

Browns Range Heavy Rare Earths Project Update – February 2018

Highlights

- **Steady progress continues on the Pilot Plant installation, on track for completion by 30 June 2018**
- **Commissioning planning advancing with crushing circuit targeted for early commissioning.**
- **Tony Hadley has commenced his role General Manager Operations for the Browns Range Project.**
- **Share Purchase Plan raises \$11.7m for 4 key project enhancement initiatives**
- **Bonus Issue to go to Shareholders for approval**

Australian heavy rare earths developer, Northern Minerals Limited (ASX: NTU) (the Company) is pleased to provide a progress update on the Browns Range Pilot Plant Project, under construction in the East Kimberley region of WA.

As a result of the successful SPP, the Company will accelerate its plans to fast-track the project enhancement initiatives at Browns Range (as announced on 27 December 2017), including downstream processing options and an increase in exploration, aimed at extending the potential mine life of the full-scale project from 11 years to >20 years.



Site Overview – 25 February

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Primero Group has continued to make good progress on installation of structural steel, process plant modules and mechanical equipment, with all major concrete works now complete. Electrical installation works continue to advance and piping installation works are progressing. Completion is on track for 30 June 2018.

Tony Hadley has commenced his role as General Manager Operations for the Browns Range Project and the recruitment drive for the remainder of the Operations team is well underway. Commissioning planning is advancing with the crushing circuit targeted for early commencement.



Crusher electrical control panel



Kiln drum installation

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EXPLORATION UPDATE

Planning of drilling programs, which are to commence in the June quarter, is underway, Drilling will be aimed at providing a first pass assessment of several new prospects and targets, as well as follow-up drilling at existing deposits and prospects to increase the Project's mineral inventory.

FUNDING UPDATE

The Company announced on the 20th February that the SPP had raised \$11.7m from shareholders. That is an outstanding effort and we thank all shareholders who participated and to Oz Financial for their role in the successful SPP. The money raised through the SPP will be used to progress a number of key initiatives including exploration, downstream processing, project enhancements and evaluating Light Rare Earth project opportunities.

Since late December, the company has raised over \$30m through several capital raising initiatives including \$5m drawdown on the Lind Facility, \$7.5m through placements, \$6.7m through the December Quarter drawdown of the R&D Facility with Brevet and \$11.7m in the SPP.

The company also announced on the 23rd February, the process for the approval of the Bonus Listed Option for all eligible shareholders for a 1 for 5 allocation of a \$0.12 listed option with an expiry date of 31 December 2019.

PROMOTION

Over the past fortnight, the company had a booth and presented at the RIU Explorers Conference in Fremantle on the 20/21/22 February. The conference provided a forum for engagement with investors, suppliers, media and various financing groups.

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About Northern Minerals:

Northern Minerals Limited (ASX: NTU; Northern Minerals or the Company) has commenced development of the Browns Range Heavy Rare Earth Pilot Plant Project in northern Western Australia.

Through the development of its flagship project, the Browns Range Project (the Project), Northern Minerals aims to be the first significant world producer of dysprosium outside of China.

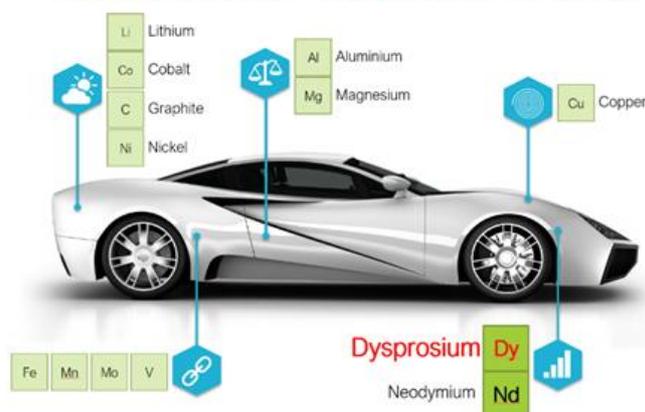
The Project is 100% owned by Northern Minerals and has several deposits and prospects containing high value dysprosium and other HREs, hosted in xenotime mineralisation.

Dysprosium is an essential ingredient in the production of DyNdFeB (dysprosium neodymium iron-boron) magnets used in clean energy and high technology solutions.

The three-year R&D pilot plant project will commence first production of heavy rare earth carbonate in H1 2018. The pilot plant development provides the opportunity to gain production experience, surety of supply for our offtake partner and assess the economic and technical feasibility of the larger full-scale development.

For more information: northernminerals.com.au.

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ASX Code:	NTU	Market Capitalisation:	A\$86m
Issued Shares:	1,079m	Cash (as at 31 Dec 2017):	A\$8.1m