

24 August 2012

WOUNDED KNEE UPDATE

Northern Manganese Limited "NTM" acquired the project located in the Pilbara Mineral Field approximately 120km east of Nullagine and 15 km south-east of the Woodie Woodie Mine.

The Wounded Knee project (EL 46/873) is surrounded by other projects including the Yeneena Copper Project, the Birla Nifty Copper Mine, Newcrest's Telfer Copper/Gold Mine and Cameco's uranium/gold/base Metals Kintyre Project (see Figure 1). NTM is initially targeting a known copper occurrence and intends to undertake a maiden drill program to test the target area.

Drilling will take place when final approvals have been received which should see the commencement of a ten hole reverse circulation program totalling 1,000 metres in September 2012.

Rock chip and grab samples from previous exploration returned values of up to 34.8% Cu, 1.6g/t Au, 1,000g/t Ag, 15.9% Pb, 3,230ppm Zn, and 213ppm Mo from within the tenement area. An earlier soils sampling program returned twelve samples with over 500ppm copper. These results along with geological observations have identified numerous areas of interest.

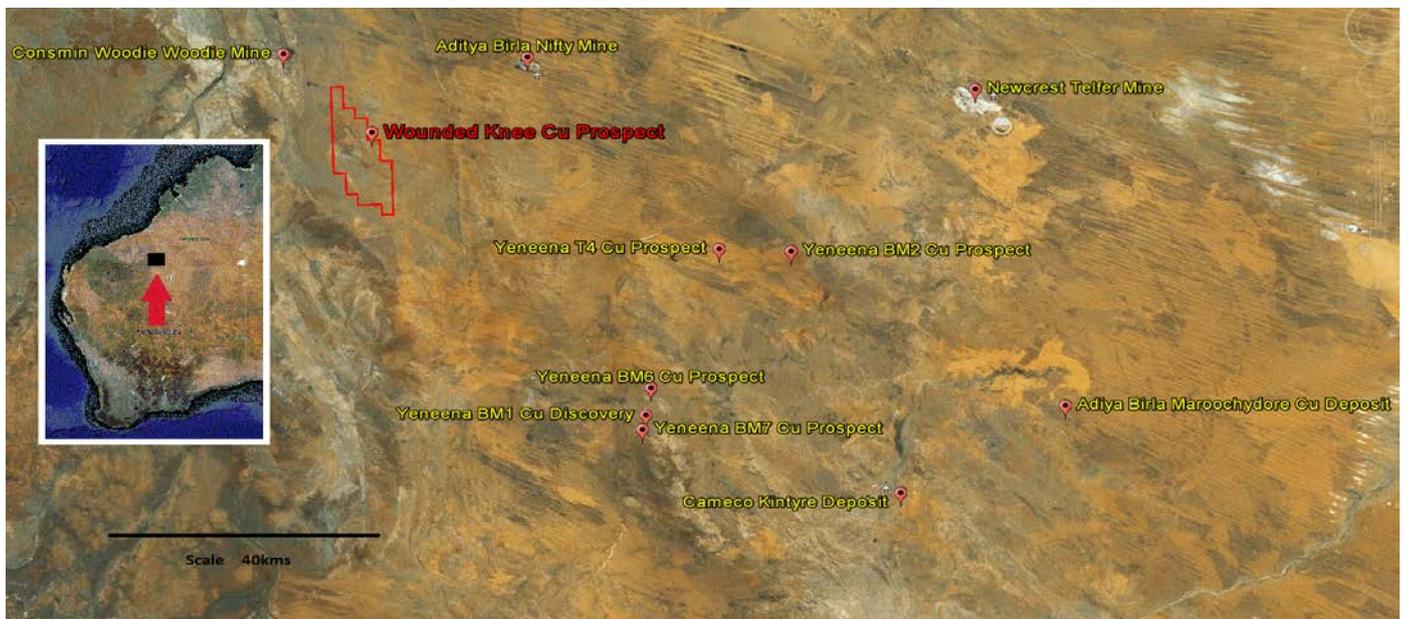


Figure 1. Locational plan



Lloyd Jones
Managing Director

The information in this report relating to exploration results and mineral resources is based on information compiled by Mr. N. Cull who is a Member of the Australian Institute of Geoscientists. Mr. Cull is a senior geological consultant for Northern Manganese Pty Ltd, and consents to the inclusion in this type of report of the information as presented. He has sufficient experience relevant to the style of mineralisation and to the type of activity described to qualify as a competent person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

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