Northern Precious Metals 2012

Limited Partnership

This report, dated August 28, 2015, is being mailed to you. You will find, included with this report, the semi-annual financial statements of the Limited Partnership for the period ended June 30, 2015. 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., 1, Place Ville Marie, suite 4000 Montréal (Québec) H3B 4M4, or by calling us at (514) 898-3959.

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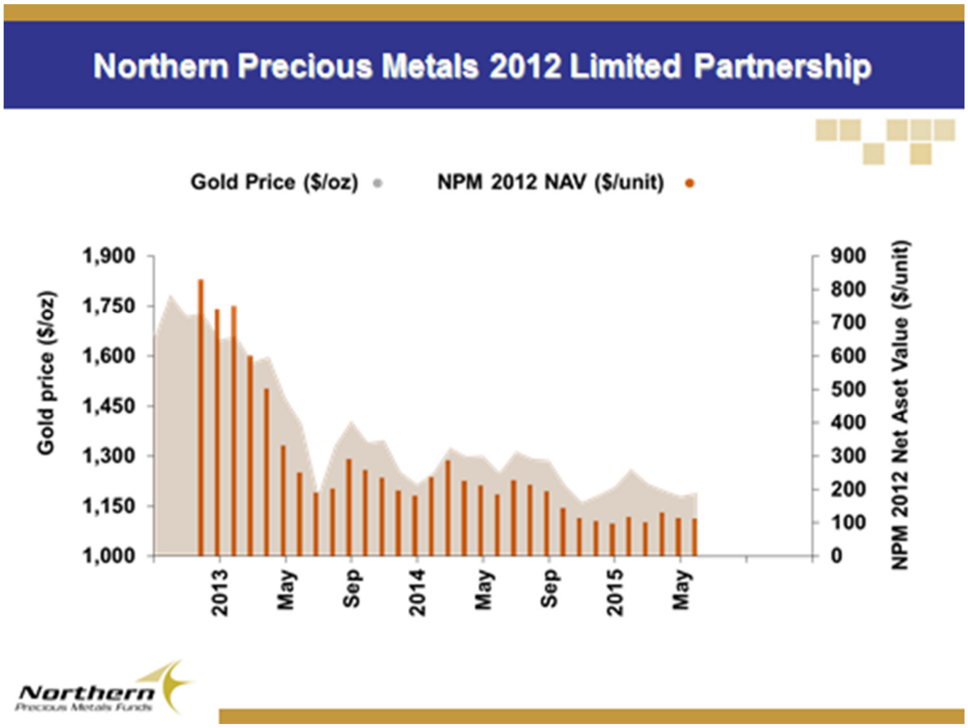
August 28, 2015

Northern Precious Metals 2012 Limited Partnership

Management Report to June 30 2015

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.



Recap of the year 2013

As shown on the chart above, 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 that period. Unfortunately, the Partnership was not given a chance to raise cash before or during that dramatic period simply because the shares acquired by the Partnership by private placements in December 2012 were under a normal trading restriction period of four months ending in April.

In April 2013, sales of shares that were not subject to the trading restriction period were initiated to substantially reduce the $761,000 loan. In such a severe market decline, the loan was having a negative leverage impact on the portfolio. The loan was contracted in November 2012 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. 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 $190 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.

Recap of the year 2014

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 low,

After such a big move in such a short period of time, it was normal to anticipate a correction. So in April gold started to consolidate at levels ranging between $1,274 and $1,347 with the NAV fluctuating between $240 and $300 until July when the U.S. dollar began its spectacular rise against all major currencies, including the Canadian dollar, affecting both the price of gold and the NAV. On October 29, 2014, limited partners voted to provide for a second extension to the term of the partnership from December 31, 2014 to July 31, 2015. By year end, the U.S. dollar index was up 14% from July, gold dropped to $1,183 per ounce and the Partnership's NAV hit its lowest level at $97 per unit.

The first half of the year 2015

However, by the end of March 2015, the Partnership's NAV jumped 35% to $131, a remarkable recovery despite a continued strong U.S. dollar and a price of gold of just around the $1,200 mark. From March to the end of June 2015, the market for the junior resource sector has been relatively quiet. Both the price of gold and the partnership's NAV moved within a short range of $1,150-1,220 and $112-130, respectively.

It is worth mentioning that Canadian investors do not seem to realize that the price of gold expressed in Canadian dollars, which stood at Cdn$1,470 per ounce compared to US$1,180 on June 29, is a fairly good price for Canadian gold companies operating in Canada and it is worth pointing out that the Partnership's portfolio is mostly composed of gold companies operating in Canada. So what is important for Canadian investors going forward is really the outlook for the price of gold expressed in Canadian dollars.

Going forward

At present, factors that are considered negative for gold by most major U.S. banks have already been discounted in the gold market place, namely the eventual possibility of higher U.S. federal rates resulting in a rising U.S. dollar including a potential last minute agreement between the European Union and Greece.

However, what has not yet been discounted in the market place is the magnitude of the negative impact higher federal rates and a rising U.S. dollar would have on exports, quarterly corporate earnings, the overall economy and, finally, the U.S. stock market. While a market correction might influence investors to shift some financial assets out of the U.S. stock market back into gold, a rising US dollar would further depreciate the Canadian dollar to a level anywhere close to US$0.75. So, even if the price of gold was to trade in a range of US$1,100 to $1,200 during the next twelve months, which is viewed as pessimistic by most forecasters, the Canadian gold industry would still benefit by receiving a price ranging anywhere between Cdn$1,450 and Cdn$1,600. A Greek exit from the euro zone would be a bonus.

This scenario should be viewed as extremely positive for the Canadian gold sector. In such a context, most Canadian gold producers should be reporting higher earnings in the quarters ahead considering, in addition, that they have all been working aggressively on cost reduction in recent past. As a result, Canadian gold producers are also expected to accelerate merger and acquisition activities in the coming quarters which are very positive for the gold industry as well as for the Partnership's portfolio. Recent merger and acquisition activities leave a good feeling that the Canadian market for gold stocks is awakening.

As the coming quarters could be most interesting for the gold sector and the Partnership's portfolio, limited partners have voted to extend the dissolution of the partnership from July 31, 2015 to March 31, 2016.

The table below shows a portfolio overview as at June 30, 2015.

Northern Precious Metals 2012 Limited Partnership

Portfolio Overview

June 30, 2015

By country (1)	**% of total portfolio**
Canada	97.3%
Cash and cash equivalents	0.1%

By sector (1)	**% of total portfolio**
Gold	89.8%
Base metals	7.5%
Cash and cash equivalents	0.1%

By asset type (1)	**% of total portfolio**
Equity	97.3%
Cash and cash equivalents	0.1%

Top holdings	**% of total portfolio**
Eastmain Resources Inc	45.4%
Metanor Resources Inc.	17.4%
Integra Gold Corp	10.1%
Alexandria Minerals Corp	6.0%
Clifton Star Resources Inc	4.2%
Banks Island Gold LTD	3.5%
Happy Creek Minerals LTD	3.5%
Spanish Mountain Gold Ltd	3.1%
Yellowhead Mining Inc	2.4%
Fancamp Exploration LTD	1.0%
Cardero Resources Corp	0.5%
SGX Resources Inc	0.1%
Cash and cash equivalents	0.1%

(1) Excludes other net assets (liabilities).

(2) The portfolio overview may change because of transactions by the Partnership.

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.