

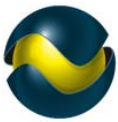
SNAKE HILL PROSPECT EXPLORATION UPDATE

EXTENSIVE GOLD ANOMALY CONFIRMED OVER REGIONAL STRUCTURE

LIMITED HISTORICAL DRILLING SUPPORTS WIDESPREAD GOLD ANOMALISM

- Auger geochemical sampling conducted by Northern Mining has confirmed and extended an historical surface sampling gold anomaly.
- A broad 3.0 kilometre long by 1.5 kilometre wide, +20 ppb Au anomaly with a peak value of 491 ppb Au identified.
- This extensive anomaly is centred over a regional structure, the Mt Monger Fault and several parallel subsidiary structures.
- The anomaly is supported by **historical RAB drilling** which identified broad zones of gold anomalism with reported intercepts of:
 - **4 metres grading 1.73 g/t Au from 4 metres;**
 - **2 metres grading 1.82 g/t Au from 38 metres to BOH;**
 - **2 metres grading 3.76 g/t Au from 44 metres;**
 - **22 metres grading 0.43 g/t Au from surface;**
 - **18 metres grading 0.51 g/t Au from 22 metres to BOH; including**
 - **1 metre grading 1.39 g/t Au from 26 metres, and**
 - **1 metre grading 3.44 g/t Au from 34 metres.**

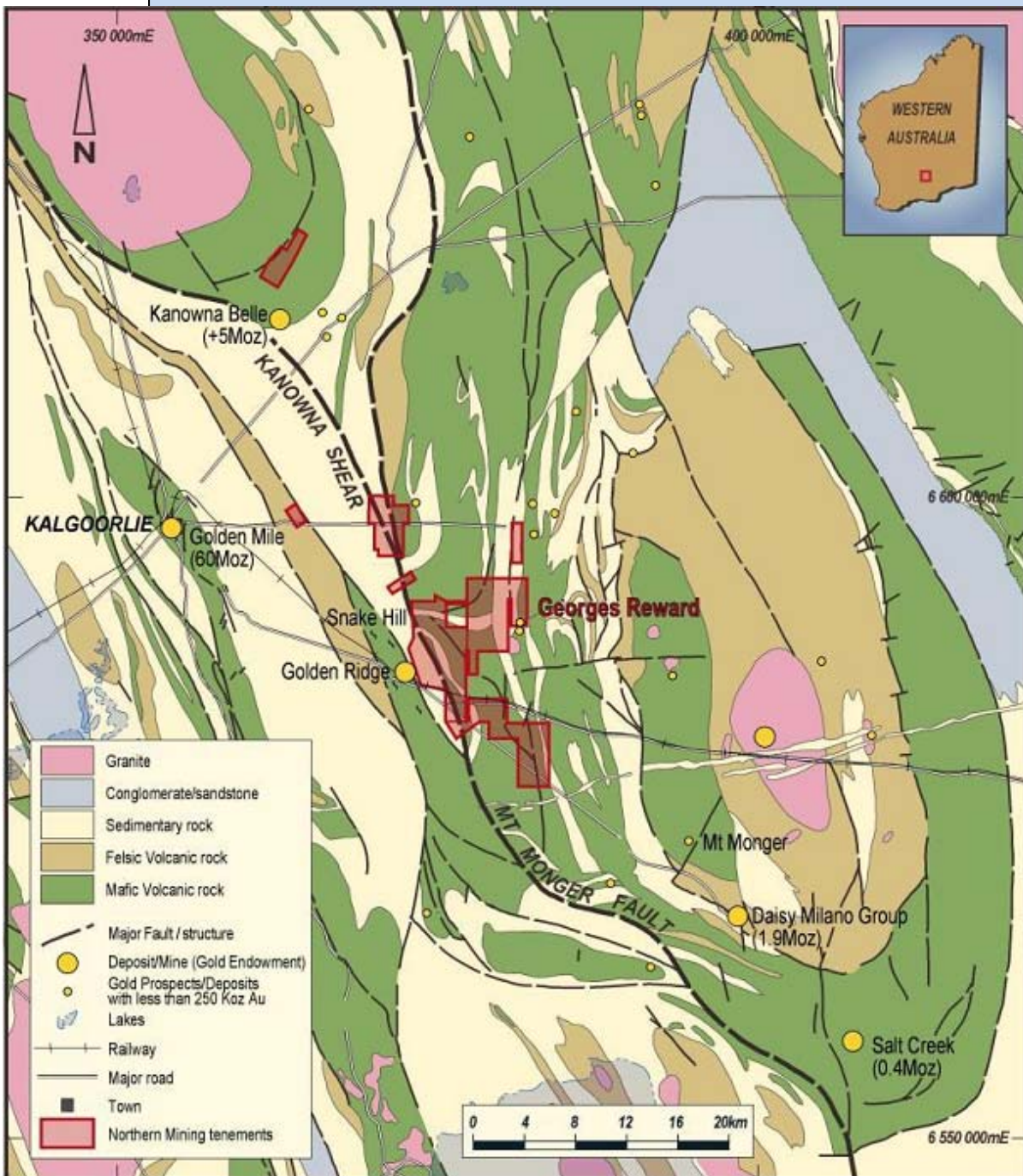
Limited RC drilling has been completed to follow-up this widespread gold anomalism, with one hole SHRC001 confirming the presence of high grade gold mineralisation in fresh rock with an intercept of **2 metres grading 11.78 g/t Au from 129 metres**. This intercept and nearby RAB intercepts have identified a zone of +1 g/t mineralisation over a 500 metre strike length.

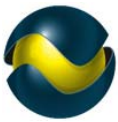


The Snake Hill prospect is located 7 kilometres west of Northern Mining’s George’s Reward deposit and comprises 13 tenements covering an area of 23.9 square kilometres (Figure 1). The prospect forms a part of the East Kalgoorlie Project, a joint venture between Northern Mining (76%) and Balagundi Gold (24%).

Geologically, the prospect area is centred over the Mt Monger Fault. This north-west trending feature is a regional scale structure with a mapped extent in excess of 200 kilometres (Figure 1). To the north and south of the Snake Hill prospect, significant gold mineralisation occurs in close proximity (within 5 kilometres) of this major feature, with mineralisation occurring in subsidiary structures which have splayed off the Mt Monger Fault. The most notable splay is the Kanowna Shear which is immediately adjacent to the +5 Moz Kanowna Belle Deposit.

Figure 1: East Kalgoorlie Project – Regional Geology



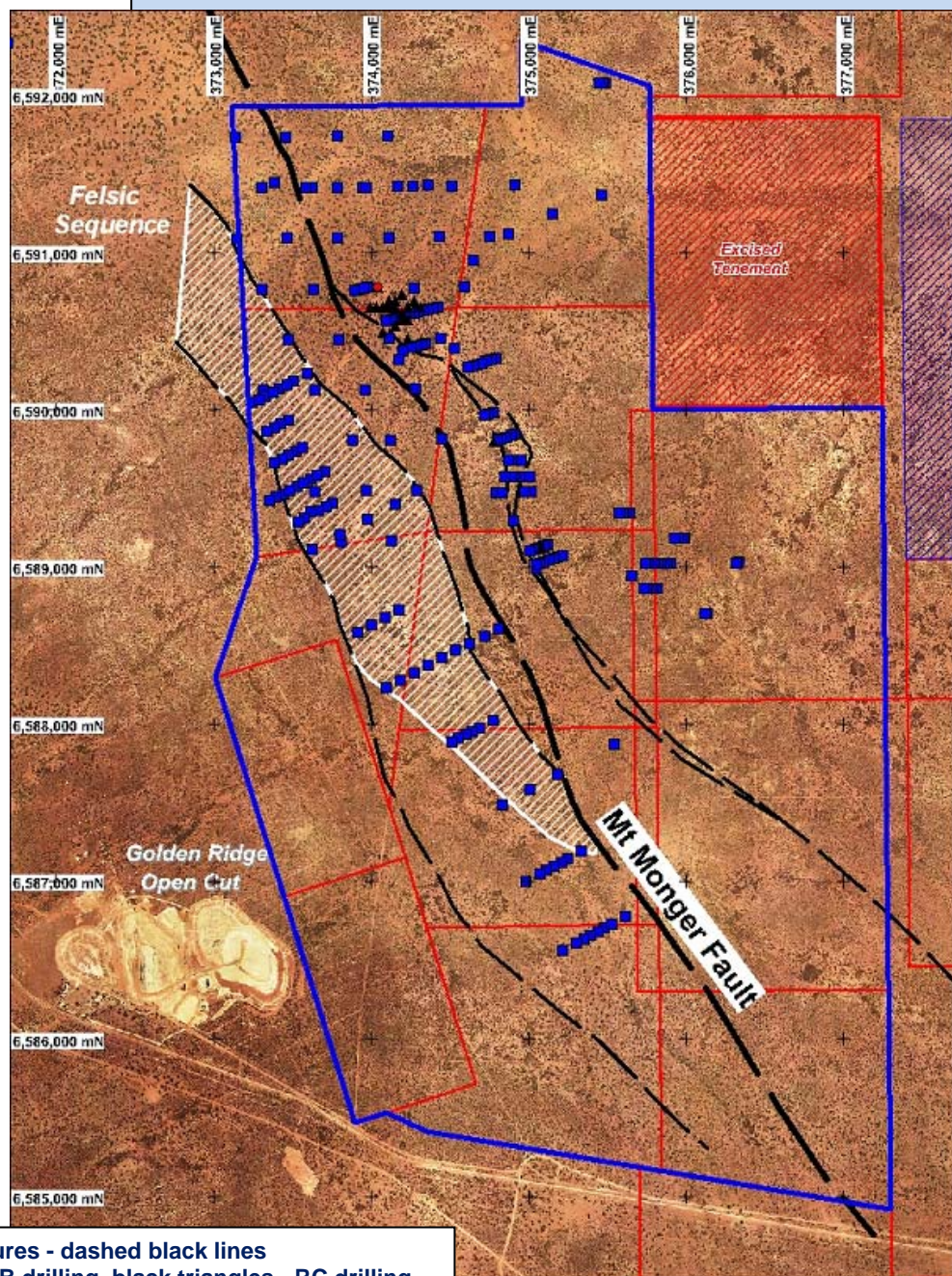


Within the Snake Hill tenement area, the Mt Monger Fault separates two distinctly different geological packages. To the west of the fault, the geological sequence comprises sediments and carbonaceous shales adjacent to the fault, progressing into a package of felsic to intermediate volcanic ("Felsic Sequence"). The "Felsic Sequence" is the same lithological package which hosts the nearby Nimbus deposit, 3 kilometres to the northwest.

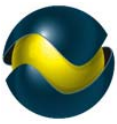
The Nimbus deposit is a VMS style Ag-Zn-Pb deposit which produced 3.6 million ounces of silver between 2004 to 2007. This style of deposit commonly occurs in clusters and Northern Mining's Snake Hill tenements contain some 4.0 kilometres of this prospective stratigraphy.

East of the Mt Monger Fault, the geological sequence comprises sediment, basalt, ultramafic and mafic/felsic intrusives. Previous geological interpretations recognised the presence of subsidiary shears sub-parallel to the Mt Monger Fault. These subsidiary shears are coincident with the gold in auger geochemical anomalies.

Figure 3: Snake Hill Prospect – Aerial Photograph



Interpreted structures - dashed black lines
Blue squares - RAB drilling, black triangles - RC drilling,
Red circles - Diamond drilling



NMI completed a regional auger geochemical sampling program across the prospect area on a 100m x 100m grid. In conjunction with this work, historical exploration activities conducted in the tenement area were compiled. This compilation work is ongoing and a review of the “Felsic Sequence” and the southwest corner of the Snake Hill area is in progress.

The auger geochemical sampling program identified a broad 3.0 kilometre long x 1.5 kilometre wide, +20 ppb Au anomaly. The peak value within this broad anomaly was 491 ppb Au. The anomaly is coincident with the Mt Monger Fault and interpreted subsidiary shears. The discontinuous or poddy nature of the anomaly is a result of a number of creeks and drainage area which cut across the area and impact on near surface sampling techniques.

This work has confirmed previous surface sampling anomalies and extended the overall extent of the anomaly.

Previous explorers had also conducted reconnaissance RAB drilling across several of the anomalies. The majority of this drilling was completed to a set depth of 40 metres, rarely penetrating into fresh rock, however, this work confirmed the gold anomalism within the area with intercepts including:

- **4 metres grading 1.73 g/t Au from 4 metres in GR31;**
- **2 metres grading 1.82 g/t Au from 38 metres to BOH in GR33;**
- **2 metres grading 3.76 g/t Au from 44 metres in SH39;**
- **22 metres grading 0.43 g/t Au from surface in GR30;**
- **18 metres grading 0.51 g/t Au from 22 metres to BOH in GR71; including**
 - **1 metre grading 1.39 g/t Au from 26 metres, and**
 - **1 metre grading 3.44 g/t Au from 34 metres.**

A summary of historical RAB intercepts is provided in Table 2. Location of historical drilling and selected intercepts are shown in Figure 4 and type sections of the drilling are presented in Figures 5 and 6.

In addition to RAB drilling, limited RC drilling and one diamond hole were completed to evaluate the bedrock anomalism. A majority of the drilling was completed on the northern most extent of the auger anomaly. This drilling was dominantly vertical in orientation to an average depth of 120 metres and did not identify any zones of significant mineralisation. However, the geology in the area is steeply dipping to the west and it is uncertain whether the RC drilling has effectively tested this small portion of the extensive auger anomaly.

Drillholes SHRC001 and SHRC002 were also completed to test beneath bedrock gold anomalism identified in historical RAB drilling (Table 1). Drillhole SHRC001 confirmed the presence of high grade gold mineralisation in fresh rock with an intercept of 2 metres grading 11.78 g/t Au from 129 metres. This result in conjunction with RAB drill intercepts on two lines to the north has identified +1 g/t mineralisation over a 500 metre strike length coincident with a strong auger response (291 ppb Au).

Northern Mining is encouraged by the significant level of gold anomalism identified on the Snake Hill tenements and believes this prospect can build on the gold resource base that the Company has established with the George’s Reward Deposit. The Company will seek to undertake exploration on the Snake Hill tenements to further evaluate this exciting opportunity.

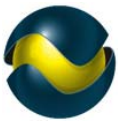
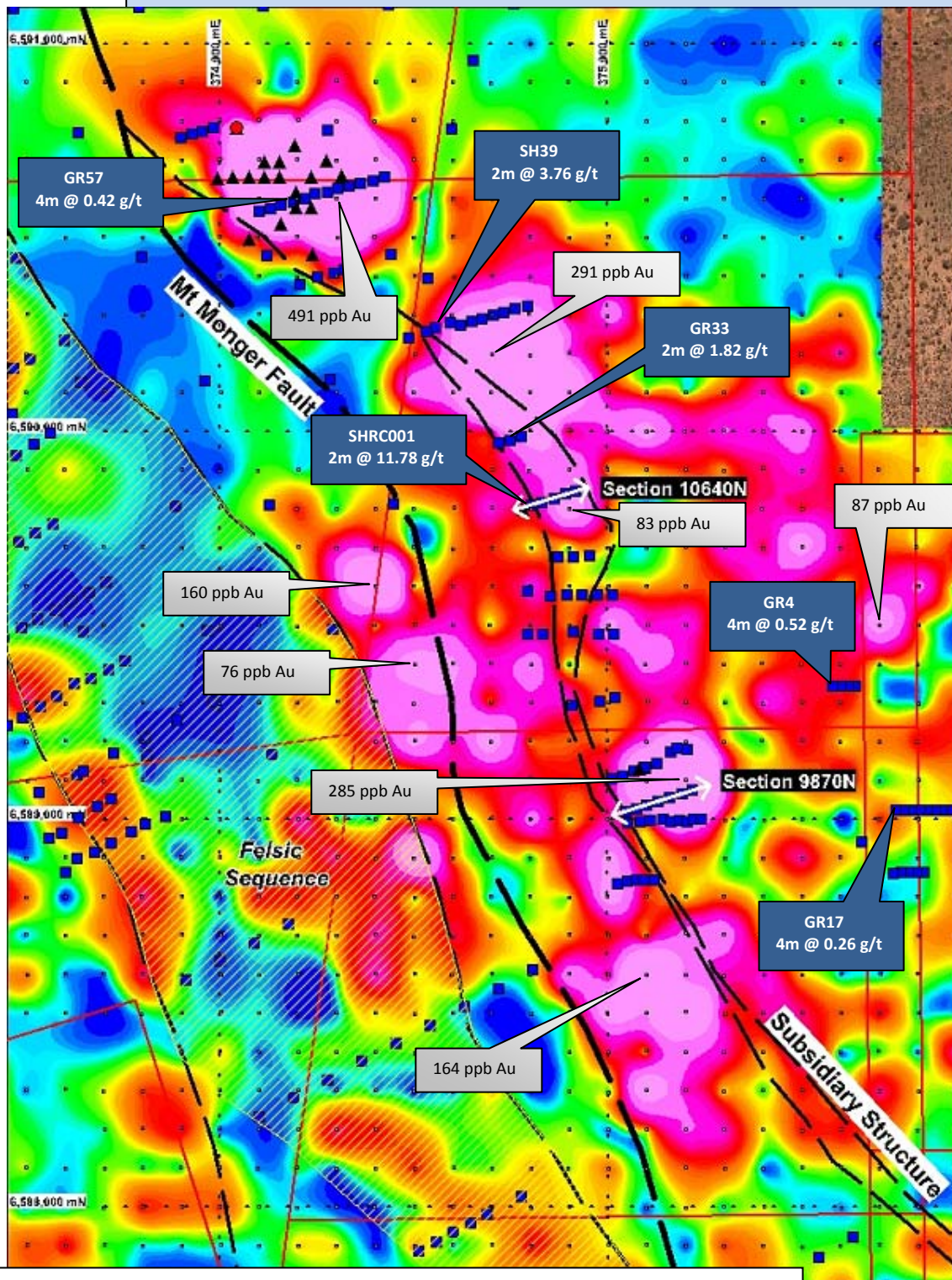


Figure 4: Snake Hill Prospect – Auger Geochemistry Plan



Gridded geochemistry image - magenta > 20 ppb Au,
Blue squares – RAB drilling, Black triangles – RC drilling, Red circles - diamond drilling,
Small circles – auger sampling points.

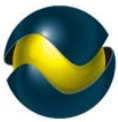


Figure 5: Snake Hill Prospect, 10640mN Cross Section

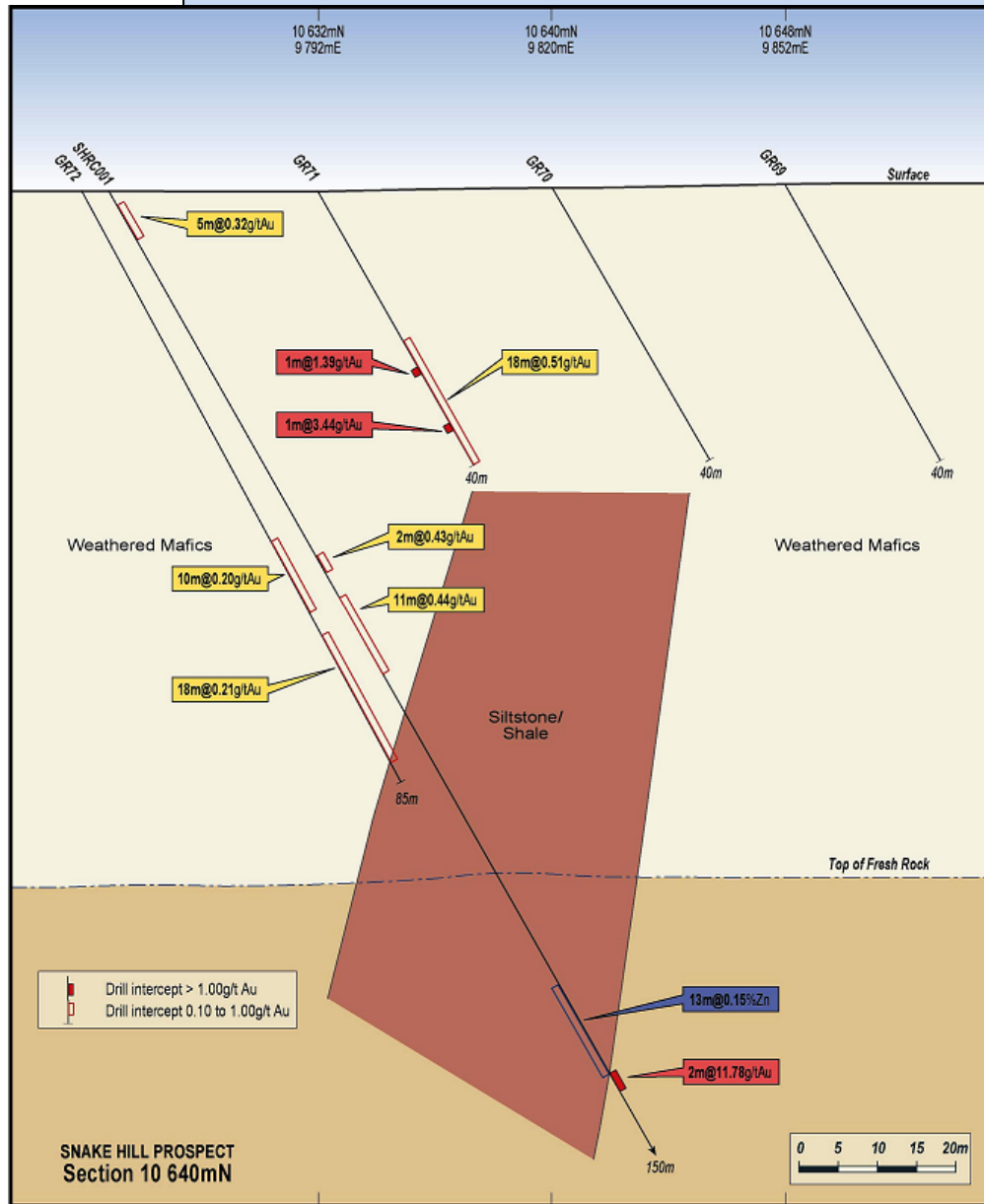


Table 1: Snake Hill Prospect – RC Drilling Intercept Summary

Hole ID	Co-ordinates *		Total Depth	From (m)	To (m)	Down Hole Interval (m)	Grade (g/t)
	Northing	Easting					
SHRC001	6589800	374779	150	53	55	2	0.43
				59	70	11	0.44
				129	131	2	11.78
SHRC002	6589130	375080	150	88	92	4	0.75

Please Note: Drillhole coordinates provided in MGA94 based on a transformed Local Grid, with holes angled -60° on the Local Grid. Samples were composited over 2 to 4 metres dependent on geology, assaying technique aqua regia digest with an ICPMS finish.

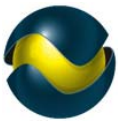
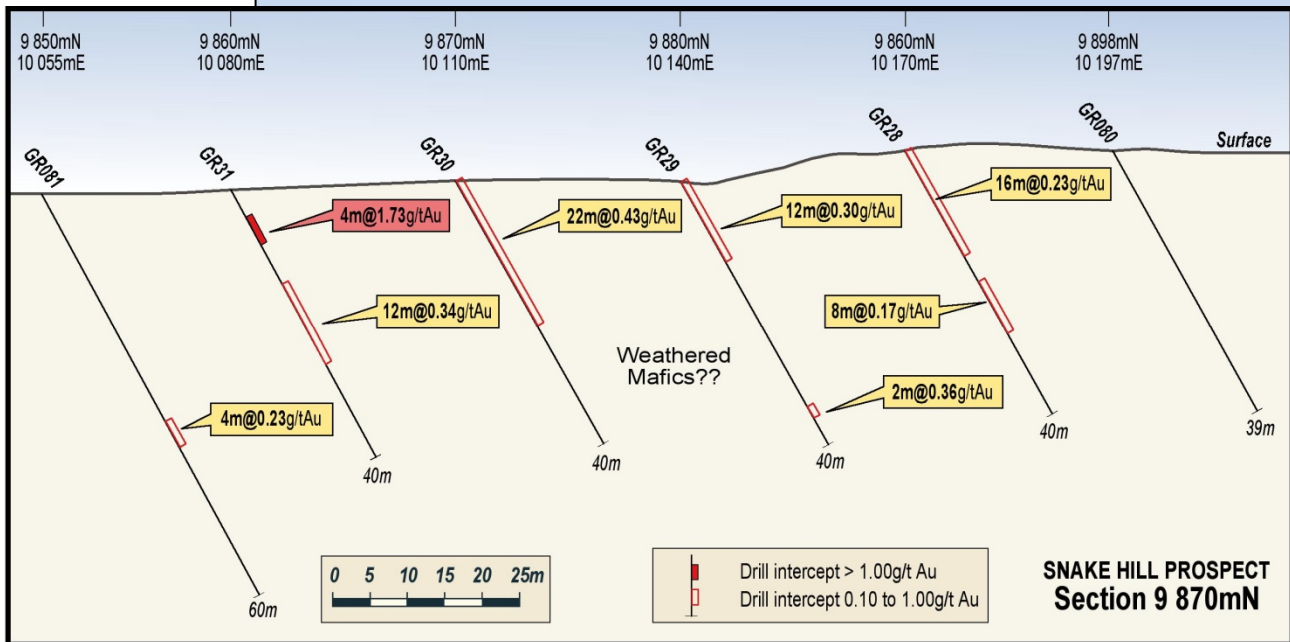


Figure 6: Snake Hill Prospect, 98700mN Cross Section



Forward Program

Northern Mining will continue to review all available data with emphasis on completing the compilation of the “Felsic Sequence” which is prospective for VMS style Ag-Zn-Pb mineralisation, characteristic of the nearby Nimbus deposit.

The Company has applied for departmental approvals to conduct RAB drilling across all of the geochemical anomalies. It is envisaged approvals will be received within four weeks and drilling to commence shortly after.

Greg Wilson
Chief Executive Officer

Information that relates to Exploration Results at the Kanowna Lights Prospect is based on information compiled by Mr Greg Wilson, who is a Member of The Australasian Institute of Mining and Metallurgy and who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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”. Mr Wilson is a full time employee of Northern Mining Limited and consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

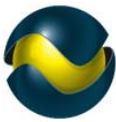


Table 2: Snake Hill – Historical RAB Drilling Selected Intercept Summary

Hole ID	Co-ordinates *		Total Depth	From (m)	To (m)	Down Hole Interval (m)	Grade (g/t)
	Northing	Easting					
GR4	6589343	375579	40	34	38	4	0.52
GR13	6589023	375824	40	0	2	2	0.29
				34	38	4	0.30
GR14	6589023	375804	40	0	2	2	0.15
				16	22	6	0.28
				30	32	2	0.62
GR15	6589023	375784	40	18	20	2	0.12
				30	34	4	0.15
GR16	6589023	375764	40	20	25	5	0.12
GR17	6589023	375744	40	24	28	4	0.26
GR21	6588862	375775	40	22	34	12	0.19
GR28	6589067	375190	40	0	16	16	0.23
				20	28	8	0.17
GR29	6589057	375160	40	0	12	12	0.30
				34	36	2	0.36
GR30	6589046	375130	40	0	22	22	0.43
GR31	6589036	375100	40	4	8	4	1.73
				14	26	12	0.34
GR33	6589978	374748	40	38	40	2	1.82
GR54	6590617	374278	40	0	2	2	0.27
GR55	6590612	374246	40	0	6	6	0.26
GR56	6590600	374218	40	0	4	4	0.39
GR57	6590592	374190	40	0	4	4	0.42
GR58	6590583	374158	40	0	2	2	0.17
				22	24	2	0.50
GR62	6590416	374320	37	14	18	4	0.20
GR71	6589809	374802	40	22	40	18	0.51
			Incl.	26	27	1	1.39
			and	34	35	1	3.44
GR76	6589132	375095	40	39	40	1	2.41
GR78	6589113	375038	40	24	25	1	2.41
GR81	6589026	375074	60	34	38	4	0.23
SH38	6590283	374598	80	12	14	2	1.27
SH39	6590268	374559	87	44	46	2	3.76
SH40	6590249	374530	90	44	56	12	0.35
SH41	6590265	374504	90	56	58	2	0.40
				82	90	8	0.35
SH49	6589678	374912	90	64	66	2	0.45

Please Note: Drillhole coordinates provided in MGA94 based on a transformed Local Grid, with holes angled -60° on the Local Grid. Sampling and assaying technique used by previous explorers varied with sampling intervals ranged from 1 metre to 5 metres and assaying utilising both aqua regia and fire assay techniques.