

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96. Origin: Appendix 8. Amended 01/07/97, 01/07/98, 30/09/2001, 01/06/2010, 17/12/10, 01/05/2013.

Name of entity

Northern Manganese Limited

ABN

24 119 494 772

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(100)	(261)
(b) development	-	-
(c) production	-	-
(d) administration	(198)	(849)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	19
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(297)	(1,091)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(9)	(285)
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(9)	(209)
1.11 Loans repaid by other entities	-	-
1.12 Other – cash acquired on completion of merger	11	11
Net investing cash flows	(7)	(483)
1.13 Total operating and investing cash flows (carried forward)	(304)	(1,574)

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1.13	Total operating and investing cash flows (brought forward)	(304)	(1,574)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	600	600
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(3)
1.18	Dividends paid	-	-
1.19	Other - proceeds on sale of treasury shares	20	20
	- share issue costs	(5)	(9)
	Net financing cash flows	615	608
	Net increase (decrease) in cash held	311	(966)
1.20	Cash at beginning of quarter/year to date	455	1,732
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	766	766

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2
1.24	Aggregate amount of loans to the parties included in item 1.10

1.25 Explanation necessary for an understanding of the transactions

Item 1.2(d) – includes merger related costs consisting of corporate advisory fees, legal fees, other professional consultancy fees and costs of issuing equity securities.

Item 1.10 – loans advanced to fund merger costs incurred by Redcliffe Resources Limited. The loan facility terminated following shareholder agreement and approval of the Scheme of Arrangement by the Federal Court.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the quarter, the merger with Redcliffe Resources Limited by way of Scheme of Arrangement was completed.

As announced on 5 April 2016, 86,443,001 shares were issued, with Redcliffe Resources Limited shareholders receiving one (1) Northern Manganese Limited share for every two and three quarters (2.75) shares held.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	450

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	624	114
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other – term deposit	142	341
Total: cash at end of quarter (item 1.22)	766	455

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A			

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6.2 Interests in mining tenements and petroleum tenements acquired or increased

E37/1205	Granted	0%	100%
M37/1276	)	51%	100%
M37/1285	) 100% interest	51%	100%
M37/1286	) acquired via	51%	100%
M37/1295	) Scheme of	51%	100%
P37/7647	) Arrangement	51%	100%
P37/7648	)	51%	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	226,286,146	226,286,146		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	108,736,371	108,736,371		
7.5 *Convertible debt securities (description)	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>Unlisted</i>	6,000,000	-	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 1 December 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Executive Director)

Date: 29 July 2016

Print name: Lloyd Jones

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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