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ACN 119 966 353

PROSPECTUS

For an Offer of one (1) New Share and one (1) New Option for every four (4) Shares held at a price of 15 cents per New Share by way of a Renounceable Rights Issue to raise approximately \$2.18 million before costs.

UNDERWRITER AND LEAD MANAGER

PATERSONS SECURITIES LIMITED ACN 008 896 311

Important Notice

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered as speculative.

Northern Uranium Limited

IMPORTANT NOTICE

This Prospectus is dated 21 August 2009. A copy of this Prospectus has been lodged with ASIC on that date. ASIC takes no responsibility for the contents of this Prospectus.

No Shares will be issued or allotted on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Northern Uranium (ASX Code: NTU) has applied to ASX for quotation of the New Shares and New Options. ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may quote the New Shares and New Options is not to be taken in any way as an indication of the merits of Northern Uranium.

Before deciding to invest in Northern Uranium, you should read and understand the entire Prospectus and, in particular, in considering Northern Uranium's prospects, you should consider the risk factors that could affect Northern Uranium's performance. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek advice from your professional adviser before deciding to invest. Investing in Northern Uranium involves risks. See 'Risk Factors' in Section 5 for a discussion of certain risk factors that you should consider before deciding to invest in Northern Uranium.

No person is authorised to give any information or to make any representation in connection with the Offer that is not contained in this Prospectus or has not been released to ASX with the authorisation of Northern Uranium.

The Application Form accompanying this Prospectus is important. Please refer to the instructions in Section 4 of this Prospectus regarding the acceptance of your Entitlement. Applications can only be submitted on a valid Application Form that is only available with this Prospectus.

Restrictions on distribution

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to lodge this Prospectus in any jurisdiction outside of Australia or to otherwise permit a public offering of Rights or New Shares or New Options in any jurisdiction outside Australia. This Prospectus is not to be distributed in, and no offer of Shares is to be made in, countries other than Australia and New Zealand.

Neither the Rights, New Shares nor New Options have been or will be registered under the US Securities Act of 1933 and may only be offered, sold or resold in, or to persons in, the United States in accordance with an available exemption from registration.

It is the responsibility of any Applicant to ensure compliance with any laws of a country relevant to their Application. Return of a duly completed Application Form will be taken by Northern Uranium as a representation that there has been no breach of such laws, that the Applicant is an Eligible Shareholder and that the Applicant is physically present in Australia or New Zealand.

Shareholders outside Australia and New Zealand should refer to Section 1.10 of this Prospectus for details of how your Entitlement will be dealt with.

Rights trading

Your Rights may have value. If you decide not to exercise all or part of your Rights you should consider whether to sell your Rights. It is important that you either accept or sell your Entitlement in accordance with the instructions in Section 4 of this Prospectus and on the back of the Application Form.

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Northern Uranium Limited

Individual applicants are responsible for determining their allocations of Rights and New Shares and New Options before trading in them. Eligible Shareholders trade in Rights or New Shares or New Options before receiving confirmation of their allocation at their own risk.

Shareholders who take no action in respect of their Rights will receive no benefits. An Application Form is enclosed with this Prospectus.

Prospectus availability

This Prospectus is available in electronic form at www.northernuranium.com.au and www.asx.com.au only for persons within Australia. Persons who access the electronic form of this Prospectus must ensure that they download and read the entire Prospectus.

A printed copy of this Prospectus is available free of charge by calling Northern Uranium on (08) 9481 2344.

Definitions and glossary, financial amounts and time

Definitions of certain terms used in this Prospectus are contained in Section 7. All references to currency are to Australian dollars and all references to time are to Perth time, unless otherwise indicated.

Enquiries

For further information in relation to the Offer, please call Northern Uranium's Company Secretary on (08) 9481 2344.

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INVESTMENT HIGHLIGHTS

- ◆ **Targeting high-grade unconformity-related uranium at the Gardiner-Tanami Project.**
- ◆ **Gardiner-Tanami Project geologically similar to the Alligator Rivers and Athabasca Basin regions, host to the world's highest-grade and largest unconformity-related uranium deposits.**
- ◆ **Strategic alliance with French nuclear group, Areva, operator of the Gardiner-Tanami Project.**
- ◆ **Advanced exploration techniques and Areva expertise have identified several high-priority drill targets at Gardiner-Tanami Project.**
- ◆ **All statutory approvals in place and drilling planned to commence in September 2009 Quarter.**
- ◆ **Dominant landholder in potential new high-grade uranium province, with a further untested 5,000km² in NT for exploration in 2010.**

IMPORTANT DATES

Notice of Issue sent to Eligible Shareholders	25 th August 2009
Shares trade "ex-rights" and Rights trading commences on ASX	26 th August 2009
Record Date to determine Entitlements under the Rights Issue	1 st September 2009
Prospectus and Application Form despatched	3 rd September 2009
Last day of Rights trading	10 th September 2009
Closing Date for acceptances	17 th September 2009
Allotment and issue of New Shares and New Options	24 th September 2009
Despatch of shareholding statements for New Shares and New Options	25 th September 2009
Trading of New Shares and New Options expected to commence	28 th September 2009

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This timetable is indicative only and subject to change. The Directors generally reserve the right to vary these dates, including the Closing Date without prior notice. The Directors also reserve the right not to proceed with the whole or part of the Offer any time prior to allotment. In that event, the relevant Application Money will be returned without interest.

MAJOR INVESTMENT RISKS

The investment risks are set out in Section 5 and include, among others:

- Exploration Risks (section 5.1.1);
- Funding (section 5.1.7); and
- Uranium specific risks (section 5.1.10).

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CORPORATE DIRECTORY

DIRECTORS

Kevin Schultz
Adrian Griffin
Robert Hair
Colin McCavana
Philippe Portella

SECRETARY

Ingrid Laudzevics

**REGISTERED AND
PRINCIPAL OFFICE**

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WEST PERTH WA 6005

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SOLICITORS

WRIGHT LEGAL
1/103 Colin Street
West Perth WA 6005

AUDITORS

STANTONS INTERNATIONAL PTY LTD
Level 1
1 Havelock Street
WEST PERTH WA 6005

UNDERWRITER

PATERSONS SECURITIES LIMITED
Level 23
Exchange Plaza
2 The Esplanade Street
PERTH WA 6000

SHARE REGISTRY

SECURITY TRANSFER REGISTRARS PTY LTD
770 Canning Highway
APPLECROSS WA 6153

Telephone: (08) 9315 2333
Facsimile: (08) 9315 2233

LETTER FROM THE EXECUTIVE CHAIRMAN

Dear Shareholder,

Renounceable Rights Issue

On behalf of the Directors of Northern Uranium Limited ("Northern Uranium" or the "Company"), I am pleased to present Eligible Shareholders with an opportunity to participate fully in our plans to accelerate and broaden the exploration of your Company's 100% owned Gardiner-Tanami uranium project in northern Australia.

The Company is undertaking a renounceable Rights Issue, and intends to issue one (1) New Share for four (4) Shares held at \$0.15 per Share to raise approximately \$2.18 million. One free attaching New Option (exercisable at 20 cents and expiring on 30 September 2012) will be issued with every one New Share issued.

The worldwide economic crisis has delayed existing uranium mine expansion and new mine start-ups and, with demand growth through to 2015 largely predetermined, analysts are forecasting the likelihood of a deficit in supply after 2012 and higher uranium prices. This has stimulated strong investor interest in the uranium sector.

Although Northern Uranium does not yet have resources available for near-term development, the strategic importance of the 11,000km² Gardiner-Tanami project for uranium exploration is widely recognised, being one of a very limited number of readily accessible areas in the world with geological characteristics appropriate for the discovery of the world class, high grade unconformity type of deposit. The Gardiner-Tanami area has been compared authoritatively with the Athabasca Basin in Canada, which hosts the world's highest grade uranium deposits, and is also geologically similar to the Alligator Rivers region in the Northern Territory which hosts Australia's largest operating uranium mine, the Ranger mine.

The strengthening interest in uranium saw the Company recently succeed in raising \$1,125,000 through a placement after announcing its intention to drill the Oracle-Soma and Lewis Creek North targets that were defined by the Company's strategic partner and project operator, Areva, last year.

The Company also recently announced its intention to progress expansion of the Gardiner-Tanami project in the Northern Territory with contiguous tenements covering about 5,000km² which are expected to be granted in early 2010.

The purpose of the Rights Issue is to ensure adequate funds are available for the drilling program and the intended expansion of activities into the Northern Territory, as well as for working capital.

The Rights Issue, which is underwritten by Lead Manager Patersons Securities Limited, will be open for acceptance from Wednesday, 26 August 2009 to Thursday, 10 September 2009.

If you are an Eligible Shareholder, you may either:

- take up all of your Rights;
- sell all of your Rights on ASX;
- take up some of your Rights and sell some of your Rights on ASX;
- transfer all or some of your Rights other than on ASX; or
- do nothing, in which case your Rights will lapse and you will not receive any benefits.

I encourage you to read this Prospectus in full and, if appropriate, participate in the Rights Issue which will enable you to share fully in your Company's exciting uranium exploration potential.

Yours sincerely

A handwritten signature in black ink, appearing to read "K. Schultz", with a long horizontal stroke extending to the right.

Kevin Schultz
Executive Chairman

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Section 1 DETAILS OF RIGHTS ISSUE

1.1 The Issue

This Prospectus offers via a renounceable pro rata entitlements issue to Shareholders on the basis of one (1) New Share and one (1) New Option for every four (4) Shares held as at the Record Date at an issue price of 15 cents each. The New Options will have an exercise price of 20 cents and will expire on 30th September 2012.

The Company currently has 58,210,297 Shares on issue (**Existing Shares**) and has granted 23,607,732 Options, all of which are currently eligible for conversion. To be entitled to participate in the Rights Issue, the option holders must first exercise their Options in accordance with the terms of those Options and must do so prior to the Record Date. In the event that all option holders exercise their Options, the Company will have on issue 81,818,029 Shares. If the Rights Issue is then fully subscribed, this will result in the issue of 20,454,507 New Shares and 20,454,507 New Options (in each case disregarding any rounding up of fractional entitlements) and the amount raised will be \$3,068,176.

In the event that no option holders exercise their Options prior to the Record Date, Shareholders holding the Existing Shares will be entitled to participate in the Rights Issue pursuant to this Prospectus, which if fully subscribed will result in the issue of 14,552,574 New Shares and 14,552,574 New Options (in each case disregarding any rounding up of fractional entitlements) and the amount raised will be \$2,182,886.

1.2 Underwriting

The Issue is fully underwritten by Patersons Securities Limited. A summary of the Underwriting Agreement is set out in Section 6 of the Prospectus.

1.3 Entitlement to Rights Issue

Shareholders who are on Northern Uranium's Share Register at the close of business on the Record Date, being 5.00 pm on 1st September 2009 will receive Rights to acquire one (1) New Share and one (1) New Option for every four (4) Shares held, at an issue price of 15 cents per New Share.

Fractional entitlements will be rounded up to the nearest whole number of New Shares and New Options. For this purpose, holdings in the same name are aggregated for calculation of Entitlements. If Northern Uranium considers that holdings have been split to take advantage of rounding, Northern Uranium reserves the right to aggregate holdings held by associated Shareholders for the purpose of calculating Entitlements.

An Application Form setting out your Entitlement to New Shares and New Options accompanies this Prospectus.

1.4 Applying for Additional New Shares and New Options

Eligible Shareholders may, in addition to their Entitlement, apply for Additional New Shares and New Options regardless of the size of their present holding.

If more Additional New Shares and New Options are applied for than are available from the number of Shares not taken up under the Rights Issue, those applications will be scaled back in a manner determined by the Company and the Underwriter in their absolute discretion. Excess Application Money will be refunded without interest.

Entitlements not taken up become available as Additional New Shares and New Options. It is possible, particularly if there is an active Rights trading market, that there will be few or no Additional New Shares and New Options available for issue. It is an express term of the Offer that applicants for Additional New Shares and New Options will be bound to accept a lesser number of Additional New Shares and New Options allocated to them than applied for. If a lesser number is allocated to them, excess Application Money will be refunded without interest.

1.5 Use of proceeds

Northern Uranium expects to raise approximately \$2.18 million under the Rights Issue before Offer costs and will use the proceeds as set out in Section 2.

1.6 Actions Required by Shareholders

An explanation of the actions required by Shareholders is set out in Section 4.

1.7 Allotment and Application Money

All Eligible Shareholders who accept the Offer will receive their Entitlement in full.

New Shares and New Options will be issued only after all Application Money has been received and ASX has granted permission for the New Shares and New Options to be quoted. It is expected that New Shares and New Options will be issued on 24th September 2009 and trading of the New Shares and New Options on the ASX is expected to commence on 28th September 2009.

All Application Money received before New Shares and New Options are issued will be held in a special purpose account. After Application Money is refunded (if required) and New Shares and New Options are issued to Applicants, the balance of funds in the account plus accrued interest will be received by the Company. If the New Shares and New Options are not quoted by ASX within three months after the date of this Prospectus, Northern Uranium will refund all Application Money in full.

1.8 Closing Date

The Closing Date for acceptance of your Entitlement is 5.00 pm on 17th September 2009. The Company reserves the right to cancel the Rights Issue at any time prior to allotment.

1.9 Rights trading

Trading of Rights commences on ASX on 26th August 2009 with the last day of trading being on 10th September 2009. All or part of an Eligible Shareholder's Rights may be traded on ASX or otherwise sold between these dates should you choose not to accept all or part of your Entitlement.

1.10 Treatment of Overseas Shareholders

The Offer in this Prospectus is not being extended to any Shareholder, as at the Record Date, whose registered address is not situated in Australia or New Zealand because of the small number of such Shareholders, and the cost of complying with applicable regulations in jurisdictions outside Australia and New Zealand. The Prospectus is sent to those Shareholders for information only.

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares.

Recipients may not send or otherwise distribute this Prospectus or the Application Form to any person outside Australia (other than to Eligible Shareholders).

The Company has appointed the Underwriter (or associates of the Underwriter) as nominee to sell the Non-qualifying Foreign Shareholders' Rights. The Underwriter (or associates of them) will only sell the rights if there is a viable market in the rights and a premium over the expenses of sale can be obtained.

Any such sale will be at a price and be conducted in a manner that the nominee will determine in its absolute discretion.

The proceeds of sale (in Australian dollars) will be distributed to the Non-qualifying Foreign Shareholders for whose benefits the Rights have been sold in proportion to their shareholdings as at the Record Date (after deducting the costs of the sale and the distribution of the proceeds), save that individual amounts of less than \$10 will be retained by Northern Uranium. Neither the Company nor the nominee will be liable for any failure to sell the Rights or to sell the Rights at any particular price. If there is no viable market for the Rights of the Non-qualifying Foreign Shareholders, their Entitlement will be allowed to lapse and the relevant New Shares and New Options will revert to the Underwriter.

1.11 Rights attaching to New Shares

From issue, the New Shares issued under this Prospectus will rank equally in all respects with existing Shares. Summaries of the important rights attaching to Shares as set out in the Company's Constitution are contained in Section 6 of this Prospectus.

1.12 Rights attaching to New Options

From issue, the New Options issued under this Prospectus will have an exercise price of 20 cents and will expire on 30th September 2012. Summaries of the important terms attaching to New Options are contained in Section 6 of this Prospectus.

1.13 No prospective financial forecasts

The Company is an exploration company. Given the speculative nature of exploration, mineral development and production, there are significant uncertainties associated with forecasting future revenue. On this basis, the Directors believe that reliable forecasts cannot be prepared and accordingly have not included forecasts in this Prospectus.

1.14 Summary only

The information set out in this Section provides a summary of the information contained in this Prospectus. Applicants should read this Prospectus in its entirety prior to making

a decision to accept the Offer. If you have any questions about investing in the Company, please contact your stockbroker, accountant or independent financial adviser.

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Section 2 PURPOSE AND EFFECT OF THE RIGHTS ISSUE

2.1 Purpose of the Rights Issue

The net funds raised from the issue of New Shares and New Options through the Offer after payment of all associated costs, are expected to provide the Company with approximately \$1.98 million in additional capital (assuming no option holders exercise their Options prior to the Record Date).

The funds raised in conjunction with existing cash reserves will be used for the following:

- Diamond drilling at the Gardiner-Tanami project on the Oracle-Soma and Lewis Creek North targets in WA.
- Geophysical modelling and target definition for additional new drill targets at Browns Range, Deva and Gunibuy prospects, WA.
- Expansion of exploration into the NT upon granting of new NT tenements in the Gardiner-Tanami project.

The following table shows the proposed application of funds (assuming no option holders exercise their Options prior to the Record Date).

Source of Funds	AUD\$
Closing Cash 30 June 2009	610,930
July 2009 Placement (15% capacity under ASX listing Rule 7.1)	1,125,000
Cost of Placement	(75,000)
Proceeds of Share Issue	2,182,886
Estimated cost of Issue	(195,000)
Expenditure for July 2009	(220,918)
Estimated Outflows August & September 2009 (excludes drilling costs)	(746,000)
Total Funds on Completion of Issue	2,681,898
<hr/>	
Use of Funds	
Diamond drilling at Gardiner-Tanami project	1,623,000
First-pass exploration on new NT tenements at Gardiner-Tanami	300,000
Exploration on other uranium/phosphate projects	250,000
General Working Capital	300,000
Total	2,473,000

2.2 Effect of the Rights Issue

The principal effects of the Rights Issue will be to:

- increase the Company's cash reserves by approximately \$1.98 million after taking into account the costs of the Rights Issue after the July 2009 placement;
- provide the Company with additional capital for the purposes referred to in section 2.1; and
- increase the total number of issued Shares (refer section 2.3).

Pro-forma historical financial information is provided in the following paragraphs summarising the effect of the Rights Issue after the July 2009 placement, on the assumption that no option holders exercise their Options prior to the Record Date.

2.3 Effect of the Rights Issue on capital structure

The effect of the Rights Issue on the Company's issued share capital will be as follows:

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Ordinary Shares	Number	% Equity
Existing Shares	58,210,297	80
Issue under Offer	14,552,574	20
Totals	72,762,871	100%

Other securities:

Listed Options exercisable at \$0.25 expiring 31st December 2009 23,007,732

Unlisted Options (Employees/Contractors) 600,000

Issue under Offer exercisable at \$0.20 expiring 30th September 2012 14,552,574

2.4 Effect of the Rights Issue on Northern Uranium's financial position after Placement on 7 July 2009

Set out below is the un-audited Balance Sheet of the Company as at 30 June 2009 and a pro forma Balance Sheet of the Company after the Rights Issue and July 2009 placement.

The financial information prepared below is prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS).

The 30 June 2009 financial statements audit is currently being finalised.

	Reviewed 31 December 2008 \$	Un- Audited 30 June 2009 \$	Placement \$	Rights Issue Proforma adjustments \$	Proforma 30 June 2009 \$
Current Assets					
Cash and cash equivalents (Note 1)	1,514,547	610,930	1,050,000	1,987,886	3,648,816
Trade and other receivables	47,117	22,796	-	-	22,796
Total Current Assets	1,561,664	633,726	1,050,000	1,987,886	3,671,612
Non-Current Assets					
Cash security deposits	37,340	37,340	-	-	37,340
Plant and equipment	117,524	101,203	-	-	101,203
Total	154,864	138,543	-	-	138,543

Northern Uranium Limited

Non-Current Assets					
Total Assets	1,716,528	772,269	1,050,000	1,987,886	3,810,155
Current Liabilities					
Trade and other					
Payables	243,012	161,619	-	-	161,619
Provisions	31,693	31,193	-	-	31,193
Total Current Liabilities	274,705	192,812	-	-	192,812
Non-Current Liabilities					
Provisions	11,079	13,260	-	-	13,260
Total Current Liabilities	11,079	13,260	-	-	13,260
Total Liabilities	285,784	206,073	-	-	206,073
Net Assets	1,430,744	566,197	1,050,000	1,987,886	3,604,083
Equity					
Issued capital	9,338,272	9,349,335	1,050,000	1,987,886	12,387,221
Reserves	725,490	675,779	-	-	675,779
Accumulated losses	(8,633,018)	(9,458,917)	-	-	(9,458,917)
Total Equity	1,430,744	566,197	1,050,000	1,987,886	3,604,083

Note 1. Reconciliation of Cash at Bank

Cash at Bank 30 June 2009	\$610,930
July placement after costs (15% capacity under ASX listing rule 7.1)	\$1,125,000
Costs of the placement	(\$75,000)
Funds to be raised from the Issue	\$2,182,886
Estimated cost of Issue	(\$195,000)
Proforma Cash on Hand	\$3,648,816

2.5 Market price of Shares

The highest and lowest market prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest:	\$0.43	13 th May 2009
Lowest:	\$0.165	30 th June 2009

The volume weighted average sale price on ASX of the Company's Shares during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC was \$0.24.

The latest available market sale price of the Company's Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.19.

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Section 3 COMPANY INFORMATION

3.1 Background

The Company was incorporated on 31 May 2006 primarily for the purpose of acquiring the uranium prospects of Polaris Metals NL (Polaris) and Washington Resources Limited (Washington), exploring those tenements and evaluating uranium projects within Australia and overseas. The Company successfully raised \$4 million under an initial public offering and listed on the ASX on 15 November 2006.

On 13 February 2007 the Company entered into a strategic alliance agreement with French nuclear group Areva NC, via its wholly owned subsidiaries, Areva NC Australia Pty Ltd (**Areva**) and Afmeco Mining and Exploration Pty Ltd (**Afmex**). Under this agreement, Afmex became the operator of uranium exploration and development of the Company's Gardiner-Tanami project in northern Australia and Areva provides technical services to support the Company's other exploration efforts in Australia. Areva was granted uranium marketing and offtake rights to all uranium ultimately mined by the Company which is not otherwise the subject of third party ownership interests.

3.2 Exploration

The Company has five uranium exploration projects in the Northern Territory (NT) and Western Australia (WA), and two phosphate exploration projects in the NT.

The uranium projects comprise granted tenements and tenement applications over approximately 13,000km² including:

- the Gardiner Tanami Super Project, centred on the WA-NT border 200km southeast of Halls Creek - covering 11,000 km² in the Granites-Tanami region of WA and the NT, prospective for unconformity-related uranium deposits;
- the Kurundi Project where high grade uranium mineralisation exists in an old mine working, with potential for sub-surface extensions and repetitions as well as the discovery of new vein-style deposits and unconformity-related mineralisation;
- the Wallal Project which is considered prospective for sandstone-hosted uranium;
- the Denison Range Project targeting copper-gold-uranium mineralisation; and
- the Lake Barlee Project – prospective for calcrete-hosted uranium.

On the Gardiner-Tanami project, Afmex (as operator) has been systematically exploring since May 2007 for unconformity-related uranium across Northern Uranium granted tenements. The project now consists of 44 tenements and tenement applications covering an area of approximately 11,000km².

The regional geology and evidence from past exploration have established that the Gardiner-Tanami area exhibits key elements for unconformity-related uranium deposit. Using helicopter-borne EM (VTEM), ground EM, airborne hyperspectral mapping, detailed airborne radiometric and magnetic surveys and helicopter-supported ground surveys, Afmex's exploration since 2007 has covered some 5,000km² of tenements, mainly in WA. Afmex prefers a 'whole of project' approach to pinpoint the highest quality drill targets, reflecting Areva's experience and success in Canada within the Athabasca Basin which hosts the world's highest grade unconformity-related uranium deposits.

The Gardiner-Tanami area is also compared favourably with the Alligator Rivers region in the NT where the Ranger mine, Australia's largest operating uranium mine, is located.

The main targets highlighted to date by Afmex include:

- Oracle-Soma (WA) – highest priority target area in the vicinity of “The Don” prospect, a 1980s primary uranium-gold discovery 5km to the east in an adjacent tenement;
- Lewis Creek North (WA) - extensive surface uranium radiometric anomalies and several VTEM conductors on favourable structures at or near the Gardiner Sandstone unconformity;
- Suplejack (NT) - extensive surface uranium radiometric anomalies coinciding with VTEM conductors;
- Browns Range (WA) – Rare Earth Elements (REE) mineralisation and uranium in rock chip samples suggesting hydrothermal activity conducive to uranium formation;
- Deva (WA) – VTEM conductors in proximity to a regional fault structure and a historical uranium geobotanical anomaly; and
- Gunibuy (WA) – Several strong, deep VTEM conductors coincident with structural features and historical gold workings.

At the end of the 2008/09 financial year, Afmex was preparing for a diamond drilling campaign in two phases, the first phase being a five hole program on Oracle-Soma, A second phase, seven holes in the Lewis Creek North area, was also being considered, subject to available funding.

During 2008/09 the Company has made progress in a bid to expand the Gardiner-Tanami project in the NT. About 5,000km² of tenements that are contiguous with the WA tenements are expected to be granted when an Exploration Deed currently being negotiated with the Central Land Council (CLC) and Aboriginal traditional owners is finalised.

On the Kurundi project, 100km southeast of Tennant Creek in the NT, Northern Uranium holds uranium rights in two exploration licences covering an area of 730km² and has an option to acquire 90% interest in an 18.8ha mineral claim (MCC968) covering the historic Munadgee uranium mine. The Company intends diamond drilling a potentially high-grade uranium target immediately below the historical Munadgee mine following negotiations with traditional owners concerning Aboriginal heritage and access across Aboriginal freehold land that adjoins mineral claim MCC968.

The Company's phosphate exploration in the NT began in June 2008 with a heads of agreement with the Kurundi tenement holder, Washington Resources Limited. The Company committed to investigate the possibility of phosphate and uranium co-existing in the Cambrian-age Georgina Basin sediments that lie within Kurundi tenements. Cambrian-age Georgina Basin sediments host the 460Mt Wonarah rock phosphate deposits situated 120km to the east-northeast.

The Company expanded its phosphate interests with new exploration licences northeast of Kurundi, nearer to Wonarah, forming the Epenarra Project; and in the Amadeus Basin, approximately 50km east of Alice Springs, where Cambrian dolomite has been recorded to contain significant phosphatic occurrences, including historical drilling with reported intersections of 6m at 22.8% P₂O₅ and 2m at 4.13% P₂O₅.

Competent Person Statement

The exploration data has been supplied according to the JORC Code for the reporting of Mineral Resources and Ore Reserves by Mr Kevin Schultz (Executive Chairman), a full-time employee of Northern Uranium. Mr Schultz is a Fellow of the Australasian Institute of Mining and Metallurgy (AUSIMM) and 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 December 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Schultz consents to the inclusion in this Prospectus of the matters based upon his information in the form and context in which it appears.

3.3 Information on Directors

Kevin Schultz

Executive Chairman (appointed 22 June 2006).

Mr Schultz, a geologist and mining engineer from the Western Australia School of Mines, and a Fellow of the Australasian Institute of Mining and Metallurgy (Chartered Professional), has extensive experience in mining and mineral exploration management. His experience ranges across a variety of mineral commodities including gold, iron ore and uranium. As Director of Operations for the Uranium Branch exploration division of the Australian Atomic Energy Commission ('AAEC') from 1975-76, Mr Schultz was in charge of four teams of geoscientists involved in exploration for uranium in the Alligator Rivers area in the Northern Territory (NT). From 1977-1982, Mr Schultz continued in uranium exploration as Exploration Manager for Nord Resources Corporation, which had a number of uranium projects in northwest Western Australia (WA) and the NT. During the past three years Mr Schultz has also served as a director of Polaris Metals NL (Managing Director May 2003 – November 2008).

Adrian Griffin

Non executive Director (appointed on 22 June 2006).

Mr Griffin is an Australian trained mining professional with exposure to metal mining and processing throughout the world, Mr Griffin has been involved in the development of extraction technology and was a pioneer of the WA lateritic nickel processing industry. He specialises in mine management and production. During the past three years, Mr Griffin has also served as a director of the following listed companies:

- Dwyka Diamonds Limited (Director December 2005 – August 2007);
- Empire Resources Limited (Director since February 2004);
- Hodges Resources Limited (Director since August 2005);
- Reedy Lagoon Corporation Limited (Director since May 2007); and
- Washington Resources Limited (Director September 2004 – December 2008).

Robert Hair

Non executive Director (appointed on 22 June 2006).

Mr Hair is a lawyer with over 19 years experience in the resources sector. He has held several roles in the MIM Group and smaller companies and has Australian and extensive international experience in legal, commercial, financial and organisational aspects of exploration, mining and processing operations. He currently consults to various companies in the resources and information technology sectors and is a non-executive director of ASX-listed Carpentaria Exploration Limited (appointed August 2007). During the past three years, Mr Hair has also served as a director of Washington Resources Limited (Director March 2007 – October 2008).

Colin McCavana

Non executive Director (appointed on 22 June 2006).

Mr McCavana has more than 30 years of management experience worldwide in the earthworks, construction and mining industries. Much of this has been related to acquisition, development and operation of mining and mineral recovery projects. Mr McCavana is a Fellow of the Australian Institute of Company Directors and a Member of the Australasian Institute of Mining and Metallurgy. During the past three years, Mr McCavana has also served as a director of the following listed companies:

- Haddington Resources Limited (Director September 1999 – December 2008); and
- Polaris Metals NL (Director May 2003 – November 2007).

Phillipe Portella

Non executive Director (appointed on 16 March 2007).

Mr Portella is also currently the Managing Director and Exploration Manager of Afmeco Mining and Exploration Pty Ltd an Australian subsidiary of the French nuclear group, Areva NC. Mr Portella was formerly Uranium Chief Geologist in Areva NC Mining Business Unit. Mr Portella is a geologist with over 27 years of experience in uranium exploration with Areva NC. He holds a Doctorate in Geology and has wide ranging expertise in the uranium exploration field. During the past three years, Mr Portella has not served as a director of any other listed company.

Section 4 ACTION REQUIRED BY SHAREHOLDERS

4.1 What Eligible Shareholders may do

The number of New Shares and New Options to which Eligible Shareholders are entitled (your Entitlement) is shown on the accompanying Application Form.

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted.

As an Eligible Shareholder, you may:

- take up all of your Entitlement;
- apply for Additional New Shares and New Options (refer Sections 4.3 and 1.4);
- sell all of your Entitlement on ASX (refer Section 4.4);
- take up part of your Entitlement and sell the balance on the ASX (refer Section 4.5);
- take up part of your Entitlement and allow the balance to lapse (refer Section 4.6);
- deal with part or all of your Entitlement other than on the ASX (refer Section 4.7); or
- allow all or part of your Entitlement to lapse (refer section 4.8).

Non-qualifying Foreign Shareholders may not take any of the steps set out in Sections 4.2 to 4.7.

4.2 Taking up all of your Entitlement

If you wish to take up all of your Entitlement, complete the accompanying Application Form for New Shares and New Options in accordance with the instructions set out in that form.

You should then forward your completed Application Form together with your Application Money in accordance with Section 4.9 to reach the Company's Share Registry, being Security Transfer Registrars Pty Ltd, 770 Canning Highway, Applecross, WA 6153, no later than 5.00 pm on 17th September 2009.

4.3 Applications for Additional New Shares and New Options

Eligible Shareholders may, in addition to their Entitlement, apply for Additional New Shares and New Options as described in Section 1.4.

A single cheque should be used for the Application Money for your Entitlement and the number of Additional New Shares and New Options you wish to apply for as stated on the Application Form.

4.4 Selling all your Entitlement on the ASX

If you wish to sell all of your Entitlement on the ASX, complete the appropriate section on the back of the accompanying Application Form marked "Instructions to Your Stockbroker" and lodge the Application Form with your stockbroker as soon as possible, or otherwise provide instructions to your stockbroker regarding the number of Rights you wish to sell on the ASX. You can sell your Rights on the ASX from 26th August 2009 until

10th September 2009. The Company accepts no responsibility for any failure by your stockbroker to carry out your instructions.

4.5 Taking up part of your Entitlement and selling the balance on the ASX

If you wish to take up only part of your Entitlement, complete the accompanying Application Form for the number of New Shares and New Options you wish to take up and follow the steps required in accordance with Section 4.2. You may then provide instructions to your stockbroker regarding the number of Rights you wish to sell on the ASX.

4.6 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the accompanying Application Form for the number of New Shares and New Options you wish to take up and follow the steps required in accordance with Section 4.2. If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from selling/trading your Rights.

4.7 Dealing with part or all of your Entitlement other than on the ASX

You may transfer all or part of your Rights to another person other than on the ASX provided that the purchaser is not a Non-qualifying Foreign Shareholder or would not be a Non-qualifying Foreign Shareholder if the purchaser was the registered holder of Shares.

If you wish to transfer all of your Entitlement to another person other than on the ASX, forward a completed standard renunciation form (obtainable from the Company's Share Registry) and the applicable transferee's cheque or bank draft for any Application Money for the New Shares and New Options they wish to subscribe for to the Company's Share Registry by 5:00pm on 17th September 2009.

If you wish to transfer part of your Entitlement to another person other than on the ASX only, but also want to take up some or all of the balance of your Entitlement, you will need to take the steps described above in relation to the Rights you wish to transfer and complete the accompanying Application Form in respect of the Rights you wish to take up. You will need to lodge the form in accordance with the procedure in Section 4.2.

If the Share Registry receives both a completed renunciation form and a completed Application Form in respect of the same Rights, the renunciation will be given effect in priority to the acceptance.

4.8 Allow all or part of your Entitlement to lapse

Your Rights may have value. Rights are renounceable, which enable Eligible Shareholders who do not wish to accept some or all of their Entitlement to sell or trade all or part of their Rights on the ASX.

4.9 Payment

The Application Price for New Shares and New Options is payable in full on application by a payment of 15 cents per New Share. The Application Form must be accompanied by a cheque or bank draft for the Application Monies.

Cheques or bank drafts must be drawn in Australian currency on an Australian bank and made payable to "**Northern Uranium Limited - Subscription Account**" and crossed "Not Negotiable". Applicants must not forward cash. Receipts for payment will not be issued.

You should ensure that sufficient funds are held in relevant account(s) to cover the cheque(s). If the amount of your cheque(s) for Application Money is not sufficient to pay for the number of New Shares and New Options you have applied for, you may be taken to have applied for such lower number of New Shares as your cleared Application Money will pay for or your Application may be rejected.

**CHEQUES SHOULD BE MADE PAYABLE TO
"NORTHERN URANIUM LIMITED - SUBSCRIPTION
ACCOUNT" AND CROSSED NOT NEGOTIABLE.**

4.10 Enquiries

If you have any questions about your Entitlement please contact the Company's Share Registry on (08) 9315 2333.

Alternatively, contact your stockbroker or other professional adviser.

4.11 Brokerage

No brokerage or stamp duty is payable by Shareholders who accept their Entitlement to New Shares and New Options.

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Section 5 RISK FACTORS

The New Shares and New Options offered under this Prospectus are considered speculative because of the inherent risks associated with minerals exploration, appraisal, development, production, transport and marketing. In addition, there are risks inherent in investing in the share market in general.

The Directors have considered and identified in this section of the Prospectus the critical areas of risk associated with investing in the New Shares and New Options. The risks identified by the Directors are not exhaustive and potential investors should read this Prospectus in full and seek professional advice if they require further information on material risks in deciding whether to subscribe for New Shares and New Options.

5.1 Specific Risks

5.1.1 Exploration Risks

The business of minerals exploration, project development and production involves risks by its very nature. It depends upon the successful exploration, appraisal and development of commercially viable deposits. Outcomes of the exploration program outlined in this Prospectus will affect the future performance of the Company and its Shares.

5.1.2 Production Risks

Operations such as design and construction of efficient mining and processing facilities, competent operation and managerial performance, and efficient transport and marketing services, are required to be successful. In particular production operations can be hampered by force majeure circumstances, engineering difficulties, cost overruns, inconsistent recovery rates and other unforeseen events. In the event the Company proceeds to development of economic deposits production may be affected by these matters.

5.1.3 Access to Land

Significant delays may be experienced in gaining access to privately owned freehold or leasehold land. Delays may be caused by weather, deference to landholders' activities such as cropping, harvesting, calving and mustering, and other factors.

5.1.4 Cultural Heritage

Delays may be experienced if evidence of Aboriginal cultural heritage exists on any land to which the Company requires access.

When exercising a right or permission for access to any land, it is an offence, to disturb physical evidence of human occupation of prehistoric or historic significance without statutory permission. This restriction applies to any activity including minerals exploration and production.

The Company has not undertaken the comprehensive research, investigations or enquiries which would be necessary to enable it to form an opinion with certainty as to whether any such evidence exists on any land covered by Northern Uranium's wholly-owned or optioned tenements.

5.1.5 Environmental Impact Constraints

The Company's exploration and appraisal programs will, in general, be subject to approval by government authorities. Development of any mineral resources will be dependent upon the project meeting environmental guidelines and gaining approvals by government authorities.

5.1.6 Exploration and Appraisal Expenditure

Exploration and appraisal is a process subject to unforeseen contingencies. Exploration programs must be flexible enough to respond to the results obtained.

The actual scope, costs and timetables of exploration programs may differ substantially from the proposals set out in this Prospectus. Financial failure, or default by any future alliance or joint venture partner of the Company, may require the Company to face unplanned expenditure or risk forfeiting relevant tenements.

5.1.7 Funding

Unless and until the Company develops or acquires income producing assets, it will be dependent upon the funds raised by this Offer, and its ability to obtain future equity or debt funding to support exploration evaluation and development of the properties in which it has an interest. The Company's ability to raise further equity or debt or to divest part of its interest in a project, and the terms of such transactions, will vary according to a number of factors, including the success of exploration results and the future development of the Company's projects, stock market conditions and prices for metals in world markets.

5.1.8 Key Personnel

The ability of the Company to achieve its objectives depends upon the retention of key external contractors who constitute its technical panel and provide technical expertise. If the Company cannot secure external technical expertise (for example to carry out drilling) or if the services of the present technical panel cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframes and the budget the Company has decided upon.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Directors believe that appropriately skilled and experienced professionals would be available to provide services to the Company at market levels of remuneration in the event key external contractors cease to be available.

5.1.9 Volatility in the price of minerals

Commodity prices are influenced by the physical and investment demand for those commodities. Fluctuations in commodity prices may influence timing, viability and management of projects in which the Company has an interest.

5.1.10 Uranium specific risk factors

Export Policy

The Australian Commonwealth Government maintains tight control over the export of uranium through its licensing process. Australian uranium can only be

exported to countries that undertake to use it for peaceful purposes. Uranium mining itself is also extensively regulated. The cost of complying with these laws and regulations increases the cost of exploring, drilling, developing, constructing, operating and closing mines and other production facilities. The approvals required are more rigorous than those for the mining of other metals. There is a risk that should economic deposits of uranium be discovered, the requisite government approvals may not be granted, or may be significantly delayed, thereby making the deposits uneconomic.

Alternative Energy Sources

Uranium is primarily used as a fuel source for electricity generation. There are other sources of fuel available for power generation including coal, gas and hydro-electricity. Factors influencing the decision of power producers to choose uranium rather than other fuels include political, technological and environmental considerations (both locally and globally). While these factors have to date impacted negatively on the growth of the uranium industry, recent concerns in relation to carbon-based emissions have strengthened the case for uranium use.

However, sufficient advances in the technology associated with other sources of carbon-efficient power (for example wind, solar or geo-thermal power generation) could see the demand for uranium as a fuel source decrease and this would most likely have a negative impact on the Company and the value of the Shares.

5.1.11 Volatility in the market price of Shares

Although the Company is listed on the Official List, there is no assurance that an active trading market for its Shares will be sustained. There is also no assurance that the market price for the Shares will not decline below the issue price. The market price of the Company's Shares could be subject to significant fluctuations due to various external factors and events, including the liquidity of the Shares in the market, any difference between the Company's actual financial or operating results and broader market-wide fluctuations. Furthermore, any stock market volatility and weakness could result in the market price of the Shares decreasing so that they trade at prices significantly below the issue price, without regard to the Company's operating performance.

5.1.12 Negative publicity may adversely affect the Share Price

Any negative publicity or announcement relating to any of our substantial shareholders or key personnel may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of this negative publicity or announcement may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

5.1.13 Insurance Risks

The Company maintains insurance coverage that is substantially consistent with exploration industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to the Company at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried by the Company now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

5.1.14 Construction Capital Costs

The Company is conscious that at present, there is competition for skilled labour and that material costs have increased. The impact of these factors is that there are upward costs pressures in the market.

5.2 General Risks

5.2.1 General Economic Climate

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs and on metals prices.

The Company's future income, asset values and share price can be affected by these factors and, in particular, by the market price for any metals that the Company may produce and sell.

5.2.2 Stock Market Conditions

The market price of the New Shares and New Options when quoted on the ASX will be influenced by international and domestic factors affecting conditions in equity and financial markets. These factors may affect the prices for the securities of minerals exploration companies quoted on the ASX, including Northern Uranium.

The stock market has in the past and may in the future be affected by a number of matters including:

- commodity prices;
- market confidence;
- supply and demand for money; and
- currency exchange rates.

5.2.3 Commodity Prices May Go Down

The demand for, and price of, commodities is highly dependent upon a variety of factors, including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative commodities, actions taken by governments and international cartels, and global economic and political developments. Commodity prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in commodity prices and, in particular, a material decline in the price of commodities may have a materially adverse effect on the Company's business, financial condition and results of operations.

5.2.4 Governments May Stop Exploration and Production Activities

Any material adverse changes in government policies or legislation of any countries in which it may operate may affect the viability and profitability of the Company.

5.2.5 Foreign Currency and Exchange Rate Fluctuations

Revenue and expenditure of the Company may be domiciled in currencies other than Australian dollars and as such expose the Company to foreign exchange movements, which may have a positive or negative influence on the Australian dollar equivalent of such revenue and expenditure.

The Company will appropriately monitor and assess such risks and may from time to time implement measures, such as foreign exchange currency hedging, to assist manage these risks. However, the implementation of such measures may not eliminate all such risks and the measures themselves may expose the Company to related risks.

5.2.6 Speculative Nature of Investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares in the Company.

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Section 6 ADDITIONAL INFORMATION

6.1 Nature of the Prospectus

This Prospectus is a short form prospectus issued under section 713 of the Corporations Act which allows the issue of a short form prospectus in relation to offers of securities where those securities are of a class which have been quoted for twelve months before the date of that prospectus.

6.2 Further documents

As a disclosing entity, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office. In addition, any person considering this offer is entitled to receive a copy of the most recently lodged annual financial report and any continuous disclosure notices given by the Company after the lodgement of that financial report. The Company will give copies of those documents to any person who requests them free of charge.

6.3 Tenement Schedule

A schedule setting out basic details of the tenements held by the Company is included in Section 8. This schedule (with the exception of the Notes section) was prepared by M & M Walter Consulting, the Company's tenement manager.

6.4 ASX listing

The Company participates in CHESS and will despatch holding statements in lieu of share and option certificates that set out the number of New Shares and New Options issued to each successful Applicant under this Prospectus.

It is the responsibility of Applicants to determine their allocation before trading in the New Shares and New Options. Applicants who sell New Shares and New Options before they receive their statement do so at their own risk.

6.5 Rights attaching to New Shares

The rights attaching to ownership of Shares (including New Shares) are:

- described in the Constitution; and
- regulated by the *Corporations Act*, the Listing Rules and the general law.

The following is a summary of the key provisions in the Constitution and the principal rights of shareholders as set out in the Constitution. This summary is not exhaustive, nor does it constitute a definitive statement of the rights and liabilities of shareholders.

6.5.1 Meetings and notices

Each shareholder is entitled to receive notice of and to attend general meetings of the Company and to receive all notices, financial reports and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

6.5.2 Voting

At meetings of shareholders, every shareholder present in person or by proxy, attorney or representative has one vote on a vote taken by a show of hands, and,

on a poll has one vote for every fully paid Share held by him or her, and a proportionate vote for every partly paid Share. A poll may be demanded by the chairperson of the meeting, by any five shareholders present in person or by proxy, attorney or representative, by any one or more shareholders who are together entitled to not less than 5% of the votes that may be cast on the resolution on a poll, or by a shareholder or shareholders holding voting shares on which the aggregate sum paid up is not less than 5% of the total sum paid up on all voting shares.

6.5.3 Dividends

Dividends are payable out of the Company's profits and are declared or determined to be payable by the Directors.

6.5.4 Transfer

A shareholder may transfer all or any of its Shares by:

- in the case of an ASTC-regulated transfer, in any manner required or permitted by the Listing Rules or ASTC Settlement Rules;
- in other cases, using any written transfer instrument in any common form or form approved or adopted by ASX or the Directors; and
- The Directors may decline to register any transfer where permitted to do so by the Listing Rules and must decline to register a transfer of Shares where required by the Listing Rules.

6.5.5 Liquidation Rights

The Company has one class of shares on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.

6.5.6 Variation of Rights

Subject to the Listing Rules, the rights attached to the Shares may be varied by special resolution of the Company and either with the consent in writing of shareholders holding three-quarters of the Shares or by a special resolution passed at a separate meeting of the holders of the Shares in accordance with the Corporations Act.

The Directors may, subject to the restrictions on allotment of shares imposed by the Constitution, the Corporations Act and the Listing Rules, from time to time issue and allot further shares on such terms and conditions as they see fit.

6.6 Rights attaching to New Options

The rights attaching to New Options are regulated by the Constitution, the *Corporations Act*, the Listing Rules and the general law.

The following is a summary of the key terms of the New Options:

- (a) The Company will, in accordance with Listing Rule 2.8, make application to have the New Options listed for Official Quotation.
- (b) Each New Option will have an exercise price of \$0.20 (**Exercise Price**).
- (c) Each New Option will automatically lapse if not exercised on or before 30th September 2012 (**Expiry Date**).
- (d) Each New Option shall entitle the holder to subscribe for and be allotted one ordinary share in the capital of the Company upon exercise of the New Option and payment to the Company of the Exercise Price.
- (e) A New Option may be exercised by the option holder at any time prior to the Expiry Date by sending a completed and signed notice of exercise, together with the payment of the Exercise Price and the certificate for the New Options, to the Company. The New Options may be exercised in whole or in part.
- (f) A notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds.
- (g) Subject to any restrictions in the Listing Rules, within 3 Business Days of receipt of a properly executed notice of exercise and the required exercise moneys, the number of ordinary shares specified in the notice will be allotted.
- (h) Ordinary shares allotted pursuant to the exercise of the New Options will rank equally with the then issued ordinary shares of the Company.
- (i) The Company undertakes to apply for official quotation by the ASX of all ordinary shares allotted pursuant to the exercise of any Options, within 10 Business Days of the date of allotment of those new ordinary shares, provided that the Company is only required to apply for official quotation by the ASX if lots of 100,000 New Options are exercised in aggregate.
- (j) There will be no participating entitlements inherent in the New Options to participate in new issues of capital which may be offered to Shareholders during the currency of the New Options. Prior to any new pro rata issue of securities to Shareholders, holders of New Options will be notified by the Company and will be afforded 7 Business Days before the relevant record date (to determine entitlements to the issue), to exercise the New Options.
- (k) In the event of any reorganisation (including consolidation, subdivision, reduction, cancellation or return) of the issued capital of the Company before the expiry of any New Options, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (l) If from time to time before the expiry of the New Options the Company makes an issue of ordinary shares to shareholders by way of a bonus issue, other than in lieu of a dividend payment, then upon exercise of a New Option the option holder will be entitled to have issued to it (in addition to the ordinary shares which it is otherwise entitled to have issued to it upon such exercise) additional ordinary shares in the Company. The number of additional ordinary shares is the number of ordinary shares which would have been issued to the option holder if the New Options had been exercised before the record date for the bonus issue.

- (m) The New Options do not confer the right to a change in Exercise Price, or a change to the number of underlying securities over which it can be exercised, other than under paragraphs (k) and (l) above.

6.7 Alteration of constitution

The Constitution can only be amended by a special resolution (that is, a resolution that has been passed by at least three-quarters of the votes cast by shareholders entitled to vote on the resolution). While the Company is listed, at least 28 days written notice of the special resolution must be given.

6.8 Indemnification of Directors

To the extent permitted by law, the Company indemnifies every person who is or has been an officer of the Company and indemnifies every person who is or has been an officer of the Company against reasonable legal costs incurred in defending an action for a liability incurred or allegedly incurred by the person as an officer of the Company.

6.9 Taxation

The Directors consider that it is not appropriate to give advice regarding the taxation consequences associated with the acquisition, sale or exercising of Rights, or the subsequent disposal of any Shares subscribed for under this Prospectus. The Directors recommend that all Eligible Shareholders consult their own professional tax advisors.

6.10 Material Contracts

Underwriting Agreement

Under an underwriting agreement dated 19th August 2009 (**Underwriting Agreement**), Patersons Securities Limited (**Underwriter**) has agreed to underwrite the Offer.

Upon completion, the Underwriter will receive an underwriting fee of 5% of the amount underwritten. In addition, the Underwriter will receive a lead manager fee of \$60,000. The Underwriter will also receive payment of reasonable costs and expenses incurred by it in connection with the Offer. The Company will pay any GST applicable to any fee payable to the Underwriter under the Underwriting Agreement.

The Underwriter has discretion to terminate the Underwriting Agreement for reasons that are standard in agreements of this nature.

Native Title, Heritage Protection and Mineral Exploration Agreement for Tjurabalan Lands

This agreement was entered into on 7 December 2007 between Northern Uranium, Kimberley Land Council Aboriginal Corporation and Tjurabalan Native Title Land Corporation.

The agreement relates to tenements listed below and provides for, among other things, a community benefits payment of 5% of the annual on-ground exploration costs, capped at \$35,000 per tenement:

- E80/3681
- E80/3682
- E80/3683

- E80/3684
- E80/3685
- E80/3686
- E80/3694
- E80/3695
- E80/3914
- E80/3915
- E80/3548

Tanami 2009 Drilling Contract

Afmeco Mining and Exploration Pty Ltd, being the operator of the Company's Gardiner-Tanami project, has entered into a drilling contract with Winmax Drilling Pty Ltd under which the drilling contractor agrees to drill a minimum depth of 750 meters and a maximum depth of 3,000 meters over a 2 phase program which commenced on or about 15 August 2009. The contract is on commercial terms and conditions that are standard for arrangements of this nature. Part of the proceeds of the issue will be used to fund the drilling program contemplated by this contract.

6.11 Privacy

If you apply for New Shares and New Options, you will provide personal information to the Company. Company laws and tax laws require some of the information to be collected and kept. The Company will collect, hold and use the information provided by you to process your application and to administer your investment in the Company.

If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process your application.

The Company may disclose your personal information for purposes related to your investment to the Company's agents and service providers. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the shareholder register;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- the Underwriter to confirm applications; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising, on the Shares and for associated actions.

The Company complies with its legal obligations under the Privacy Act 1988 (Cth).

You may request access to your personal information held by (or on behalf of) the Company. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information. You can request access to your personal information by writing to or telephoning the Share Registry as follows:

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153

Northern Uranium Limited

Telephone: (08) 9315 2333
Facsimile: (08) 9315 2233

6.12 Information Available to Shareholders

As a disclosing entity, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office. In addition, any person considering this offer is entitled to receive a copy of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus:

- (a) the 2008 Annual Report of Northern Uranium Limited and the financial statements and consolidated financial statements for the year ending 30 June 2008 and half year ending 31 December 2008 respectively; and
- (b) the following documents notifying ASX of information relating to Northern Uranium during the financial years 2008/2009 and 2009/2010 before the issue of this Prospectus:

<u>Date</u>	<u>Announcement</u>
22/10/2008	First Quarter Cashflow Report
22/10/2008	First Quarter Activities Report
22/10/2008	Notice of Annual General Meeting
5/11/2008	Appendix 3 B - Release of Shares from Escrow
13/11/2008	NT Phosphate Results
14/11/2008	Appendix 3 B - Release of Shares from Escrow
20/11/2008	Results of Annual General Meeting
5/12/2008	Appointment/Resignation of Company Secretary
30/01/2009	Quarterly Activity Report and Cashflow
11/03/2009	Half-Year Financial Report
21/04/2009	Response to ASX Price Query
30/04/2009	Quarterly Activity Report and Cashflow
08/05/2009	Response to ASX Query
2/06/2009	Appendix 3B
4/06/2009	Correction to Appendix 5B
11/06/2009	Appendix 3B
16/06/2009	Amended Appendix 3B
16/06/2009	Gardiner-Tanami Project Update
26/06/2009	Change of Directors Interest
2/07/2009	Placement to raise \$1.125 Million
3/07/2009	Becoming a substantial holder from Geiger Counter
7/07/2009	Section 708A and Appendix 3B
8/07/2009	Change in substantial holding from POL
13/07/2009	Change in substantial holding from WRL
14/07/2009	Change in substantial holding from Areva

Northern Uranium Limited

29/07/2009	Quarterly Activities Report and Cashflow
17/08/2009	Trading Halt
20/08/2009	Commencement of drilling and fully underwritten rights issue

6.13 Interests of Directors

Interest in the shares and options of Northern Uranium and any Related Body Corporate of it:

	Ordinary Shares	Share Purchase Plan Shares	Options over Ordinary Shares
Kevin Schultz	220,000	250,000	210,000
Adrian Griffin	500,000	200,000	
Robert Hair	500,000	200,000	250,000
Colin McCavana	500,000	200,000	375,000
Phillipe Portella		-	-

6.14 Interests and Consents of Experts and Advisers

The following parties have given (and not before the date of this document withdrawn) their consent to be named in this document in the form and context in which they are named:

- Kevin Schultz;
- Patersons Securities Limited, in the capacity of Underwriter and Lead Manager;
- Wright Legal, in the capacity of Solicitor to the Company;
- Security Transfer Registrars Pty Ltd; and
- M&M Walter Consulting, in the capacity of Tenements Manager to the Company.

Each of Patersons Securities Limited, Wright Legal and Security Transfer Registrars Pty Ltd:

- has not authorised or caused the issue of this Prospectus;
- makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Offer;
- has not made any statement in this Prospectus, or any statement on which a statement in this Prospectus is based, except where expressly stated above;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and except where expressly stated above; and

- was not involved in the preparation of the Prospectus or any part of it except where expressly attributed to that person.

Patersons Securities Limited is acting as Underwriter and Lead Manager and for this is being paid a Lead Manager fee of \$60,000 (plus GST) and an underwriting fee of 5% of the funds underwritten under the Offer. Patersons Securities Limited is also entitled to reimbursement of out of pocket expenses.

Patersons Securities Limited has received \$75,000 of fees from previous capital raisings for the financial years ended 30 June 2008 and 30 June 2009.

Wright Legal is acting as Solicitor to the Company and for this is being paid fees of approximately \$25,000 (plus GST). Wright Legal has received fees and disbursements of \$1,486.00 (plus GST) in respect of legal services provided to the Company for the financial years ended 30 June 2008 and 30 June 2009.

6.15 Fees paid to Consultants

During the 24 months preceding the lodgement of this Prospectus with ASIC;

- M&M Walter Consulting Pty Ltd has received \$65,140 for tenement management consulting services.

6.16 Electronic prospectus

Pursuant to class order 00/44 the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of shares and options in response to an electronic application, subject to compliance with certain provisions.

If you have received this Prospectus as an Electronic Prospectus please ensure that you have the entire Prospectus accompanied by the Application Form. If you have not, please e-mail the Company at info@northernuranium.com.au and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the Application Form, it was not provided with an entire copy of the Prospectus and any relevant supplementary or replacement material or any of those documents were incomplete or altered. In such case, the Application monies received will be dealt with in accordance with section 722 of the Corporations Act.

6.17 Directors' authorisation

This Prospectus is authorised by Northern Uranium and is lodged with the ASIC pursuant to section 718 of the Corporations Act. Each Director of Northern Uranium has given, and has not withdrawn, their consent to the lodgement of this Prospectus with ASIC under the terms of the section 720 of the Corporations Act.



Kevin Schultz
EXECUTIVE CHAIRMAN
DATED 21 August 2009

Section 7 KEY DEFINITIONS

"Additional New Shares and New Options" means New Shares and New Options in addition to an Eligible Shareholder's Entitlement for which an Applicant makes an Application.

"Applicant" means a person who submits an Application.

"Application" means a valid application made to subscribe for New Shares and New Options in accordance with the Offer.

"Application Form" means the Entitlement and Acceptance Application Form attached to or accompanying this Prospectus that sets out the Entitlement of Shareholders to subscribe for New Shares and New Options pursuant to the Rights Issue.

"Application Money" means monies received from persons applying for New Shares and New Options pursuant to the terms of the Offer.

"Application Price" means 15 cents per Share.

"Areva" means Areva NC Australia Pty Ltd, a wholly owned subsidiary of Areva NC.

"ASIC" means Australian Securities & Investments Commission.

"ASTC" means ASX Settlement and Transfer Corporation Pty Ltd.

"ASX" means ASX Limited ACN 008 624 691 or as applicable, the Australian Securities Exchange.

"Business Day" means a day on which trading takes place on the stock market of ASX.

"CHESS" means ASX Clearing House Electronic Sub-registry System.

"Closing Date" means 17th September 2009 or such other date as may be determined by the Directors and the Underwriters under this Prospectus.

"Company" and **"Northern Uranium"** means Northern Uranium Limited ACN 119 966 353, and where relevant, its subsidiary companies.

"Constitution" means the Company's Constitution as at the date of this Prospectus.

"Corporations Act" means the Corporations Act 2001 (Commonwealth).

"Directors" means the directors of the Company.

"Dollar" or **\$** means Australian dollars.

"Eligible Shareholder" means a Shareholder other than a Non-Qualifying Foreign Shareholder.

"Entitlement" means a Shareholder's entitlement to subscribe for New Shares and New Options offered by this Prospectus.

"Issue" means the issue of New Shares and New Options under this Prospectus.

"Listing Rules" means the Listing Rules of the ASX.

"New Option" means an option to acquire a Share exercisable at 20 cents on or before 30th September 2012 to be issued under this Prospectus.

"New Share" means a fully paid ordinary share in the capital of the Company to be issued under this Prospectus.

"Non-qualifying Foreign Shareholder" means a Shareholder, whose registered address is not in Australia or New Zealand.

"Offer" means the offer of one (1) New Share and one (1) New Option for every four (4) existing Shares held at the Record Date at an issue price of 15 cents per New Share.

"Official List" means the official list of the ASX.

"Option" means an option to acquire a Share, granted by the Company.

"Prospectus" means the prospectus constituted by this document.

"Record Date" means 1st September 2009.

"Rights" means the right to subscribe for New Shares and New Options under this Prospectus.

"Rights Issue" has the same meaning as the Offer.

"SCH Business Rules" means the business rules of the securities clearing house which operates CHESS.

"Share" means a fully paid ordinary share in the capital of the Company.

"Shareholder" means the holder of a Share registered on the Record Date.

"Underwriter" means Patersons Securities Limited ACN 008 896 311.

"Underwriting Agreement" means the underwriting agreement dated on or about the same date as this Prospectus, between the Underwriter and the Company.

Northern Uranium Limited

Section 8 TENEMENTS SCHEDULE

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
E45/2782	Granted	9/09/2005	14/12/2006	13/12/2011	70 Blocks	NTU	100	\$70,000.00	\$12,920.60		Sect 65 relinquish 50% due 13/12/2009 Note 6
E45/2783	Granted	9/09/2005	18/06/2009	17/06/2014	69 Blocks	ECL	100	\$69,000.00	\$8,182.02		Recently granted, Transfer underway and Combined reporting required Note 5
E45/2813	Granted	28/10/2005	14/12/2006	13/12/2011	70 Blocks	NTU	100	\$70,000.00	\$12,920.60		Note 5
E45/2814	Granted	28/10/2005	14/12/2006	13/12/2011	70 Blocks	NTU	100	\$70,000.00	\$12,920.60		Note 5
E45/2815	Granted	28/10/2005	14/12/2006	13/12/2011	70 Blocks	NTU	100	\$70,000.00	\$12,920.60		
E77/1404	Granted	24/01/2007	13/01/2009	12/01/2014	31 Blocks	NTU	100	\$31,000.00	\$3,675.98		
E80/3274	Granted	16/10/2003	10/10/2005	9/10/2010	26 Blocks	POL	100	\$39,000.00	\$4,799.08		Sect 65 relinquish 50% due 10/10/2009 Notes 1, 2 & 8
E80/3404	Granted	2/12/2004	8/11/2005	7/11/2010	70 Blocks	NTU	100	\$105,000.00	\$12,920.60		Sect 65 relinquish 50% due 8/11/2009 Notes 1 & 2
E80/3405	Granted	2/12/2004	8/11/2005	7/11/2010	70 Blocks	NTU	100	\$105,000.00	\$12,920.60		Sect 65 relinquish 50% due 8/11/2009

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Northern Uranium Limited

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
											Notes 1 & 2
E80/3414	Granted	14/12/2004	8/11/2005	7/11/2010	45 Blocks	NTU	100	\$67,500.00	\$8,306.10		Sect 65 relinquish 50% due 8/11/2009 Notes 1 & 2
E80/3530	Granted	11/08/2005	31/07/2006	30/07/2011	52 Blocks	NTU	100	\$52,000.00	\$9,598.16		EFD Lodged 26/6/2009 Notes 1 & 2
E80/3539	Granted	26/08/2005	31/07/2006	30/07/2011	25 Blocks	NTU	100	\$25,000.00	\$4,614.50		EFD Lodged 26/6/2009 Notes 1 & 2
E80/3547	Granted	20/09/2005	3/10/2006	2/10/2011	70 Blocks	NTU	100	\$70,000.00	\$12,920.60		Sect 65 relinquish 50% due 3/10/2009
E80/3548	Granted	20/09/2005	19/03/2008	18/03/2013	70 Blocks	NTU	100	\$70,000.00	\$8,300.60		Notes 1 & 3
E80/3681	Granted	20/06/2006	15/01/2008	14/01/2013	67 Blocks	NTU	100	\$67,000.00	\$7,944.86		Note 1 & 3
E80/3682	Granted	20/06/2006	15/01/2008	14/01/2013	74 Blocks	NTU	100	\$74,000.00	\$8,774.92		Note 3
E80/3683	Granted	20/06/2006	15/01/2008	14/01/2013	66 Blocks	NTU	100	\$66,000.00	\$7,826.28		Note 3
E80/3684	Granted	20/06/2006	15/01/2008	14/01/2013	40 Blocks	NTU	100	\$40,000.00	\$4,743.20		Note 3
E80/3685	Granted	20/06/2006	15/01/2008	14/01/2013	45 Blocks	NTU	100	\$45,000.00	\$5,336.10		Note 3
E80/3686	Granted	20/06/2006	15/01/2008	14/01/2013	58 Blocks	NTU	100	\$58,000.00	\$6,877.64		Note 3
E80/3694	Granted	20/06/2006	15/01/2008	14/01/2013	53 Blocks	NTU	100	\$53,000.00	\$6,284.74		Note 3
E80/3695	Granted	29/06/2006	15/01/2008	14/01/2013	42 Blocks	NTU	100	\$42,000.00	\$4,980.36		Note 3
E80/3914	Granted	30/03/2007	28/04/2008	27/04/2013	1 Block	NTU	100	\$10,000.00	\$285.67		Notes 1 & 3

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Northern Uranium Limited

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
E80/3915	Granted	30/03/2007	28/04/2008	27/04/2013	23 Block	NTU	100	\$23,000.00	\$2,727.34		Notes 1 & 3
E80/4213	Application	12/12/2008			6 Blocks	NTU	100				NTA Objection period ends 26/10/2009 Note 1
E80/4214	Application	12/12/2008			39 Blocks	NTU	100				NTA Objection period ends 26/10/2009 Note 1
E80/4242	Application	1/04/2009			21 Blocks	NTU	100				NTA Objection period ends 24/11/2009 Note 1
P80/1553	Granted	22/08/2005	10/08/2006	9/08/2010	106 Ha	NTU	100	\$4,240.00	\$244.86		Note 1
EL23934	Granted	17/06/2003	13/02/2004	12/02/2010	51 Blocks	WRL	100	\$90,000.00	\$17,952.00	Dealing 92107 - NSM / WRL. Dealing 92742 - ECL / NTU / WRL / POL	Initial term expires 12/02/2010 - 2 further terms of 2 years available.
EL23937	Granted	19/06/2003	13/02/2004	12/02/2010	226 Blocks	WRL	100	\$50,000.00	\$79,552.00	Dealing 92107 - NSM / WRL. Dealing 92742 - ECL / NTU / WRL / POL	Initial term expires 12/02/2010 - 2 further terms of 2 years available.

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Northern Uranium Limited

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
EL24166	Granted	12/02/2004	10/02/2005	9/02/2011	45 Blocks	WRL	100	\$70,000.00	\$7,920.00	Dealing 92107 - NSM / WRL. Dealing 92742 - ECL / NTU / WRL / POL	
EL24178	Granted	24/02/2004	10/02/2005	9/02/2011	32 Blocks	WRL	100	\$90,000.00	\$5,632.00	Dealing 92107 - NSM / WRL. Dealing 92742 - ECL / NTU / WRL / POL	
EL24995	Granted	18/10/2005	16/08/2006	15/08/2012	8 Blocks	WRL	100	\$20,000.00	\$704.00	Dealing 92742 - ECL / NTU / WRL / POL	
EL26775	Granted	16/05/2008	6/02/2009	5/02/2015	500 Blocks	NTU	100	\$82,000.00	\$5,500.00		
EL26776	Granted	16/05/2008	4/12/2008	3/12/2014	39 Blocks	NTU	100	\$20,400.00	\$429.00		
EL26818	Granted	12/06/2008	6/02/2009	5/02/2015	432 Blocks	NTU	100	\$74,000.00	\$4,752.00		
EL26920	Granted	18/08/2008	20/04/2009	19/04/2015	214 Blocks	NTU	100	\$40,000.00	\$2,354.00		
MCC968	Granted	6/02/1989	27/06/1989	26/06/2019	18.8 Ha	CTL	100	\$-	\$209.00	Dealing 92526 - CTL / NTU	Note 7
EL23932	Application	17/06/2003			500 Blocks	NSM	100				Affects ABF land, consent to negotiate granted 7/09/06, negotiations continuing.
EL23933	Application	17/06/2003			118 Blocks	NSM	100				Affects ABF land, currently under ALRA moratorium - commenced 1/04/09, ends 1/04/14.

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Northern Uranium Limited

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
											Note 4
EL24174	Application	23/02/2004			500 Blocks	NSM	100				Affects ABF land, consent to negotiate granted 7/09/06, negotiations continuing.
EL24177	Application	24/02/2004			125 Blocks	NSM	100				Affects ABF land, consent to negotiate granted 7/09/06, negotiations continuing.
EL24179	Application	24/02/2004			52 Blocks	NSM	100				Affects ABF land, currently under ALRA moratorium - commenced 29/05/08, ends 29/05/13. Note 4
EL24193	Application	4/03/2004			72 Blocks	NSM	100				Affects ABF land, consent to negotiate granted 7/09/06, negotiations continuing.
EL24849	Application	15/08/2005			18 Blocks	POL	100				Affects ABF land, consent to negotiate granted 3/03/06, negotiations continuing.

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Northern Uranium Limited

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
EL24935	Application	12/09/2005			28 Blocks	ECL	100				Affects ABF land, consent to negotiate granted 3/03/06, negotiations continuing.
EL24941	Application	16/09/2005			190 Blocks	ECL	100				Affects ABF land, currently under ALRA moratorium - commenced 29/05/08, ends 29/05/13. Note 4
EL24947	Application	19/09/2005			125 Blocks	ECL	100				Affects ABF land, currently under ALRA moratorium - commenced 29/05/08, ends 29/05/13. Note 4
EL25003	Application	20/10/2005			43 Blocks	ECL	100				Affects ABF land, currently under ALRA moratorium - commenced 29/05/08, ends 29/05/13. Note 4
EL25004	Application	20/10/2005			105 Blocks	ECL	100				Affects ABF land, currently under ALRA moratorium -

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Northern Uranium Limited

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
											commenced 29/05/08, ends 29/05/13. Note 4
EL25009	Application	24/10/2005			44 Blocks	ECL	100				Affects ABF land, consent to negotiate granted 3/02/06, negotiations continuing.
EL25171	Application	31/01/2006			35 Blocks	ECL	100				Affects ABF land, consent to negotiate granted 26/05/06, negotiations continuing.
EL25172	Application	31/01/2006			43 Blocks	ECL	100				Affects ABF land, currently under ALRA moratorium - commenced 29/05/08, ends 29/05/13. Note 4
EL26498	Application	25/10/2007			46 Blocks	NTU	100				Affects ABF land - consent to negotiate granted 1/02/08, negotiations continuing.
EL26541	Application	26/11/2007			10 Blocks	NTU	100				Affects ABF land - consent to negotiate granted

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Northern Uranium Limited

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
											21/04/08, negotiations continuing.
EL27016	Application	13/10/2008			7 Blocks	NTU	100				NTA objection period ended 17/06/09 - likely to be offered for grant soon
EL27017	Application	13/10/2008			51 Blocks	NTU	100				NTA objection period ended 17/06/09 - likely to be offered for grant soon
EL27018	Application	13/10/2008			22 Blocks	NTU	100				NTA objection period ended 17/06/09 - likely to be offered for grant soon
EL27019	Application	13/10/2008			18 Blocks	NTU	100				NTA objection period ended 17/06/09 - likely to be offered for grant soon
EL27020	Application	13/10/2008			25 Blocks	NTU	100				NTA objection period ended 17/06/09 - likely to be offered for grant soon
EL27072	Application	1/12/2008			126 Blocks	NTU	100				NTA objection period ended 26/06/09 - likely to be offered for grant soon
EL27085	Application	4/12/2008			50 Blocks	NTU	100				NTA objection period ended

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Northern Uranium Limited

Tenement No.	Status	Application Date	Date Granted	Expiry Date	Area	Registered Holder	Shares	Commitment	Next Rent	Agreements	Any other Dealings or Comments
											27/07/09 - likely to be offered for grant soon
EL27367	Application	28/05/2009			189 Blocks	NTU	100				
EL27368	Application	28/05/2009			93 Blocks	NTU	100				
EL27382	Application	9/06/2009			397 Blocks	NTU	100				

For all tenements with Registered Holder indicated as 'WRL' the Uranium rights to tenements are held beneficially by NTU pursuant to Uranium Tenements and Uranium Rights Assignment Deed between Polaris Metals NL, Eclipse Minerals Pty Ltd, Washington Resources Ltd and NTU dated 2 August 2006

For all tenements with Registered Holder indicated as 'NSM' the Uranium rights to tenements are held beneficially by NTU pursuant to Uranium Tenements and Uranium Rights Assignment Deed between Polaris Metals NL, Eclipse Minerals Pty Ltd, Washington Resources Ltd and NTU dated 2 August 2006 and Tenement Sale Agreement between Norman Sydney McCleary and Washington Resources Ltd dated 24th March 2005

For all tenements with Registered Holder indicated as 'POL' or 'ECL' the tenements are held beneficially by NTU pursuant to Uranium Tenements and Uranium Rights Assignment Deed between Polaris Metals NL, Eclipse Minerals Pty Ltd, Washington Resources Ltd and NTU dated 2 August 2006

KEY

Parties:

NTU	NORTHERN URANIUM LIMITED
POL	POLARIS METALS NL
WRL	WASHINGTON RESOURCES LIMITED
ECL	ECLIPSE MINERALS PTY LTD (wholly-owned subsidiary of POL)
CTL	CAIRNS TERRITORY PTY LTD
NSM	NORMAN SYDNEY MCCLEARY

Abbreviations:

EFD	Exemption from drop-off
NTA	Native Title Act 1993
ABF	Aboriginal freehold land
ALRA	Aboriginal Land Rights Act (NT) 1976

NOTES

Each granted tenement is subject to standard conditions including conditions requiring the holder to obtain the consent of the relevant officer of the Department of Industry and Resources (**DoIR**) prior to conducting any ground disturbing work and basic environmental and rehabilitation conditions for minor disturbances.

The following specific conditions attach to tenements as indicated:

- 1 In respect to the area of land designated PNR 219 (Proposed Nature Reserve) conditions attaching to these tenements contain provisions to the effect that, prior to any activity involving disturbance to vegetation and soils, including exploration access and/or exploration sampling, the licensee must prepare a detailed program for each phase of proposed exploration for written approval of the Director, Environment, DoMP. The Director is then required to consult with the Regional/District Manager, Department of Conservation and Land Management or the Department of Environmental Protection or other government agency (as relevant) prior to approval.
- 2 Subject to the Native Title and Heritage Protection Agreement dated 15 August 2005 between Polaris & Kimberley Land Council Aboriginal Corporation.
- 3 Subject to the Native Title, Heritage Protection and Mineral Exploration Agreement for Tjurabalan Lands dated 7 December 2007 between Northern Uranium, Kimberley Land Council Aboriginal Corporation and Tjurabalan Native Title Land Corporation (See under 6.10 Material Contracts).
- 4 Central Land Council on behalf of Aboriginal freehold land owners have refused to consent to grant of exploration licence application. Application has been placed into moratorium until 29th May 2013.
- 5 Subject to the agreement dated 2 May 2006 made between Eclipse Minerals Pty Ltd and The Yamatji Marlpa Barna Baba Maaja Aboriginal Corporation as agent for the Ngarla Claim Group in respect of E45/2783, E45/2813 and E45/2814.
- 6 Subject to the agreement dated 2 May 2006 made between Eclipse Minerals Pty Ltd and The Yamatji Marlpa Barna Baba Maaja Aboriginal Corporation as agent for the Njamal Claim Group in respect of E45/2782.
- 7 Subject to Cairns Territory Mineral Claim MCC968 Option Agreement, whereby NTU has the option to acquire a 95% interest in Mineral Claim MCC968
- 8 Subject to an agreement between Polaris Metals NL and Independence Gold NL whereby NTU can farm-in and earn a 60% interest in the tenement through exploration expenditure

ENTITLEMENT AND ACCEPTANCE APPLICATION FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE:
 NORTHERN URANIUM LIMITED
 Level 2, 7 Havelock Street
 West Perth WA 6005
 AUSTRALIA

NORTHERN URANIUM LIMITED

ABN: 61 119 966 353

SHARE REGISTRY:
 Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
 770 Canning Highway,
 APPLECROSS WA 6153 AUSTRALIA
 T: +61 8 9315 2333 F: +61 8 9315 2233
 E: registrar@securitytransfer.com.au
 W: www.securitytransfer.com.au

Code:

Holder Number:

Holding as at 5.00pm WST
on 1 September 2009:

Entitlement to Securities 1:4:

Amount payable on acceptance
@ \$0.15 per Security:

RENOUNCEABLE SHARE OFFER CLOSING AT 5.00PM WST ON 17 SEPTEMBER 2009

ISSUE PRICE OF \$0.15 CENTS PER SHARE WITH 1 FREE ATTACHING OPTION
 (EXPIRING 30 SEPTEMBER 2012 @ \$0.20) FOR EVERY 1 SHARE ISSUED.

IMPORTANT NOTICE: HOLDERS WHOSE EXISTING SECURITIES ARE HELD ON THE CHESS SUBREGISTER AS DETAILED ABOVE SHOULD IN THE FIRST INSTANCE CONTACT THEIR SPONSORING STOCKBROKER/AGENT IN RESPECT OF ANY PROPOSED ON-MARKET SALE OF THEIR RIGHTS. RIGHTS TRADING COMMENCED ON 26 AUGUST 2009 AND IS EXPECTED TO CEASE ON 10 SEPTEMBER 2009. THE RIGHTS REFERRED TO IN THIS FORM MAY BE TRANSFERRED ELECTRONICALLY ON CHESS BY SURRENDERING THE ENTITLEMENT AND ACCEPTANCE FORM TO YOUR SPONSORING STOCKBROKER BEFORE RIGHTS CEASE TRADING. THIS ENTITLEMENT AND ACCEPTANCE FORM SHOULD NOT BE RELIED UPON AS EVIDENCE OF THE CURRENT ENTITLEMENT OF THE PERSON NAMED IN THIS ENTITLEMENT AND ACCEPTANCE FORM.

(1) I/We the above named being registered at 5.00pm WST on the 1 September 2009 as holder(s) of Securities in the Company hereby accept as follows:

	NUMBER OF NEW SHARES ACCEPTED/APPLIED FOR	AMOUNT ENCLOSED @ \$0.15 PER SHARE
Entitlement or Part Thereof	<input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/>	\$ <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> . <input style="width: 30px; height: 25px;" type="text"/>
Additional New Shares*	<input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/>	\$ <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> . <input style="width: 30px; height: 25px;" type="text"/>
TOTAL	<input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/>	TOTAL \$ <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> , <input style="width: 30px; height: 25px;" type="text"/> . <input style="width: 30px; height: 25px;" type="text"/>

- (* refer to section 4.3 of the prospectus)
- (2) I/We have enclosed/made payment for amount shown above (following the payment instructions as detailed overleaf).
- (3) I/We hereby authorise you to place my/our name(s) on the register of members in respect of the number of New Securities allotted to me/us.
- (4) I/We agree to be bound by the Constitution of the Company.
- (5) I/We understand that if any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept this form, and how to construe, amend or complete it shall be final.
- (6) I/We authorise the Company to send me/us a substituted version if this form ceases to be current.
- (7) I/We declare that I/we have received a full and unaltered version of the Prospectus either in an electronic or paper format.
- (8) My/Our contact details in case of enquiries are:

NAME

TELEPHONE NUMBER

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EMAIL ADDRESS

RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE SECURITIES BEING OFFERED.

PAYMENT INFORMATION - Please also refer to payment instructions overleaf.



Biller Code: 117226
Ref:



CHEQUE/MONEY ORDER

All cheques (expressed in Australian currency) are to be made payable to **NORTHERN URANIUM LIMITED** and crossed "Not Negotiable".

REGISTRY DATE STAMP

E & O.E.

PAYMENT INSTRUCTIONS



Billers Code: 117226

BPAY® this payment via internet or phone banking.
Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight). It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

You do not need to return this form if you have made payment via BPAY.

Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.



CHEQUE/MONEY ORDER

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable".

Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Registrars Pty Ltd
PO Box 535, APPLECROSS WA 6953.

Applications must be received by Security Transfer Registrars Pty Ltd no later than 5.00pm WST on the closing date.

SALE OF YOUR ENTITLEMENT BY YOUR STOCKBROKER IN FULL OR IN PART -

These instructions will need to be with your Stockbroker in sufficient time to sell your Rights. Rights trading commenced on 26 August 2009 and is expected to cease on 10 September 2009.

To sell your entitlement, complete the panel below titled "Instructions to your Stockbroker" and forward this form to your Stockbroker with sufficient time to sell your Rights before the last day of Rights trading.

To sell part of the balance of your entitlement, complete the front of this form as to the New Securities being accepted and forward it together with your payment to your Stockbroker with sufficient time to sell your Rights before the last day of Rights trading(see payment instructions above). Your Stockbroker will then lodge your acceptance and cheque with the Company's share registry.

If you have purchased or sold Securities prior to 5.00pm on 25 August 2009 (being the last day for trading on a cum rights entitlement basis) and this is not reflected in your holding shown overleaf, you should consult the Stockbroker who acted for you to protect your entitlements or determine the action you should take. If you have sold all your Securities, complete the details below and forward this form to the stockbroker who acted for you.

Broker:

No. of Securities Sold:

Holder No.:

INSTRUCTIONS TO YOUR STOCKBROKER

To be completed and sent to your Stockbroker only if you wish to sell the whole or part of your Entitlement.

I/We have accepted Rights (as per overleaf)
and have attached/
made payment for being application money at
\$0.15 per Right.

PLEASE SELL Rights

This instruction *has / has not previously been notified to you.
* Please delete as appropriate

IMPORTANT NOTICE TO HOLDERS WITH SECURITIES ON THE CHESSE SUB-REGISTER-

Holders whose existing Securities are held on the CHESSE Sub-register as detailed overleaf should, in the first instance, contact their sponsoring Broker in respect of any proposed sale of their Rights.

GENERAL INFORMATION

Entitlements either not accepted and/or renounced by 5.00pm WST on the closing date will revert to the Company and the New Securities may be placed by the Directors at their discretion, in conjunction with the Underwriter.

ENQUIRIES

All enquiries should be directed to the Company's share registry:

Security Transfer Registrars Pty Ltd

PO Box 535, Applecross WA 6953 AUSTRALIA

770 Canning Highway, Applecross WA 6153 AUSTRALIA

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

DISPOSAL OF YOUR ENTITLEMENT OTHER THAN THROUGH A STOCKBROKER-

A Standard Renunciation or Transfer Form must be used for all disposals of entitlements other than through a Stockbroker. These may be obtained from your Stockbroker or our share registry, Security Transfer Registrars Pty Ltd.

The Renunciation or Transfer Form must be completed by the offeree as seller and by his/her nominated buyer. The duly completed Renunciation or Transfer Form should then be lodged with the Company's share registry by 5.00pm WST on 17 September 2009 together with this form and application money payable (from the buyer).

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.