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**NORTHERN MINERALS LIMITED**  
ABN 61 119 966 353

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**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS**

**AND**

**PROXY FORM**

**11.00 AM, 23 NOVEMBER 2011**

**AT**

**CWA HOUSE (COUNTRY WOMEN'S ASSOCIATION)  
1176 HAY STREET  
WEST PERTH  
WESTERN AUSTRALIA 6005**

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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE**

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at the CWA House (Country Women's Association), 1176 Hay Street, West Perth, Western Australia (WST) on Wednesday 23 November 2011 at 11am.

**YOUR VOTE IS IMPORTANT**

The business of the Annual General Meeting affects your shareholding and your vote is important.

**VOTING IN PERSON**

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

**VOTING BY PROXY**

To vote by proxy, please complete and sign the enclosed Proxy Form and return to the Company's share registry, Security Transfer Registrars Pty Ltd, by:

- (a) **Post: PO BOX 535, APPLECROSS, WA, 6953 AUSTRALIA**
- (b) **Facsimile: +61 8 9315 2233**

so that it is received not later than **11 am (WST) on Monday 21 November 2011.**

**Proxy Forms received later than this time will be invalid.**

**ENTITLEMENT TO ATTEND AND VOTE**

The Company may specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the meeting.

The Company's Directors have determined that all shares of the Company that are quoted on ASX at 5pm (WST) on 21 November 2011 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the shares at that time.

**If you need any further information about this form or attendance at the Annual General Meeting, please contact the Company Secretary on (08) 9481 2344.**

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NORTHERN MINERALS LIMITED  
NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of shareholders of Northern Minerals Limited A.C.N. 119 966 353 ("Northern" or "Company") will be held at the CWA House (Country Women's Association), 1176 Hay Street, West Perth, Western Australia 6005 at 11:00am (WST) on 23 November 2011 for the purpose of transacting the following business:

**AGENDA**

**ANNUAL ACCOUNTS**

To receive and consider the Financial Report, Directors' Report, Directors' Declaration and Audit Report for the year ended 30 June 2011.

**RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)**

To consider and, if thought fit to pass, with or without amendment, the following resolution as a non-binding resolution:

***“That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report as set out in the Directors' Report in the Annual Report for the year ended 30 June 2011”.***

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any of the key management personnel listed in the Remuneration Report and any of their closely related parties. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form) or the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

**RESOLUTION 2 – RE-ELECTION OF MR ADRIAN GRIFFIN**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***“That Mr Adrian Griffin, who retires by rotation in accordance with the Company's constitution and, being eligible, offers himself for re-election, be re-elected as a Director.”***

**RESOLUTION 3 – ELECTION OF MR DUDLEY KINGSNORTH AS A DIRECTOR**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

***“Mr Dudley Kingsnorth, who having been appointed by the Board since the 2010 Annual General Meeting, retires, and being eligible, offers himself for election as a director of the Company”***

**RESOLUTION 4 – REMUNERATION OF NON-EXECUTIVE DIRECTORS**

To consider and if thought fit, to pass the following as an ordinary resolution:

***“That approval is given under Australian Securities Exchange Listing Rule 10.17 and Rule 42 of the Company's constitution to increase the maximum aggregate amount available for remuneration of directors for their services as directors by \$150,000 from \$200,000 to \$350,000 per annum, to be apportioned by the directors at their discretion.”***

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**Voting Exclusions:** The Company will disregard any vote cast on Resolution 4 by a Director or any associate of a Director, However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote (in accordance with the directions on the Proxy Form) or the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the Proxy Form to vote as the proxy decides).

Further, a member of key management personnel and their closely related parties may not vote as a proxy on this resolution if the appointment does not specify how the proxy is to vote.

### **EXPLANATORY STATEMENT**

The Explanatory Statement accompanying this Notice of Meeting is incorporated in and comprises part of this Notice of Meeting.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used both in this Notice of Meeting and the Explanatory Statement.

### **PROXIES**

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

### **CORPORATE REPRESENTATIVE**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative.

By order of the Board



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**Simon Storm**  
**Company Secretary**  
14 October 2011

**EXPLANATORY MEMORANDUM TO SHAREHOLDERS**  
**NORTHERN MINERALS LIMITED**  
**ABN 61 119 966 353**

This Memorandum sets out information about the business to be considered by the Shareholders at the Annual General Meeting. A short explanation of the business to be considered by the Shareholders is set out below.

**BUSINESS OF THE MEETING**

**Annual Report 2011**

Section 317 of the Corporations Act requires the Directors to lay before the annual general meeting the financial report, Directors' report (including the remuneration report) and the auditor's report for the last financial year that ended before the annual general meeting.

In accordance with section 250S of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions or make statements in relation to these reports but no formal resolution to adopt the reports will be put to Shareholders at the annual general meeting (save for Resolution 1 for the adoption of the remuneration report).

**ORDINARY BUSINESS – RESOLUTIONS**

<b>RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)</b>
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Pursuant to section 250R(2) of the Corporations Act, the Company is required to put the Remuneration Report to a non-binding vote of Shareholders. The Annual Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the Managing Director and non-executive Directors.

The Annual Report is available on the Company's website at [www.northernminerals.com.au](http://www.northernminerals.com.au)

The provisions of the Corporations Act dealing with the non-binding vote on the remuneration report have recently been amended. The Corporations Act still provides that Resolution 1 need only be an advisory vote of Shareholders and does not bind the directors. However, in addition, the Corporations Act now provides that if the Company's Remuneration Report resolution receives a "no" vote of 25% or more of votes cast at the Meeting, the Company's subsequent remuneration report must explain the Board's proposed action in response or, if the Board does not propose any action, the Board's reasons for not making any changes. The Board will take into account the outcome of the vote when considering the remuneration policy, even if it receives less than a 25% "no" vote.

In addition, the Corporations Act now sets out a 'two strikes' re-election process. Under the 'two strikes' re-election process, if the Company's remuneration report receives a 'no' vote of 25% or more of all votes cast at two consecutive annual general meetings (that is, 'two strikes'), a resolution (the 'spill resolution') must be put to the second annual general meeting, requiring Shareholders to vote on whether the Company must hold another general meeting (known as the 'spill meeting') to consider the appointment of all of the Directors who stand for re-appointment (other than the Managing Director). If the spill resolution is approved by a simple majority of 50% or more of the eligible votes cast, the 'spill meeting' must be held within 90 days of that second annual general meeting (unless none of the Directors, other than the Managing Director, stand for re-appointment).

Further information will be provided on the 'spill resolution' and 'spill meeting' for any annual general meeting at which the Company may face a 'second strike'.

The remuneration levels for directors, officers and senior managers are competitively set to attract and retain appropriate directors and key management personnel. The Chairman of the

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Meeting will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report. The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

#### **RESOLUTION 2 – RE-ELECTION OF MR ADRIAN GRIFFIN**

In accordance with Listing Rule 14.4 and clause 5.1 of the Company's Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are to be those who have been in office for 3 years since their appointment or last re-appointment or who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, by agreement.

Accordingly, Mr Griffin is required to retire by rotation at the forthcoming annual general meeting, and being eligible, offers himself for re-election as a Director.

A biography of Mr Griffin is included in the 2011 Annual Report.

The Board (except Mr Griffin) unanimously recommends that Shareholders vote in favour of Resolution 2.

#### **RESOLUTION 3 – ELECTION OF MR DUDLEY KINGSNORTH AS A DIRECTOR**

Mr Kingsnorth was appointed as a Director on 8 April 2011. In accordance with clause 8.2 of the Company's Constitution, the Board can appoint a person to be a Director, either to fill a causal vacancy or in addition to the existing Directors. However, any Director so appointed by the Board holds office until the next general meeting of the Company. Accordingly, Mr Kingsnorth is required to retire at the Annual General Meeting, and being eligible, offers himself for re-election as a Director.

A biography of Mr Kingsnorth is included in the 2011 Annual Report.

The Board (except Mr Kingsnorth) unanimously recommends that Shareholders vote in favour of Resolution 3.

#### **RESOLUTION 4 – REMUNERATION OF NON-EXECUTIVE DIRECTORS**

Under clause 42 of the Company's Constitution and ASX Listing Rule 10.17, the upper limit on aggregate non-executive Directors' remuneration may only be increased with shareholder approval. The limit was last approved by shareholders in 2006 upon the listing of the Company on the ASX. The proposed increase, subject to shareholder approval, was referred to in section 2 of the Remuneration Report of the Company's 2011 Annual Report.

Shareholder approval is sought to increase the upper limit on aggregate non-executive Directors' remuneration by \$150,000 from \$200,000 to \$350,000 in any financial year.

The Directors are seeking shareholder approval to increase the upper limit on aggregate non-executive Directors' remuneration for the following reasons:

- (a) to reflect that the Company has now transitioned from an early explorer to a more developed explorer with a staff complement of 11;
- (b) to ensure the Company maintains the ability to remunerate competitively and attract and retain high calibre non-executive Directors;
- (c) to allow for some growth in non-executive Directors' remuneration in the future to reflect market competitiveness for non-executive Directors with the skills and experience appropriate for the Company's business.; and
- (d) to create some capacity to appoint additional non-executive Directors if necessary as part of the Board's succession planning strategy. As set out in section 2 of the Remuneration Report of the Company's 2011 Annual Report, annual non-executive Chairman and non-executive Directors' base fees inclusive of superannuation are presently \$54,500 and \$137,340 (\$45,780 for each of 3 non-executive directors) respectively, being a total of \$191,840 per annum. The current approved upper limit on aggregate of \$200,000 therefore

provides no capacity to appoint additional non-executive Directors if necessary, as part of the Board's succession planning strategy.

The proposed maximum aggregate remuneration has been determined after consideration of the above factors and a review of remuneration paid by similar companies listed on ASX. The Board believes that the proposed increase in aggregate remuneration is appropriate for the Company and is in line with the remuneration paid by similar companies.

The following information is provided for the purposes of Listing Rule 10.17:

- (a) the total maximum amount payable to the non-executive Directors of the Company, if shareholders approve the resolution, will increase from \$200,000 to \$350,000 for any financial year; and
- (b) the Board consider that the total maximum amount payable to the non-executive Directors of the Company in remuneration is reasonable and commensurate with the role of a director of a publicly listed company, having regard to the duties and responsibilities of the position.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 4 by marking either "For", "Against" or "Abstain" on the Proxy Form. The Chairman of the meeting intends to vote all undirected proxies in favour of Resolution 4.

The non-executive Directors have an interest in Resolution 4 and accordingly do not make a recommendation to Shareholders as to how to vote. Mr George Bauk, the only executive director, has no interest in Resolution 4 and recommends that Shareholders vote in favour of Resolution 4.

## GLOSSARY

Words, which are defined in the Explanatory Memorandum, have the same meaning when used in this Notice of Meeting unless the context requires otherwise. For assistance in considering the Notice of Meeting and the Explanatory Memorandum, the following words are defined here:

**Annual Financial Report** is the Company's financial report contained in the Company's annual report for the year ended 30 June 2011.

**Annual General Meeting** is the meeting of the Shareholders convened for the purposes of considering the Resolution contained in the Notice of Annual General Meeting.

**ASX** is Australian Securities Exchange Limited ACN 008 624 691.

**Board** is the Board of Directors of the Company.

**Company** is Northern Minerals Limited ABN 61 119 966 353.

**Corporations Act** is the Corporations Act 2001 (Cth).

**Director** is a director of the Company.

**Directors' Report** is the Directors' report contained in the Company's Annual Financial Report.

**Explanatory Memorandum** is the explanatory Memorandum accompanying the Notice of Annual General Meeting.

**Listing Rules** is the Listing Rules of the ASX.

**Northern Minerals** is Northern Minerals Limited ABN 61 119 966 353

**Notice of Annual General Meeting** or **Notice of Meeting** is the notice convening the Annual General Meeting accompanying this Explanatory Memorandum.

**Ordinary Share** is a fully paid ordinary Share in the Company.

**Proxy Form** is the form of proxy accompanying this Notice of Meeting.

**Resolution** is a resolution proposed to be passed at the Annual General Meeting and contained in the Notice of Annual General Meeting.

**Share** is a fully paid ordinary share in the Company.

**Shareholder** is a person entered in the Company's register as a holder of a Share.

**Shareholder Approval** is in relation to a Resolution approval of the shareholders of the Company's Annual General Meeting in accordance with the requirements of the Corporations Act and the Listing Rules applicable to the Resolution.

**Memorandum** is this Explanatory Memorandum to Shareholders of Northern Minerals Limited.

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**PROXY 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.

**NORTHERN MINERALS LIMITED**

ABN: 61 119 966 353

**REGISTERED OFFICE:**  
UNIT 10  
LEVEL 2  
12-14 THELMA STREET  
WEST PERTH WA 6005

**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:

**SECTION A: Appointment of Proxy**

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

OR

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**The meeting Chairperson  
(mark with an "X")**

**The name of the person you are appointing  
(if this person is someone other than the Chairperson of the meeting).**

or failing the person named, or if no person is named, the Chairperson of the Meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General meeting of the Company to be held at 11.00am (WST) on Wednesday, 23 November 2011 at CWA House(Country Woman's Association), 1176 Hay Street, West Perth WA and at any adjournment of that meeting.

**SECTION B: Voting Directions to your Proxy**

Please mark "X" in the box to indicate your voting directions to your Proxy.

**Resolution**

**For     Against     Abstain\***

1. ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. RE-ELECTION OF MR ADRIAN GRIFFIN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. ELECTION OF MR DUDLEY KINGSNORTH AS A DIRECTOR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. REMUNERATION OF NON-EXECUTIVE DIRECTORS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If no directions are given my proxy may vote as the proxy thinks fit or may abstain.**

\* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**If you wish to appoint the Chairperson as your proxy and you do not wish to direct the Chairperson how to vote, please mark "X" in the box.** By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome of resolution 1 and 4 and votes cast by him/her other than as a proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on resolution 1 and 4 and your votes will not be counted in calculating the required majority if a poll is called on resolution 1 and 4. The Chairperson of the Meeting intends to vote undirected proxies in favour of resolution 1 and 4.

**SECTION C: Please Sign Below**

**This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.**

Individual or Security Holder <input style="width: 100%; height: 20px;" type="text"/>	Security Holder 2 <input style="width: 100%; height: 20px;" type="text"/>	Security Holder 3 <input style="width: 100%; height: 20px;" type="text"/>
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

**1206499034** Reference Number:

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