



**ASX ANNOUNCEMENT**  
**31 January 2012**

## **Northern Minerals reaches agreement for divestment of the Epenarra and Amadeus Basin Projects**

### **Highlights:**

- **Option agreement entered into with Mineore Pty Ltd to divest all tenements contained within the Epenarra and Amadeus Projects.**
- **Transaction with Mineore Pty Ltd includes the following:**
  - **\$20,000 payable on signing of option agreement**
  - **Transfer of EL's to Mineore upon completion of due diligence and transfer of licenses by the NT government**
  - **Full asset sale to a value of \$450,000 while retaining REE rights**
- **Northern Minerals further strengthens focus on REE assets.**

Northern Minerals (ASX: NTU) is pleased to announce that it has signed an option agreement with Mineore Pty Ltd for the sale of some of Northern Minerals non-REE assets at the Epenarra and Amadeus Basin Projects in the Northern Territory.

The tenements included in this agreement are as follows:

The Epenarra Project - EL27072, EL26818, EL26775, EL26776, EL27085, ELA27555, EL27554, EL27636, EL27635, and EL27382

The Amadeus Basin Project - EL26920, EL27016, EL27017, EL27018, EL27019, EL27020, EL28530, and EL28531.

Under the terms of the agreement, Mineore have paid \$20,000 for the option agreement, which will entitle them to commence their due diligence, taking no longer than 75 days. Upon execution of the full sale agreement Northern Minerals will receive an additional \$430,000 while retaining the REE mineral rights. The final transaction remains subject to due diligence by Mineore and the transfer of the exploration licences, requiring NT Ministerial approval.

Northern Minerals Managing Director George Bauk said the agreement reinforced the ongoing strategy to focus on heavy rare earth production at the Browns Range and John Galt projects, while creating shareholder value with other non-REE assets.

"The option agreement with Mineore allows us to remain focused on the pathway to production at Browns Range, as well as allowing further opportunities to grow our mineral inventory at Epenarra and Amadeus Basin in the future. The past few months have demonstrated that Northern Minerals heavy rare earths projects remain robust, with previously reported encouraging metallurgical results.

"First and foremost we remain committed to delivering a heavy rare earth mineral concentrate by 2015 at Browns Range and John Galt."

Mineore is a resources company based in Brisbane, which is focused purely on exploration for fertiliser based minerals such as potash and phosphate. The Company has a number of assets in Queensland, including phosphate exploration licenses in the Georgina Basin.



For more information:

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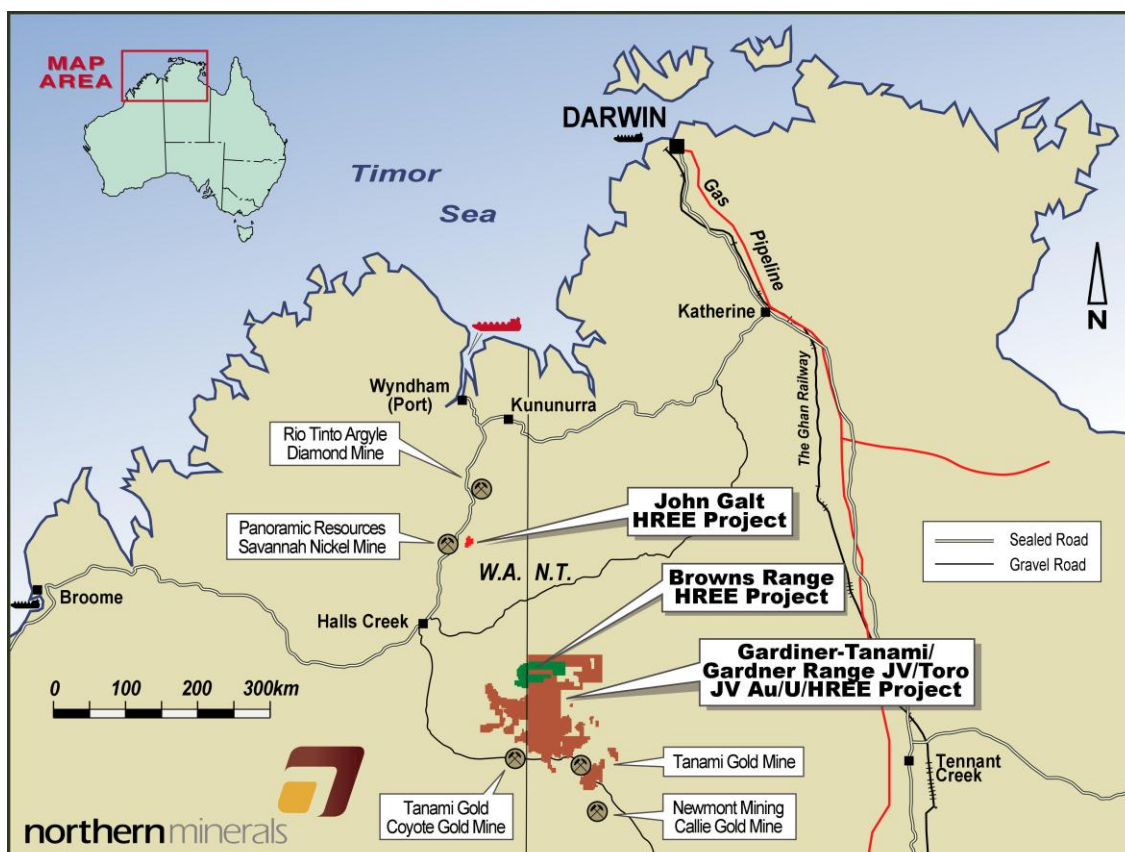
**About Northern Minerals**

Northern Minerals Limited (ASX: NTU) is focussed on development of rare earth elements (REE), with a large and prospective landholding in Western Australia and the Northern Territory.

The Company's flagship project is Browns Range, where it has a number of prospects with high value, heavy rare earth elements (HREE), in xenotime mineralisation. In particular, the mineralisation includes high levels of dysprosium and yttrium, which are in short supply globally. Following outstanding drill results in 2011, the Company is focussed on advancing Browns Range toward production, using a relatively simple and low cost processing flow sheet to produce a high grade concentrate. The Company is aiming to produce and deliver HREO in concentrate by 2015. Northern Minerals also has a HREE exploration program underway at the geologically similar John Galt project.

Northern Mineral's uranium and gold program is focused on the Gardiner-Tanami project and Gardner Range JV, which comprise 10,500km<sup>2</sup> on the WA-NT border. The projects are located within the Tanami-Arunta region which is a world-class gold province, with several plus million ounce gold deposits. Uranium exploration is focused on high grade unconformity-related uranium targets. The area is compared favorably to the Alligator Rivers region in the NT which hosts the Ranger mine (Australia's largest operating uranium mine), and the Athabasca Basin in Canada, host to the world's highest-grade unconformity-related uranium deposits.

For more information, visit [www.northernminerals.com.au](http://www.northernminerals.com.au)



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