Northern Precious Metals 2012 Limited Partnership

This report, dated September 15, 2014, is being mailed to you and filed on the website. You will find, included with this report, the semi-annual financial statements of the Limited Partnership for the period ended June 30, 2014. All the complete annual as well as semi-annual financial statements of the Limited Partnership are filed on the website. You may obtain a copy of these documents, by visiting the website (www.npmfunds.com) or by writing to us at: Northern Precious Metals Management Inc., 2500 Pierre-Dupuy Avenue, Suite 105, Montreal, Quebec, H3C 4L1, or by calling us at (514) 898-3959.

Jean-Guy Masse
President
Northern Precious Metals Management Inc.

Marcel Bergeron
Vice-president and CFO
Northern Precious Metals Management Inc.

September 15, 2014

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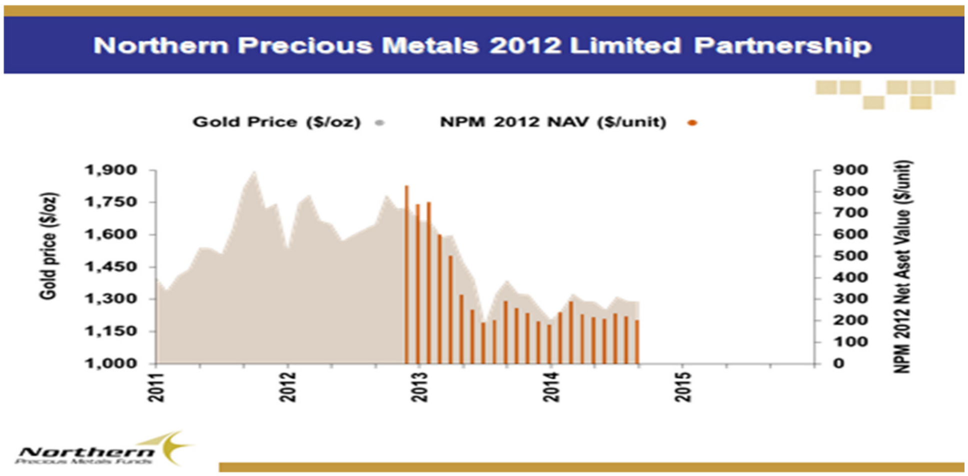
Management Report

Investor Update

The chart below illustrates the correlation between the net asset value of the Northern Precious Metals 2012 Limited Partnership (« the Partnership ») and the price of gold since its inception in November 2012.



As shown on the chart, the price of gold which registered a dramatic 25% decline from November 2012 to April 2013 has significantly affected the Net Asset Value ("NAV") of the partnership which dropped by 62% to reach roughly $320 per unit of $1,000 at the end of the period. Unfortunately, the Partnership was not given much of a chance to raise cash in order to reduce or even eliminate the $761,000 loan before or during that dramatic period simply because the shares acquired by the Partnership were under a trading restriction period of four months ending in April. The loan was contracted in November 2012, as mentioned in the Offering Memorandum, to pay for all expenses of the issue and to allow the Partnership to invest the full amount of $1,000 per unit in Canadian exploration expenses which provided investors with 100% deduction plus the federal investment tax credit of 15% of that amount.

Towards the middle of April 2013, the manager decided to take opportunity of a sharp rebound in the price of gold, from $1,321 to roughly $1,485 per ounce, to initiate sales of free trading shares to substantially reduce the $761,000 loan. In such a severe market decline, the loan was having a negative leverage impact on the portfolio. Fortunately, cash was raised before the price of gold experienced another major decline in June to end the month at $1,175 per ounce. This second major drop in the price of gold produced another devastating impact on the portfolio as the NAV dropped to as low as $186 per unit on June 30.

In early July, the price of gold started to recover to reach $1,420 per ounce by August 25. The NAV responded quickly rising to $310 per unit, an increase of 67%. As a result, further sales were made and the proceeds were used to eliminate the principal amount of the loan and pay for operating expenses. But by September, the price of gold lost its steam and retested its previous June low of $1,175 on December 20, 2013. The NAV, which is sensitive to the price of gold, terminated the year at $182 per unit.

In January, the price of gold forged ahead from its December low of $1,175 to reach to reach $1,320 per ounce in the middle of February. On February 28, the limited partners approved a resolution to provide for the extension of the term of the Partnership from March 1, 2014 to December 31, 2014. By March 14, gold went up to $1,390 per ounce and the NAV rose to $304, a 67% increase from December 2013, providing an opportunity to raise some cash to pay operating expenses and eliminate all remaining accrued interests on the loan.

After such a big move in the price of gold in such a short period of time, it was normal to anticipate a correction. From April to June, the price of gold consolidated between $1,275 and $1,330 and started to rally in July with a general expectation that it could move well above its most recent high of $1,390 as the world was facing multiple crisis ranging from political unrest in Ukraine, protest in Hong Kong, wars in the Mideast and Africa to the deadly scourge of Ebola and growing Islamic radicalism, including the advances of Boko Haram in Nigeria, without any clear solutions in sight. Gold advanced to $1,347 but, then, started to decline as the U.S. dollar began to rise appreciably against all major currencies, especially the Euro. By September 12, gold was at $1,220 per ounce and the Partnership's NAV at $181.67. The Euro was hit by poor economic reports released by the European Union and by fear of deflation which suggest the European Central Bank may follow other central banks and introduce a major accommodative monetary policy program. Although the U.S. Federal Reserve is tapering its $85 billion printing program and is inching toward the start of its exit policy, it still has injected more than $3 trillion in the economy with only modest results up to now. By and large, to deal with continuing slow growth scenarios, global central bankers might have to live with historically easy monetary policies for many years to come. In these scenarios, major currencies would continue to be devalued through money printing programs while gold would remain a hard asset which could not be manipulated by central bankers as easily as currencies.

Presently, several economists and analysts have a negative bias for metals and minerals mainly because of the stronger U.S. dollar in recent months. However, this may change rather quickly. A stronger U.S. dollar will definitely have a negative impact on the U.S economy by reducing exports of goods and services, lowering U.S. company earnings and increasing imports. All these factors will finally put downward pressure on the U.S. dollar again.

Given these market conditions, limited partners will be asked if they want to dissolve the Partnership by December 31, 2014 or consider an extension to the dissolution of the Partnership from December 31, 2014 to July 31, 2015.

The table below shows a portfolio overview as at September 12, 2014.

Northern Precious Metals 2012 Limited Partnership

Portfolio Overview

September 12, 2014

By country (1)	**% of total net asset value** (2)
Canada	101.5%
Cash and cash equivalents	1.4%

By sector (1)	**% of total net asset value** (2)
Gold	93.3%
Base metals	7.8%
Uranium	0.4%
Cash and cash equivalents	1.4%

By asset type (1)	**% of total net asset value** (2)
Equity	101.5%
Cash and cash equivalents	1.4%

Top holdings	% of total net asset value (2)
Metanor Resources Inc.	31.1%
Eastmain Resources Inc	28.3%
Banks Island Gold LTD	8.8%
Alexandria Minerals Corp	7.5%
Integra Gold Corp	7.0%
Spanish Mountain Gold Ltd	4.0%
Clifton Star Resources Inc	3.1%
Yellowhead Mining Inc	2.7%
Happy Creek Minerals LTD	2.3%
Harte Gold Corp	2.0%
Cash and cash equivalents	1.4%
Cardero Resources Corp	1.4%
Fancamp Exploration LTD	1.2%
Slam Exploration Ltd, warrants, 11-25-2014	0.6%
Anthem Resources Inc., warrants, 12-23-2014	0.4%
SGX Resources Inc	0.3%
Gowest Gold Ltd, warrants, 12-17-2014	0.1%

(1) Excludes other net assets (liabilities).

(2) Or the transactional net asset value, consequently, the weightings shown in the financial statements of portfolio securities differ from the above.

The portfolio overview may change because of transactions by the Partnership. A quarterly update is available.

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Caution Regarding Forward-looking Statements

Certain portions of this report may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature. Any statement that may be made concerning future performance, strategies or prospects and possible future action by the Partnership is also a forward-looking statement.