
QUARTERLY REPORT TO 31 March 2015

QUARTER OVERVIEW

- Appointment of Mr Garry Connell as Non Executive Director & Chairman
- Section 249D General Meeting 5 March 2015
- New opportunities, project review and due diligence

PROJECT UPDATES - Groote Eylandt Project

Northern Manganese Ltd (NTM) advise that there is no change in status this quarter as the tenure is still the subject of Veto under the Aboriginal Land Rights Act 1976 (ALRA).

Blue Mud Bay

Proposed meetings in Darwin were postponed due to the need of management to deal with the lodgment of a Section 249D Notice against the Company seeking to remove and replace your Board.

Notwithstanding this a meeting with the Northern Territory Minister for Mines and Resources has been scheduled for early May to discuss the future intent of the government in respect to Exploration in light of their recent decision to extend the Moratorium.

This meeting will assist the Board with major decision making surrounding this project.

Offshore Commonwealth Waters Project

No further progress has been made on this project during the quarter. It will be part of the Blue Mud Bay agenda in early May in Darwin.

Mining Tenements Held as at 31 March 2015

Tenement	Status	Tenement Area (km ²)
Groote Eylandt, Northern Territory (Northern Manganese 100%)		
A28131	Application	196.70
A28132	Application	115.00
A28133	Application	278.50
A28134	Application	772.90
A28135	Application	387.90
EL27521	Application	47.30
EL27522	Application	10.50
EL27937	Application	0.20
OEL28098	Application	1472.00
OEL28099	Application	1615.00
OEL28100	Application	1595.00
OEL28101	Application	1587.00
OEL28102	Application	1603.00
OEL28103	Application	1578.00
OEL28104	Application	1546.00
OEL28105	Application	1613.00
OEL28106	Application	1079.00

Blue Mud Bay, Northern Territory (Northern Manganese 100%)		
EL28085	Application	1,349.96
EL28086	Application	1,337.84
EL28087	Application	1,192.23
EL28089	Application	4.70
EL28090	Application	1.64
EL28091	Application	7.08
EL28092	Application	2.72

Mining Tenements Acquired and Disposed during the March 2015 Quarter

Acquired:

Nil

Disposed:

Nil

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements during the March 2015 Quarter

Nil

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements Acquired or Disposed of during the March 2015 Quarter

Nil

Corporate

General Meeting

On the 12 January 2015 the Company was served with a Section 249D Notice, the purpose of this was to remove your Board excluding the then chairman Mr Doug Daws. The Board was pleased to advise shareholders that the requisitioners resolutions were unsuccessful with Messrs. Connell, Ryan and Jones being retained on the Board and Mr Daws being removed by shareholder vote.

This matter was not taken lightly by the Board and whilst it is the legal right of a shareholder who has more than 5% of the shares to call such a meeting it proved both costly and time consuming no doubt for all parties. The NTM Board and Management have been reaffirmed by the Company's shareholders and are focused on new opportunities and project acquisition and continued cost management with a view to improving shareholder value.

Project Review

During the March 2015 quarter, Management and the Board have reviewed a number of projects both onshore and offshore. These potential project opportunities covered a variety of minerals.

NTM has signed Confidentiality Agreements with two companies to enable further review of data and due diligence to occur.

The Company is reviewing its funding arrangements and capital raising initiatives whilst actively pursuing new opportunities and projects.

Changes to Board

The Company appointed Mr Garry Connell as Non-Executive Director on 13 January 2015 and Chairman to the board on 30 January 2015.

Mr Daws was made a Non-Executive Director on the appointment of Mr Connell and was subsequently voted off the Board at the General Meeting of 5 March 2015.

Costs for the Quarter

NTM experienced higher than usual costs in administration due to the lodgment of the Section 249D Notice and subsequent General Meeting. These costs are not in the ordinary course of our business.

The total costs of this exercise were in the order of \$150,000 of which \$15,000 was settled in shares and \$71,000 is accounted for in the administration spend this quarter. The balance of \$64,000 will appear in the June quarter.

An additional \$32,000 was attributed to NTM's ongoing Research and Development expenses which resulted in a refund from the ATO of \$115,000 and will appear in the June quarter. This R&D program will now been wound up due to the difficulties we are experiencing in the Northern Territory.

Directors' fees, Salary and Super accounted for \$69,000 a substantial reduction from the previous quarter.

Your Board is committed to keep costs to a minimum whilst we continue to explore value adding projects for acquisition.

Shares

Company	Number of Shares Held	Share Price 31 March 2015	Value 31 March 2015	Comments
Zenith (ZNC)	500,000	\$0.04	\$20,000	Board has approved disposal of these shares
Spitfire (SPI)	6,545,531	\$0.009	\$58,910	Board has approved disposal of these shares
Caeneus (CAD)	10,000,000	\$0.013	\$130,000	Board has approved disposal of these shares

The Board has reviewed the shares held by NTM and determined that they are not part of our core business and agreed to dispose of them returning cash to the business.



Lloyd Jones
Managing Director