

Browns Range Heavy Rare Earths Project Update – May 2018

Highlights

- **Steady progress continues on the Pilot Plant installation with construction on track for completion by 30 June 2018**
- **Mill girth gear installed;**
- **Laboratory delivered and installation underway;**
- **Recruitment of operations personnel progressing well;**
- **Presented at the 10th the Asian Metals 10th International Rare Earth Summit – Sanya, China.**

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.



Process plant overview – 21 May

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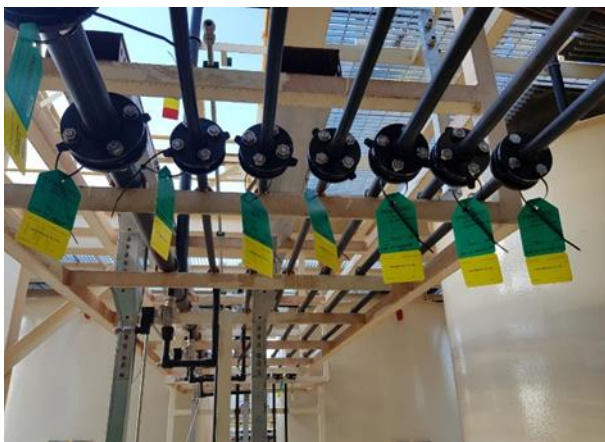
ASX ANNOUNCEMENT

Primero Group are making good progress on installation of process plant modules and mechanical equipment, with additional personnel mobilised to site. Electrical and piping installation works continue to progress well in both the beneficiation and hydrometallurgical plants. To facilitate commissioning of the next stage of the process flowsheet, completion of all construction activities in the beneficiation plant remains the focus.



Mill girth gear installed

The girth gear for the mill has been installed with the pinion, reducer and main drive motor to follow. The buildings and equipment for the laboratory have been delivered to site and installation is underway.



Piping installation



Laboratory installation

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Preparations are nearing completion for commissioning of the next section of the process plant, which is planned to include magnetic separation, flotation and tailings.

The recruitment process for Browns Range continues to progress well. Process operator roles are being filled through the ongoing recruitment drive, with most of the professional, technical and management roles already filled.

DOWNSTREAM SEPARATION UPDATE

In addition to traditional solvent extraction separation technology, at least three alternate separation technologies have been identified for further investigation and analysis. Technology suppliers have been requested to provide proposals to complete a scoping study on their technology.

FUNDING UPDATE

The prospectus for the Bonus Listed Options for all eligible shareholders for a 1-for-5 allocation of a \$0.12 listed option with an expiry date of 31 December 2019 will be lodged by mid-June 2018 following the general meeting of shareholders on 8 June.

The second milestone payment in relation to the Building Better Regions Fund grant was lodged mid-May.

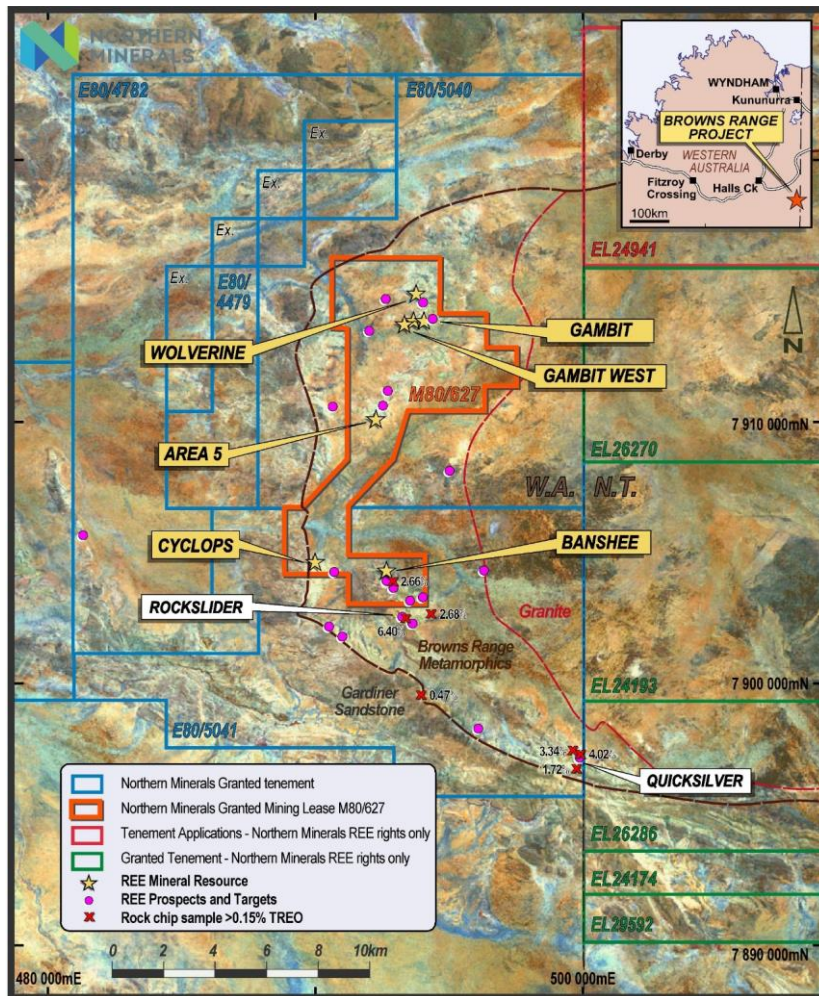
ASIAN METALS RARE EARTH SUMMIT

Northern Minerals presented at the 10th International Rare Earth Summit in Sanya, China hosted by Asian Metals. The event included industry representatives from both inside and outside of China.



EXPLORATION UPDATE

Follow-up drilling at several prospects is proposed to commence in the June quarter. Drilling will target both brownfields targets along the Wolverine and Gambit structural corridors, where mining has already commenced, as well as several greenfields targets.



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ASX ANNOUNCEMENT

About Northern Minerals:

Northern Minerals Limited (ASX: NTU; Northern Minerals or the Company) has commenced commissioning 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.

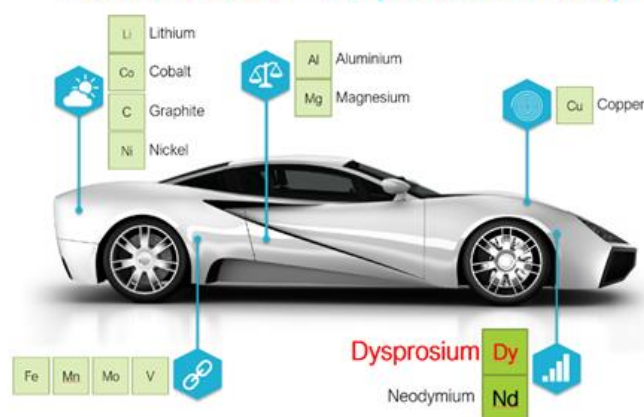
The Project is 100% owned by Northern Minerals and has several deposits and prospects containing high value dysprosium and other HREs, hosted in xenotime mineralisation.

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.

Electric Vehicles – Not just a lithium story!



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|----------------|--------|---------------------------|----------|
| ASX Code: | NTU | Market Capitalisation: | A\$110m |
| Issued Shares: | 1,100m | Cash (as at 31 Mar 2018): | A\$14.9m |