the base was intersected and assayed 1.6m @ 0.68 g/t Au from 382.5 metres.

Above: **NBDD001** intersected the Main Lode from 159.5m to 165.5m down hole and returned a down hole result of **6m @ 6.62 g/t Au, including 1m @ 23.64 g/t Au** from 163.5-164.5m.

E1 LODE

The E1 lode sits stratigraphically higher than the Main lode by an average of 50-60m (horizontal distance). The geology of the E1 lodes appears to be more variable than that observed for the Main Lode and can be hosted by sediments, mafic tuff/ volcanoclastic or felsic volcanics/schist.

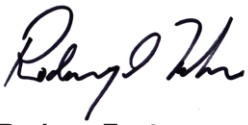
A grey to black shale, graphitic in part and strongly sulphidic, is generally at the base of the mineralisation.

Both NBRC112D and NBDD001 intersected the E1 lode returning significant gold intercepts.

An intercept of **3.2m @ 9.86 g/t Au from 239m** down hole was returned from NBRC112D and NBDD001 returned a down hole intercept of **2.5m @ 4.55 g/t Au** from 80.5 metres.

Previous drilling had not targeted the E1 lode at depth but these intercepts strenthening at depth indicate that the E1 Lode offers considerable scope for delineation of additional mineralisation.

"The Company is pleased with the results from the Nambi Deeps Co-funded drilling programme. To intersect the mineralised zones at far greater depths than previously drilled with little proximal geological control is very satisfying and shows the Nambi mineralised system is robust both along strike and now at depth. Additional drilling is being planned to seek to further define the higher grade components of the Nambi gold mineralisation."



Rodney Foster
CEO

Competent Person Statement

The information in this report, as it relates to Exploration Results, 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 a Director of the Company. 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.

*2008- Nambi Resource Estimate completed by Coffey Mining. This 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

JORC Code, 2012 Edition – Table 1 report – NAMBI Prospect RC & DC drilling

Sampling Techniques and Data

Criteria	*JORC Code explanation*	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	The sampling has been carried out using Reverse Circulation drilling (RC) and Diamond core drilling (DC). A total of three holes were drilled in the reported program for a total of 289 of RC, and 541.8mof DC, at depths ranging from of 133 to 507.9m. The holes were drilled at various degrees at azimuth of approximately 270o. Sample quality was high with only minimal RC sample loss around the annulus in the top 5m of each hole. Some RC samples were damp to wet as noted below 100m but overall dry sample was produced to the depths drilled for RC. DC recovery was good.
	Include reference to measures taken to ensure sample representation and the appropriate calibration of any measurement tools or systems used.	The drill holes were initially located by handheld GPS, and then verified with tape measure from base line pegs. Sampling was carried out under Company protocols and QAQC procedures as per current industry practice. See further details below.
	Aspects of the determination of mineralisation that are Material to the Public Report. *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	RC holes were drilled with a 5.25inch face-sampling bit, 1m samples collected through a cyclone and riffle splitter, to form a 2 to 3kg sub sample. DC samples were collected from NQ2 diamond core. Core was measured, orientated (where possible), photographed and then cut in half. Core sampled on a 0.5m to 1m basis were then collected from the core as ½ core, keeping the side collected. These samples were sorted and dried by the assay laboratory passed through Jaw crusher. pulverised to form a 40gm charge for Fire Assay/AAS. Multi-element analysis was also undertaken using ICP-OES to ppm levels.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	A Multi-purpose, DE880 Reverse Circulation/Diamond Coring drilling rig, operated by DDH1 Pty Ltd was used to collect the samples. Core was oriented using down hole spear technique.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	The majority of samples were dry. Ground water was encountered in all holes, the inflow was controlled by increasing the air volume for RC drilling. RC recoveries were visually estimated and any low recoveries recorded in the drill logs. Recovery of the samples was good, generally estimated to be full, except for some sample loss at the top of the hole. Core recoveries were checked against core blocks when marking up core on 1m intervals and also in geotechnical work. Core recovery was good.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	RC face-sample bits, PVC casing in the top 12 metres and dust suppression were used to minimise sample loss. RC samples are collected through a cyclone and riffle splitter, with the bulk of the sample deposited in a plastic bag and a sub sample up to 3kg collected for dispatch to the assay laboratory. Cyclone and sample buckets are cleaned between rods and at EOH to minimize contamination. Core was sampled on a 0.5m to 1m basis generally to geological contacts and collected as ½ core, keeping the side collected constant.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Core recovery was good. No significant core loss was noted in the drilling.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	All RC chips and core were geologically logged by Company geologists, using the Companies logging scheme. DC was both geologically and geotechnically logged.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of RC chips and DC records lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. All RC samples are wet-sieved and stored in chip trays. These trays were photographed and then stored off site for future reference.
	The total length and percentage of the relevant intersections logged.	All holes were logged in full.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core was sawn using a diamond blade and ½ core collected for assay on a 0.5m to 1m basis, generally to geological contacts.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	One-metre drill samples are channeled through a 3-tiered riffle splitter installed directly below a rig mounted cyclone. A 2-3 kg sub-sample is collected in a calico bag and the balance in a plastic bag. The calico bag is positioned on top of the corresponding plastic bag for later collection if required. Most samples were dry except as noted above.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples were prepared at the Bureau Veritas Laboratory in Kalgoorlie. Samples were dried, and the whole sample pulverised to 90% passing 75um, and a reference sub-sample of approximately. 200g retained. A nominal 40g was used for the analysis (FA/AAS). The procedure is industry standard for this type of sample.
	Quality control procedures adopted for all sub-sampling stages to maximise representation of samples.	RC samples are collected at 1 m intervals and composited into 5 m samples using a PVC spear to sample individual metre samples. Certified Reference Materials (CRM's) and/or in house controls, blanks, splits and replicates are analysed with each batch of samples. These quality control results are reported along with the sample values in the final report. Selected samples are also re-analysed to confirm anomalous results.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/ second-half sampling.	One-metre samples are split on the rig using a 3 tier splitter, mounted directly under the cyclone. This standard Industry practice. The samples weigh 3-5kg prior to pulverisation.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate to give an indication of mineralisation given the particle sizes and the practical requirement to maintain manageable sample weights.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Samples were analysed for Au to ppm levels via 40gm fire assay / AAS finish which gives total digestion and is appropriate for high-level samples. Mutli-element analysis for Ag, Zn, Ag, Ni, Mo, Te, As, Cu, Sn to ppm levels vis ICP-OES.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used in this program.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Company QA/QC protocol for RC & DC drilling is for Field Standards (Certified Reference Materials) and Blanks inserted at a rate of 4 Standards and 3 Blanks per 100 single metre samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant results were checked by the CEO and a consultant Geologist.
	The use of twinned holes.	Twin holes were not employed during this part of the program.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All field logging was carried out on hardcopy geological log sheet. Data is entered electronically to the Database Geologist in the Redcliffe Victorian office. Assay files are received electronically from the Laboratory. All data is stored in a Company database system, and maintained by the Database Manager.
	Discuss any adjustment to assay data.	Due to varying assay interval widths, the results quoted have been weight averaged. Down hole widths are quoted for intercepts.

Criteria	JORC Code explanation	Commentary
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Hole locations were determined by hand-held GPS, and then verified with tape measure off known base line points. The drill rig mast is set up using a clinometer. Down hole directional surveying was completed regularly using a down hole multi-shot tool within stainless steel rod.
	Specification of the grid system used.	Grid projection is GDA94, Zone 51.
	Quality and adequacy of topographic control.	Relative Levels are allocated to the drill hole collars using current Digital Terrain Model's for the area . The accuracy of the DTM is estimated to be better than 10m.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drilling was designed to intersect interpreted primary mineralisation at depth beneath oxide mineralisation targets. No grid based drilling was undertaken.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The drilling is wide spaced, and as such will not yet be incorporated into Resource estimations. However, the drilling results will be incorporated into the Company database to aid in target definition.
	Whether sample compositing has been applied.	No compositing has been employed in the reported results.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The orientation of the drill hole (azimuth) is approximately perpendicular to the strike of the targeted mineralisation.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The drill orientation is estimated to be approximately perpendicular to the main mineralised trend. It is unclear at present whether cross structures are mineralised, however it is considered unlikely that any sampling bias has been introduced.
Sample security	*The measures taken to ensure sample security.*	Calico sample bags were collected in pre -numbered plastic bags (ten calico bags per single plastic bag), sealed and transported to the Bureau Veritas Laboratory in Kalgoorlie for assaying.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Sampling and assaying techniques are industry-standard. No specific audits or reviews have been undertaken at this stage in the program.

Section 2: Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The drilling occurred within tenement M37/1286 which is held 100% by NTM and wholly owned subsidiary Redcliffe Resources Ltd. The Project is located 65km NE of Leonora in the Eastern Goldfields of Western Australia
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements subject to this report are in good standing with the Western Australian Department of Mines & Petroleum.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Previous exploration at Nambi has been completed by CRAE in the 1990's, who completed mining of the Nambi and Nambi Sth pits. Pacrim Energy Ltd/Redcliffe Resources Ltd completed exploration in the area from in 2007-2016. This work outlined the Nambi mineralised trend to approximate depths of 100m below the historical open pit and allowed the estimation of an Indicated and Inferred Resources at Nambi (see text). Where relevant, assay data from this earlier exploration has been incorporated into NTM databases.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Nambi mineralisation is hosted within Archaean-aged highly sheared to mylonitic maifc, felsic and sedimentary rocks, Anomalous Ag, Zn and Cu is associated with the Au mineralisation. Lithologies dip steeply east and strike north-south. Drilling to date has identified several mineralised lodes/zones, characterized by silica-pyrrhotite-pyrite, with the Main Lode being the target of historical open pit mining.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *• easting and northing of the drill hole collar* *• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *• dip and azimuth of the hole* *• down hole length and interception depth* *• hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Refer to table in the body of text.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	Grades are reported as down-hole length-weighted averages of grades. No top cuts have been applied to the reporting of the assay results.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	All higher grade intervals are included in the reported grade intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	The geometry of the mineralisation at depth is interpreted to vary from steeply east dipping to sub-vertical. (80 to 90 degrees). All assay results are based on down-hole lengths, and true width of mineralisation is not known.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures in the body of text.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Refer to results reported in body of text and summary statistics for the elements reported.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Refer to body of text and this appendix.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Further drill testing of the anomalous results with DC holes is planned based on additional geological analysis. The location of the collars of these holes is still to be determined. Currently there is insufficient geological information to determine the extent of mineralisation in the primary zone.