



OM Manganese Ltd

Title holder (s): OM (Manganese) Ltd (100%)
Operator: As above
Tenement Manager: Bichard Exploration Administration Services Pty Ltd

EL23624 Renner Springs Project

**Annual Report for period
24th February 2010 to 23rd February 2011
and
Final Report for period
24th February 2003 to 23rd February 2011**

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Target Commodity: Manganese

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250k mapsheet: Helen Springs SE 53-10
100k mapsheet: Helen 5661

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Abstract

Exploration activity for year 1 to 8 included field inspection, reconnaissance mapping, interpretation of Aster spectral imagery, helicopter-borne SkyTEM flown on 200m spaced lines (in-filled to 100m spaced lines over main prospects), airborne magnetic and radiometric surveys on 150m spaced lines, aerial photography and regional mapping of geology, structure and alteration at 1:20,000 scale.

Year 8 activity included the digitising and reporting of the 1:20,000 scale mapping by Dr Tim Blake.

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DIGITAL APPENDICES

1. Summary of Exploration Activity for 2006, Preliminary Geological Model and Strategy
2. Summary of Exploration Activity for Dec 2006 to June 2007
3. Renner Springs SkyTEM Data and Images
4. Bootu Creek North – GPX Aeromagnetic and Radiometric Data and Images
5. Renner Springs Ortho-rectified Photos – 2009
6. Renner Springs 1:20,000 scale Regional Geological Mapping

Electronic file list

File Name	File type	Content
EL23624_2011_final_report.pdf	Pdf	This report
Plate 1 - 20k Geology Mapping.pdf	Pdf	
Plate 2 - 20k Mapping Units.pdf	Pdf	
Appendix 1 - Eliyahu, A. (Jan '07)	Doc	Word doc report
Appendix 2 - Eliyahu, A. (July '07)	Doc	Word doc report
Appendix 3 - RennerSprings_SkyTEM_3	Xyz/Bmp/Doc	Gridded EM data/ MapInfo images/Report
Appendix 4 - Bootu Creek North – GPX mag and rad survey	Ers tif	ER Mapper grid data MapInfo image
Appendix 5 - Renner Springs Orthophoto 2009	Ecw	MapInfo image
Appendix 6 - 2009 mapping	Tab/pdf	Mapinfo table file/Report

1 Location and tenure

Exploration Licence 23624 is located 70 km northwest of the Bootu Creek Manganese Operation. The project area is accessed via station tracks heading west from the Stuart Highway, a few kilometres south of the Renner Springs road-house or from the Amadeus Gas Pipeline access track. The licence forms part of the Renner Springs Project.

The original 22 block licence was granted to Bootu Creek Resources (later changed to OM Manganese Ltd) on February 24th 2003 for a period of six years. 11 blocks (50%) were surrendered at the end of year 2. The original 6 year term of the exploration licence was extended for a further period of 2 years from February 2009 through to February 2011.

5 blocks from EL23624 were combined with EL9975 and EL9998 in favour of SEL28041, granted 9th December 2010.

2 blocks from EL23624 were combined with EL23459 in favour of SEL28604, applied for on 28th January 2011. The remaining 4 blocks expired at the end of year 8.

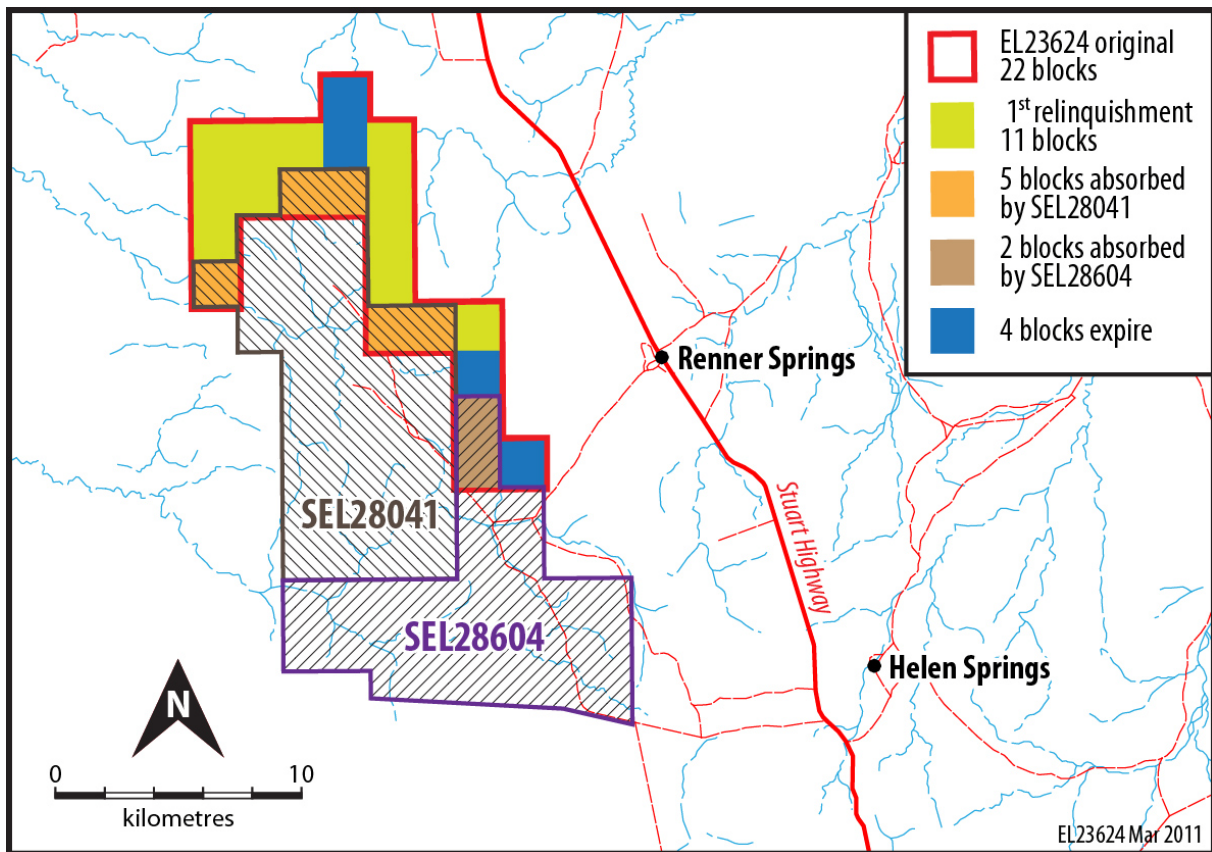


Figure 1. Plan showing EL23624 from Grant to Expiry

2 Geology

The licence area is located within the Asburton Province of the Paleoproterozoic to Mesoproterozoic Tennant Creek Inlier. The project area is mainly comprised of an alternating sequence of sandstone, siltstone and carbonate successions from the Namerinni Group and the unconformably overlying Renner Group.

The manganese mineralisation is mainly associated with the Shillinglaw formation of the Namerinni Group.

A detailed description of the Geology is included in the “Summary of exploration activities for 2006, preliminary geological model and proposed exploration strategy” by Amit Eliyahu attached in Appendix 1.

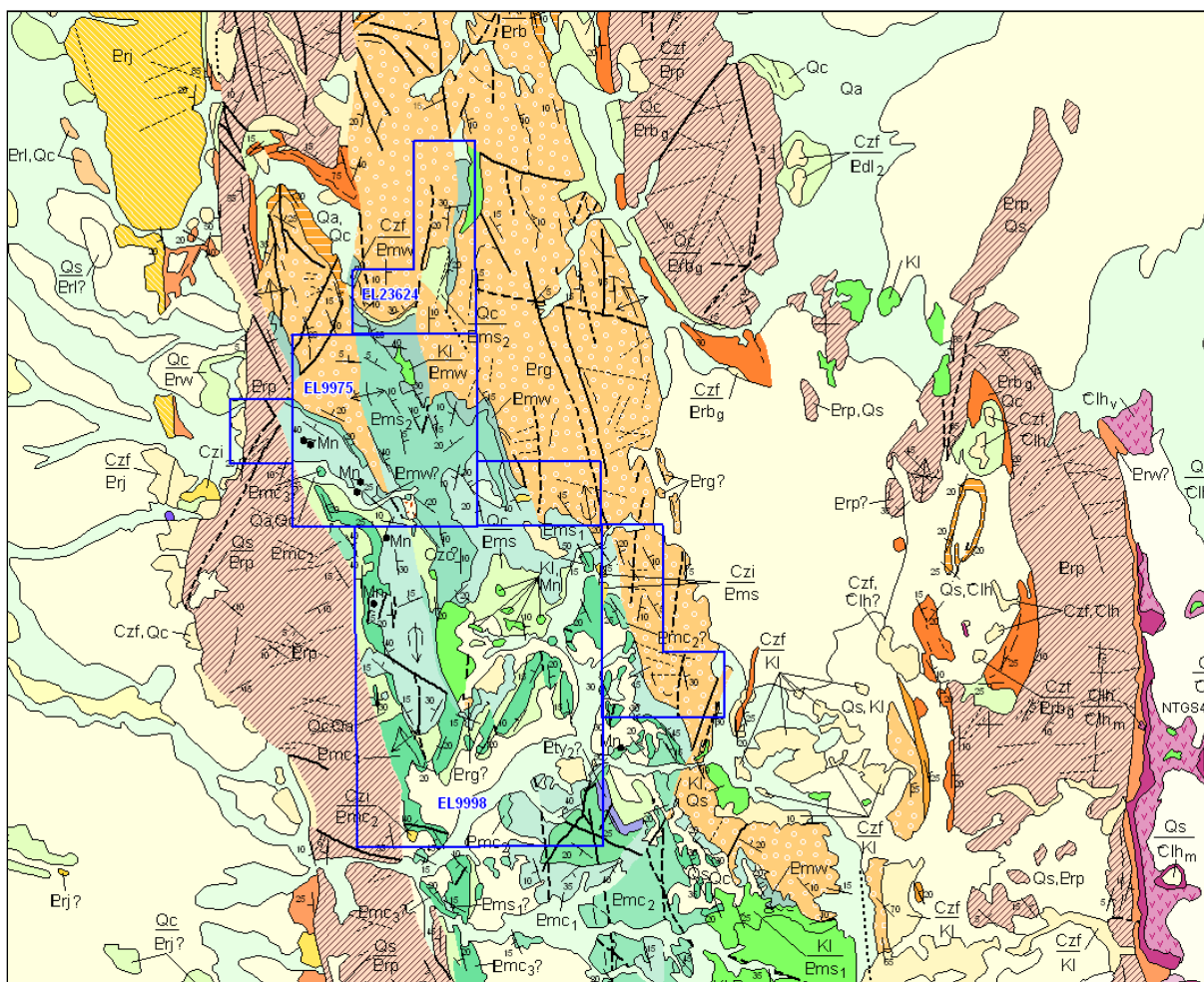


Figure 2. NTGS Geology from 1:250k Helen Springs sheet.

3 Exploration Activity

3.1 *Exploration Activity 2003/2004*

Activity during year 1 was restricted to site reconnaissance visits to examine host rock units to manganese units with the north Renner Springs area.

PC drilling activity was undertaken on the adjoining EL9975 and EL9998.

3.2 *Exploration Activity 2004/2005*

No field exploration activity undertaken within EL23624 during year 2 as Bootu Creek Resources was focussing all their resources on drilling out the Bootu Creek Project manganese deposits.

3.3 *Exploration Activity 2005/2006*

No field exploration activity undertaken within EL23624 during year 3. PC drilling activity was undertaken on the adjoining EL9998.

3.4 Exploration Activity 2006/2007

Exploration activity undertaken in year 4 by OM Manganese included the acquisition and review of Aster satellite-borne spectral data and geological field reconnaissance. A report on the spectral analysis study by A. Eliyahu is included in Appendix 1.

Field reconnaissance of the Renner Springs project confirmed to project area was highly prospective and under-explored. Two mineralised styles were identified, both different in character from that mined at Bootu Creek. A preliminary field assessment and a proposed geological model for the Renner Springs area prepared by A. Eliyahu and are reported in Appendix 1.

A total of 9 new manganese occurrences and extensions to existing mineralised zones were identified and indicated in red in Figure 3 shown below (previous know outcrops shown in orange).

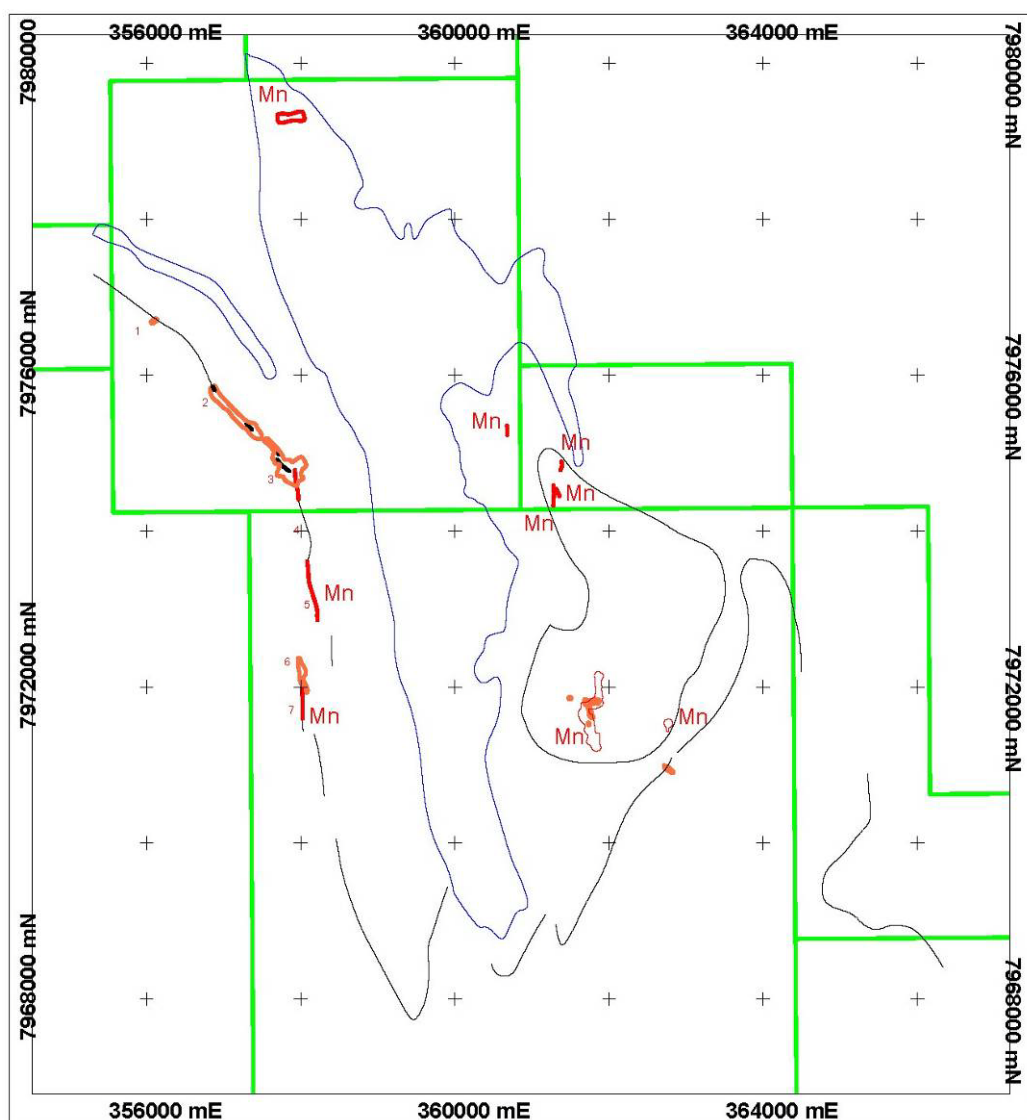


Figure 3. Identified Manganese Outcrops in Renner Springs Project.

3.5 Exploration Activity 2007/2008

Year 5 exploration activity for the 12 months to February 2008 included:

- A heritage clearance survey for proposed drill sites,
- New spectral processing and reinterpretation of Aster spectral data by consultants Resource Potentials
- Physical properties testing in preparation for a helicopter borne SkyTEM survey and
- A helicopter-borne SkyTEM survey of the Renner Springs project area including EL9975, EL9998, EL23624 and EL23459 (see Figure 3).

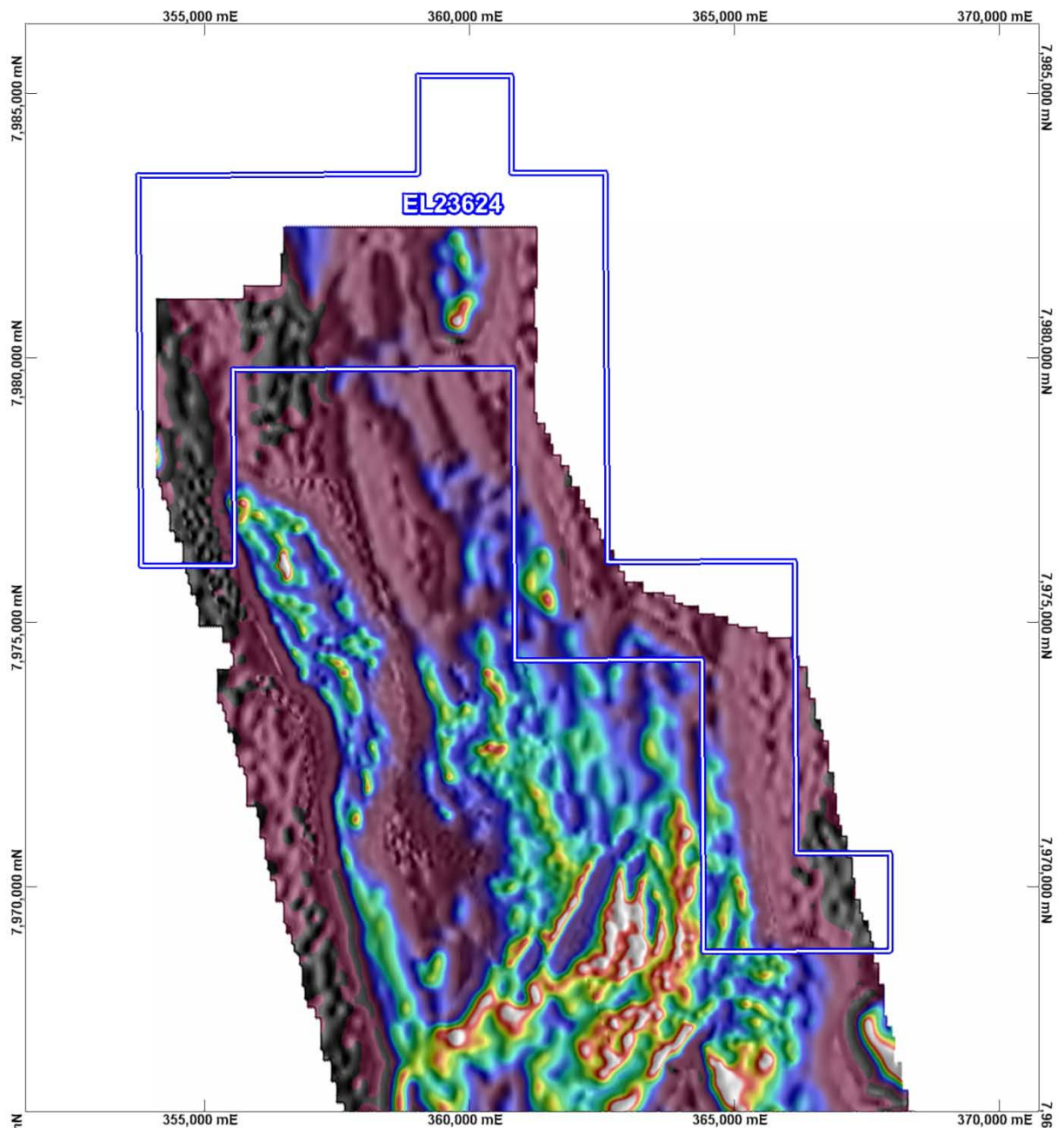


Figure 4. SkyTEM survey of Renner Springs Project area image - Channel 15 (292 microseconds delay) height corrected Z-amplitude.

3.6 Exploration Activity 2008/2009

Year 6 exploration activity for the 12 months to February 2009 included:

- A detailed aeromagnetic and radiometric survey flown over all granted OMM Bootu Creek tenure in November 2008 by GPX Geophysical Services (Appendix 4),

Type of Data	Aeromagnetics and Radiometrics
Survey datum	GDA94, MGA Zone 53
Survey line spacing	150 metres
Survey line direction	090-270 degrees
Tie line spacing	1,500 metres
Tie line direction	0-180 degrees
Mean terrain clearance	53 metres
Survey distance	10,605 km
Survey Date	October 2008
Survey by	GPX Geophysical Exploration Services
Job No.	2356
Survey commissioned by	OM (Manganese) Limited

Table 1. OMM 2008 Geophysical survey parameters

- Reprocessing of SkyTEM data and the recently acquired aeromagnetic data.

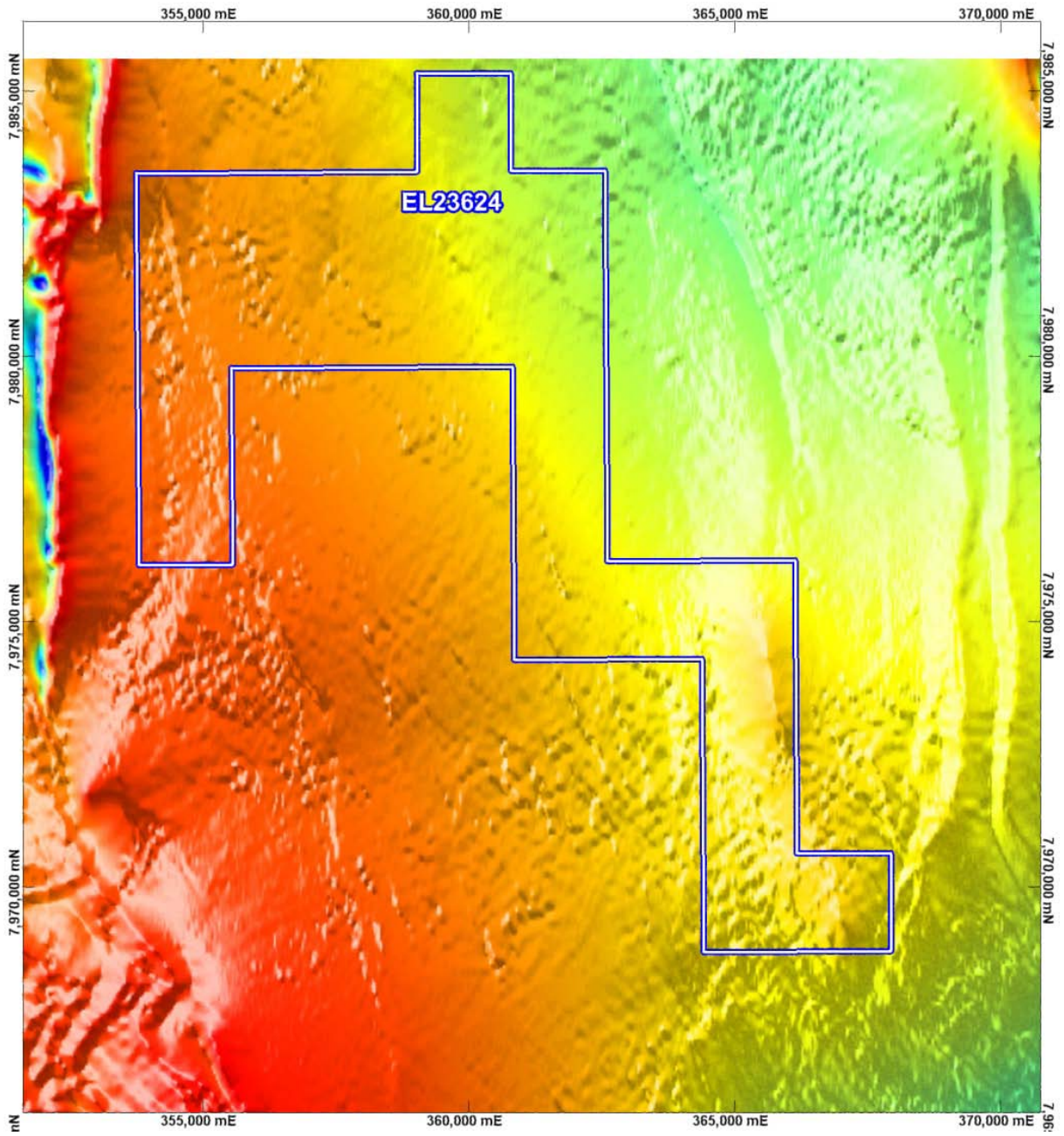


Figure 5. GPX survey of Renner Springs Project area image - re-processed TMI.

3.7 Exploration Activity 2009/2010

Year 7 exploration activity for the 12 months to February 2010 included:

- Ortho-rectification of aerial photography acquired during in the first half of 2009 (Appendix 5),
- Detailed regional mapping by Dr Tim Blake at 1:20,000 scale over most of the Renner Springs project area, including parts of EL23624 (Plates 1-2)

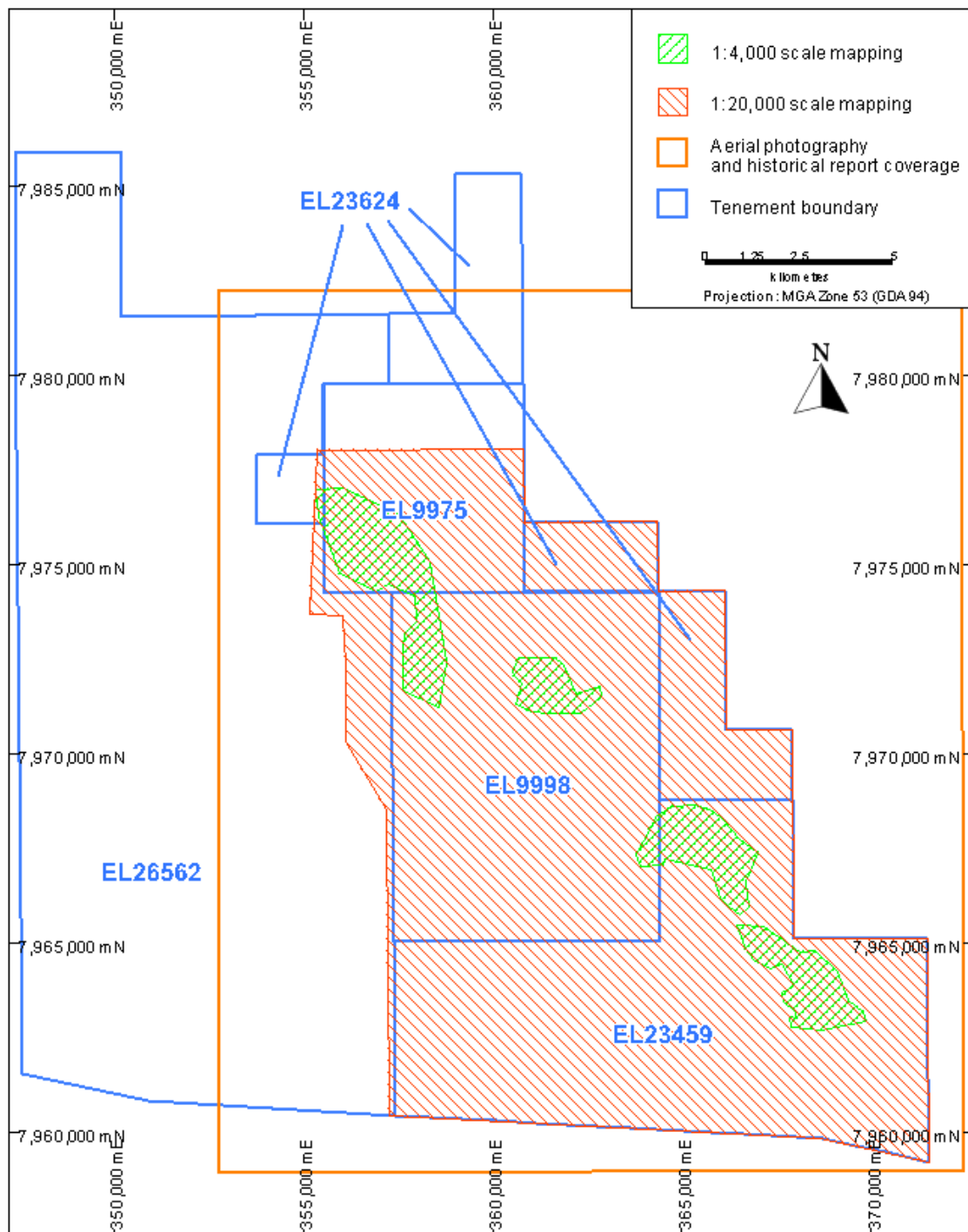


Figure 6. 2009/10 exploration activity over the Renner Springs Project tenements.

3.8 Exploration Activity 2010/2011

Year 8 exploration activity for the 12 months to February 2011 included the digitising and reporting of the 1:20,000 scale mapping by Dr Tim Blake (Appendix 6).

Towards the end of year 8, 5 blocks were included in SEL28041 granted 9th December 2010, 2 blocks were included SEL28604 applied for on 28th January 2011 and the remaining 4 blocks were allowed to expire at the end of year 8.

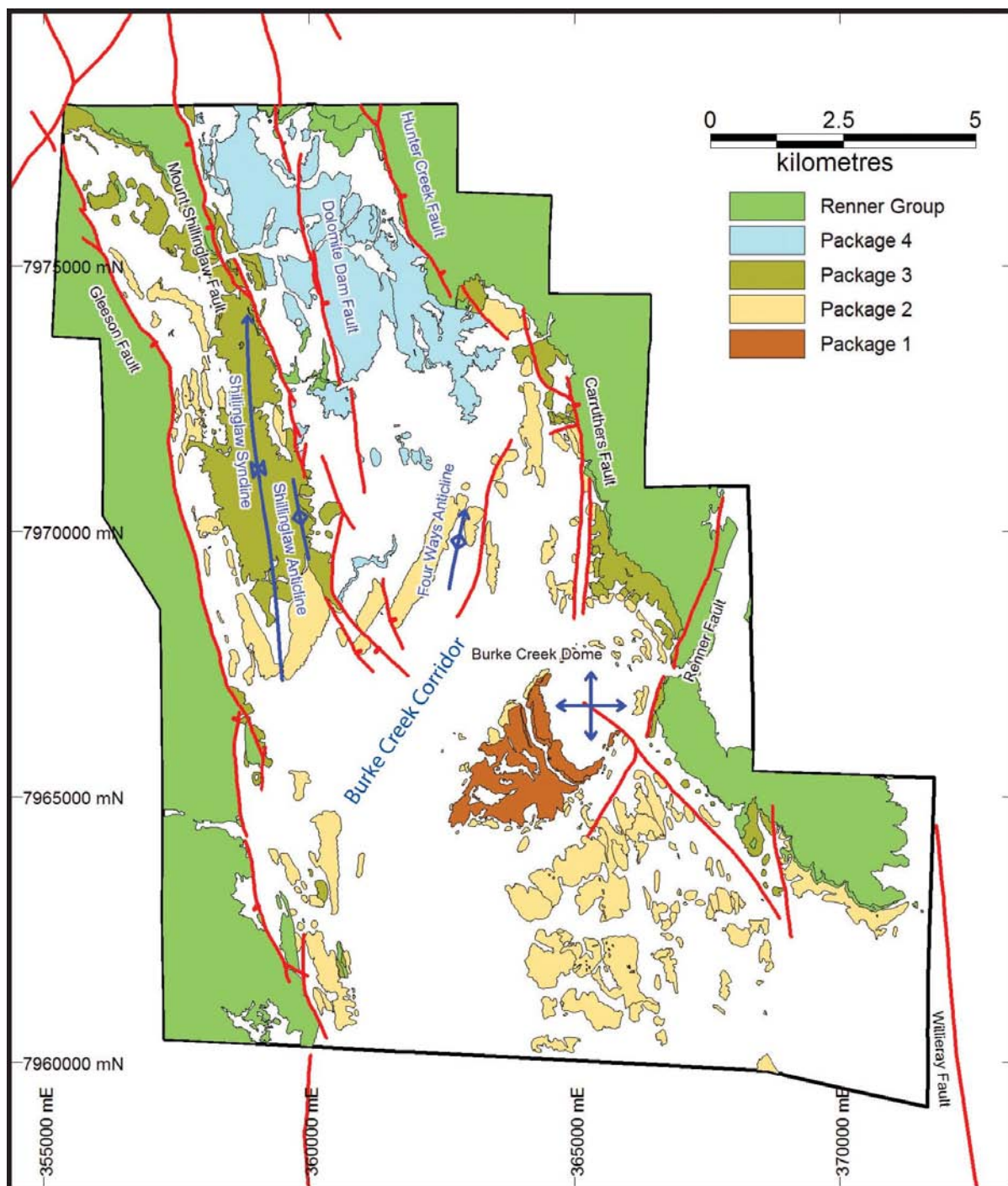


Figure 6. 1:20,000 scale Geology Mapping by Dr Tim Blake.

4 References

Eliyahu, A (January 2007), Summary of exploration activities for 2006, preliminary geological model and proposed exploration program. *Unpublished report for OM (Manganese) Ltd.*

Eliyahu, A (July 2007), Summary of Exploration Activity Conducted over the Renner Springs Project Area from December 2006 to June 2007. *Unpublished report for OM (Manganese) Ltd.*

Bushell, D. J. (2009), Joint annual report for EL9975, EL9998 and EL23624 for period 3rd June 2008 to 2nd June 2009. *Unpublished report for OM (Manganese) Ltd and the NT Department of Mines and Energy.*

Pretty, J. (2010), Joint annual report for EL9975, EL9998, EL23624 and EL26562 for period 3rd June 2009 to 2nd June 2010. *Unpublished report for OM (Manganese) Ltd and the NT Department of Mines and Energy.*

Blake, T. S. (2010), Report following 1:20,000 Scale Mapping of the Helen Springs and Renner Springs Tenement Areas (Northern Territory). *Unpublished report for OM (Manganese) Ltd.*