

Heavy Rare Earths Pilot Plant nearing completion

- Crusher circuit commissioned and functioning;
- Beneficiation plant commissioning underway;
- Exploration activities to commence in July, post commissioning including \$215,000 from Exploration Incentive Scheme from WA Government

Australian heavy rare earths producer Northern Minerals Limited (ASX: NTU) (the Company) is pleased to announce that commissioning activities for the Browns Range Pilot Plant Project are progressing as planned.

The crushing circuit has been commissioned and is being used for operator training and collection of crushed ore samples for ore sorting testwork.

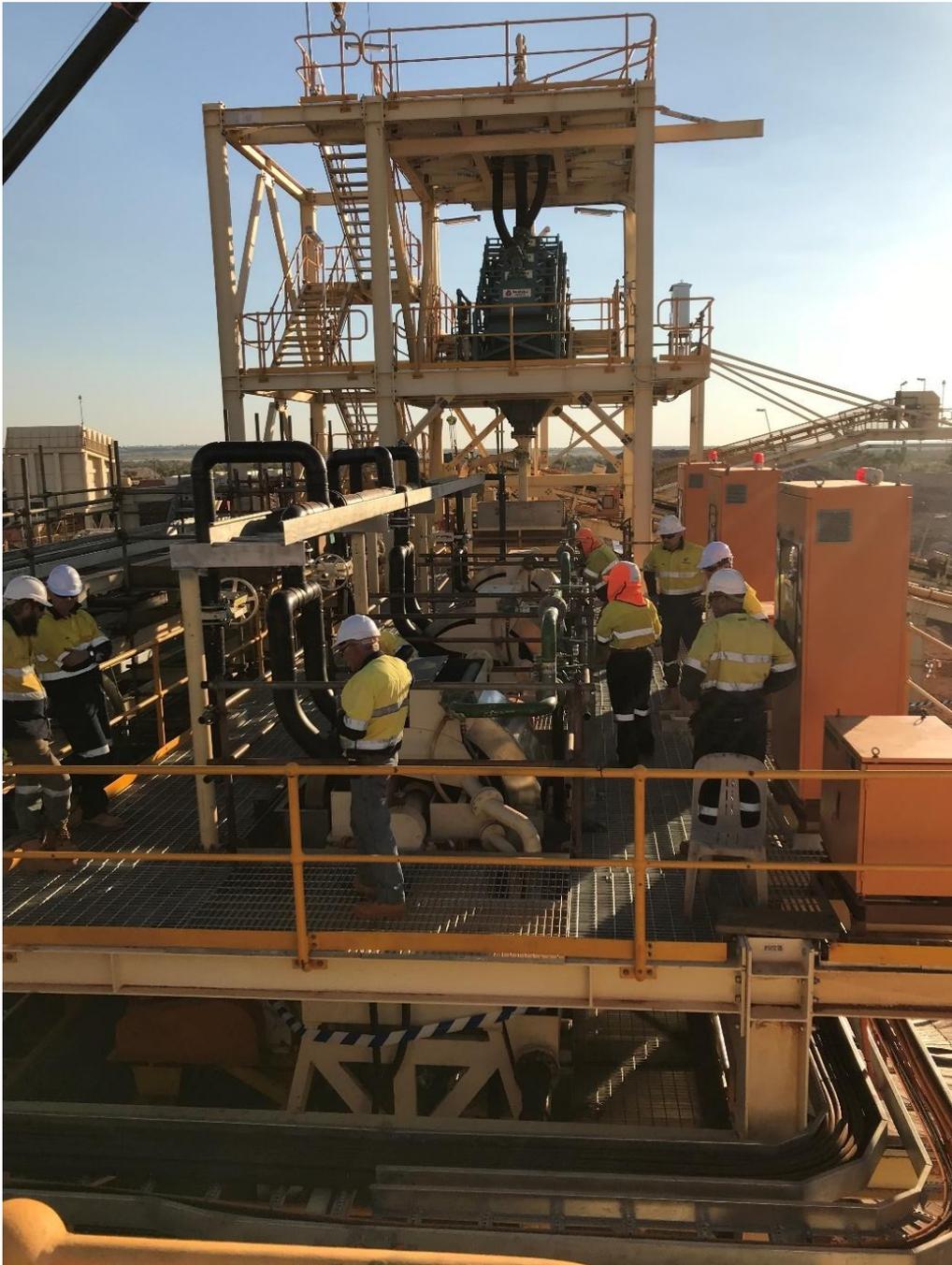
Commissioning activities have commenced in the beneficiation plant, including the E-house, the plant control room, magnetic separation, flotation and tailings as well as plant water services.



Commissioning of magnetic separation, flotation, tailings and water services

Water commissioning of the magnetic separation circuit including the tailings and magnetic concentrate thickeners has been completed. Process commissioning in this area has commenced using 100t of residue material that was retained from previous laboratory testwork programs.

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Magnetic separation process commissioning

Water commissioning has commenced on the flotation circuit and tailings delivery line to the tailings storage facility.

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Exploration

The Company has developed an exploration strategy for Browns Range that encompasses near mine extensions and resource definition drilling, as well as regional exploration on areas previously highlighted as high priority.

The exploration program on site will commence in July, following the completion of commissioning activities when accommodation will become available. The exploration program will continue throughout the remainder of 2018.

Exploration Incentive Scheme Funding

The Company is also pleased to announce that it has been successful in securing \$215,000 in funding from the WA Government under the Exploration Incentive Scheme program.

The funding has been split into \$150,000 to be applied towards drilling at the John Galt Project, while a further \$65,000 will be applied towards drilling of the Dazzler & Iceman prospects at Browns Range.

At John Galt, the Company is going to use the funds to follow up on exploration work that has been conducted at the project over the last few years. A 1200m diamond drilling program is planned to test the outcropping high-grade Heavy Rare Earth mineralisation.

At Dazzler and Iceman, the funds will be used to conduct a diamond drilling program to follow up on surface geochemical anomalies identified at both prospects.

Commentary

Northern Minerals' Managing Director and CEO, George Bauk, commented "*Browns Range is on schedule for completion of commissioning before the end of June. To deliver a major project such as this on time is a testament to the efforts of all our staff and contractors.*

"As commissioning is completed and we move to production in the September quarter, we are also excited about the upside potential that the renewed exploration push will have on securing Browns Range as a long-life operation."

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ASX ANNOUNCEMENT

About Northern Minerals:

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



ASX Code:	NTU	Market Capitalisation:	A\$106m
Issued Shares:	1,100m	Cash (as at 31 March 2018):	A\$14.9m