
QUARTERLY REPORT TO 31 MARCH 2013

Northern Manganese Groote Eylandt Project

Exploration activities developed for this project have been placed on hold following the announcement on the 6th March 2012 by the Northern Territory Government of a moratorium on all offshore exploration and seabed mining for three years until 2015.

The Northern Territory Environmental Protection Authority (EPA) have been charged by the Government to undertake the comprehensive assessment of offshore exploration and seabed mining to ascertain the potential impacts such activities may have on the environment.

No reportable activities have occurred on this project during the quarter as a result of the Moratorium.

Blue Mud Bay

NTM is the applicant for four (4) Islands and three (3) offshore Exploration Licences.

With the Moratorium in place the offshore applications 28086, 28087 and 28089 cannot be granted.

The department of Mines and Energy have been requested to advertise the four Island tenements in preparation for the consent to negotiate notice over the four island tenements under the Aboriginal Land Right Act (ALRA).

NTM is still awaiting a formal response from the Department of Mines and Energy on this matter and continues to follow up the process with the Government.

Wounded Knee Project

The Wounded Knee project on EL46/873 is located in the Pilbara Mineral Field approximately 15 km south-east of the WoodieWoodie manganese mine.

Following on from the drilling program, NTM have completed an aerial photo interpretation in preparation for field mapping and sampling during the second quarter of 2013. The detailed aerial interpretation has given further insight into structural controls at the Wounded Knee prospect. It has identified numerous areas of geological interest including additional quartz tension gashes and zones of structural complexity. These areas will be mapped in detail and sampled for base and precious metals.

Mt Alexander

Ridge Resources JV

Cardinal Resources Ltd (formerly Ridge Resources Ltd (**Ridge**)) has the right to earn a 60% interest in the Mount Alexander Project from NTM through the expenditure of \$1 million on the project and a further 10% through an additional expenditure of \$800,000.

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Other Business

Lobbying of the Minister for Mines and Energy continued during this quarter to seek the removal or amendment of the Moratorium over the Blue Mud Bay tenure where NTM have established good working relationships with members of that community. A recent field trip by NTM's consultant confirmed ongoing community support for the project.

The Board has reviewed a number of potential projects during this period as part of an ongoing program to seek out complimentary projects whilst pursuing access to the Northern Territory tenure.

Tenements

No tenements were acquired or relinquished during this period