

Preliminary drilling results at Dazzler and Iceman highlight extensive new exploration target

- RC drilling at Dazzler and Iceman prospects have returned encouraging preliminary results
- Preliminary sampling and assessment, using portable XRF (pXRF) on site, has indicated wide, highly anomalous Heavy Rare Earth mineralised zones.
- Preliminary analysis by pXRF suggest drill intercepts with TREO grades of up to 8%
- Significant mineralisation intersected in the Gardiner Sandstone, an overlying unit previously considered less prospective than the underlying Browns Range Metamorphics, which hosts the Wolverine and Gambit West deposits
- Follow up drilling planned for later in the current quarter

Australian heavy rare earths producer Northern Minerals Limited (ASX: NTU) (the Company) is pleased to announce that exploration drilling at the Iceman and Dazzler prospects has returned highly anomalous portable XRF (pXRF) measurements of yttrium over relatively wide zones (see Table 1 below). These two prospects are located less than 15km from the Browns Range processing plant (see Figure 1 below).

Table 1 – Iceman and Dazzler prospects RC drilling – Significant pXRF results (>1m average >5,000ppm pXRF Yttrium)

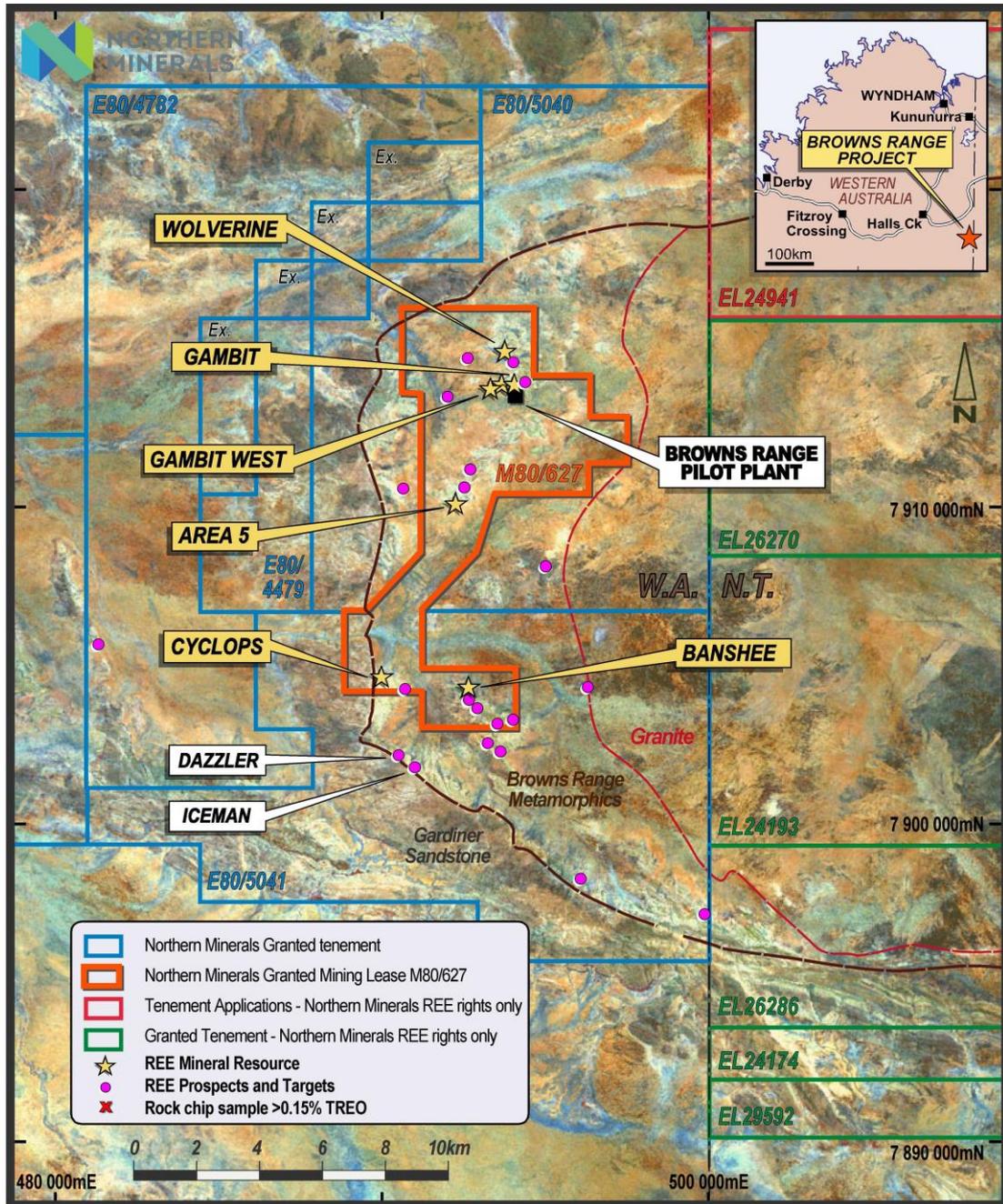
| Hole ID | Prospect | Width (m)* | From (m) | To (m) | Average pXRF Yttrium ppm | Estimated TREO by Correlation |
|----------|----------|------------|----------|--------|--------------------------|-------------------------------|
| BRIR0002 | Iceman | 12 | 13 | 25 | 18,000 | 4% |
| BRIR0004 | Iceman | 7 | 26 | 33 | 12,000 | 3% |
| BRIR0007 | Iceman | 4 | 42 | 46 | 5,000 | 1% |
| BRDR0010 | Dazzler | 19 | 25 | 44 | 37,000 | 8% |
| BRDR0014 | Dazzler | 21 | 24 | 45 | 7,000 | 2% |

(TREO – Total Rare Earth Oxides)

*Downhole widths only, true width is currently unknown

The measurement of yttrium using a pXRF is a method that has been used extensively at Browns Range. Historical data demonstrates final assayed Yttrium and TREO has a strong correlation with pXRF (Yttrium) field analysis of RC drill samples at Browns Range. However, the pXRF results that are the subject of this report are preliminary only and the “pXRF Yttrium” and “Estimated TREO by Correlation” is only an indication of the expected order of magnitude for TREO and Yttrium final analysis. The samples analysed, that are the subject of this report, will be submitted for laboratory assay, and some variation from the results presented herein should be expected.

Figure 1 – Browns Range Project – Prospect and Deposit location



Dazzler

Dazzler is located south of the Browns Range Pilot Plant on the edge of a small scarp adjacent to a strong geochemical soil anomaly. The prospect was previously drilled in 2013, with seven RC drill holes completed. These holes were located at the base of the scarp slope and drilled directly into the Browns Range Metamorphics (BRM) unit.



Drilling at Dazzler and Iceman

The current program is the first to assess the unconformity between the Gardiner Sandstone and the underlying Browns Range Metamorphics. Thirteen holes for 1,242 metres have been drilled in the current program.

The highly anomalous pXRF readings were returned in both the Gardiner Sandstone and Browns Range Metamorphic units, with the higher readings in the overlying sandstone. Anomalous pXRF readings are indicated in the table below with the drill hole locations shown on Figure 2. Figure 3 shows a cross-section with two of the holes listed in the table below. Appendix 1 below lists the full drill hole location details.

The fact that the most anomalous pXRF readings were from within the overlying Gardiner Sandstone unit, in proximity to the unconformity, is significant for the exploration potential of the region. There is significant potential within the Browns Range Project area to target the intersection of mineralising structures with the unconformity as a new exploration target.

Table 2 – Dazzler Prospect RC drilling – Significant pXRF results (>1m and average >1,000ppm Y)

| Hole ID | Width (m)* | From (m) | To (m) | Average pXRF Yttrium (ppm) | Estimated TREO by Correlation |
|----------|------------|----------|--------|----------------------------|-------------------------------|
| BRDR0008 | 4 | 33 | 37 | 1,000 | 0.5% |
| BRDR0009 | | | | No significant results | |
| BRDR0010 | 19 | 25 | 44 | 37000 | 8% |
| BRDR0011 | 9 | 41 | 50 | 3000 | 0.8% |
| BRDR0012 | 6 | 35 | 41 | 1000 | 0.4% |

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|----------|----|----|----|------------------------|------|
| BRDR0013 | | | | No significant results | |
| BRDR0014 | 21 | 24 | 45 | 7000 | 2% |
| BRDR0014 | 6 | 60 | 66 | 2000 | 0.6% |
| BRDR0015 | 12 | 43 | 55 | 2000 | 0.6% |
| BRDR0016 | 10 | 34 | 44 | 3000 | 0.7% |
| BRDR0017 | 2 | 66 | 68 | 1500 | 0.3% |
| BRDR0018 | 2 | 44 | 46 | 1600 | 0.3% |
| BRDR0019 | | | | No significant results | |
| BRDR0020 | | | | No significant results | |

(TREO – Total Rare Earth Oxides)

*Downhole widths only, true width is currently unknown

Figure 2 – Dazzler prospect – Drill hole location plan

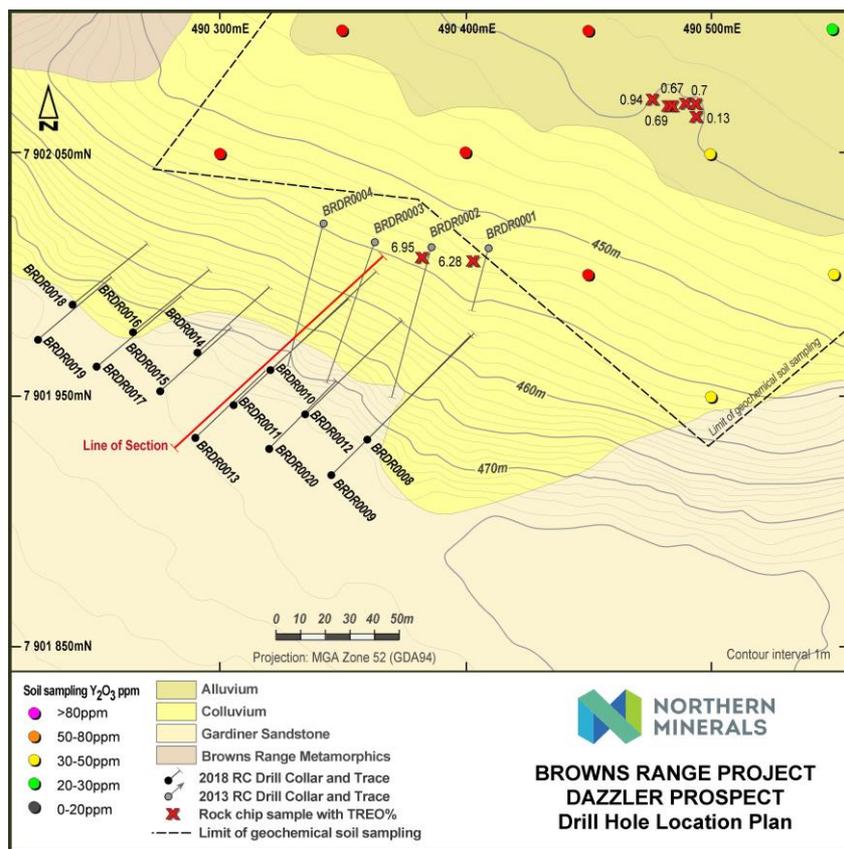
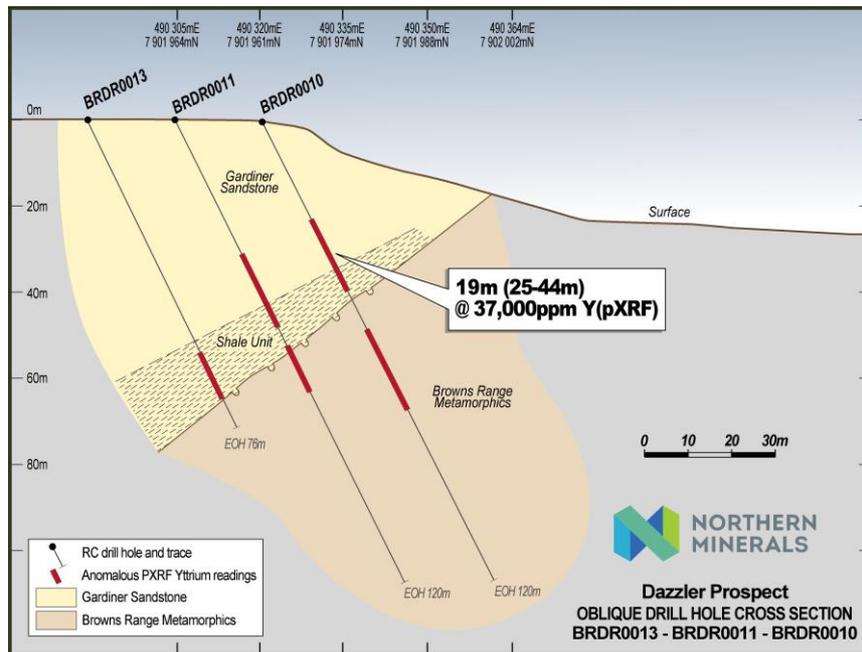


Figure 3 – Dazzler prospect – Drill hole cross section BRDR0010, 0011 and 0013)



Samples will be submitted to the laboratory, with geochemical assays expected in the next few weeks. Follow-up drilling is planned to commence in the September quarter, with diamond drilling likely to be included to assist with the interpretation of the structural controls on mineralisation.

Iceman

The Iceman prospect is located approximately 400m along strike to the southeast of Dazzler. This is the first drilling at the Iceman prospect and was targeted on the edge of a small scarp adjacent to a strong geochemical soil anomaly. Drilling from above the scarp firstly intersected the overlying Gardiner Sandstone unit before entering the lower Browns Range Metamorphics.

Nine holes were drilled for 754 metres at Iceman and anomalous pXRF yttrium readings were returned from several holes as shown in the table below. Figure 4 shows the drill hole locations and proposed follow-up drilling and Figure 5 is a cross-section of one of the drill lines. Appendix 1 below lists the full drill hole location details.

Samples will be submitted to the assay laboratory for all holes, with results expected in the next few weeks. Follow-up drilling is planned to commence later in the September quarter, with diamond drilling likely to be included to assist with the interpretation of the structural controls on mineralisation.

Table 3 – Iceman Prospect RC drilling – Significant pXRF results (>1m and average >1,000ppm Y)

| Hole ID | Width (m)* | From (m) | To (m) | Average pXRF Yttrium ppm | Estimated TREO by Correlation |
|----------|------------|----------|--------|--------------------------|-------------------------------|
| BRIR0001 | | | | No significant results | |
| BRIR0002 | 12 | 13 | 25 | 18,000 | 4% |
| BRIR0003 | 8 | 27 | 35 | 2,000 | 0.6% |
| BRIR0004 | 7 | 26 | 33 | 12,000 | 3% |
| BRIR0005 | | | | No significant results | |
| BRIR0006 | | | | No significant results | |
| BRIR0007 | 4 | 42 | 46 | 5,000 | 1% |
| BRIR0008 | | | | No significant results | |
| BRIR0009 | | | | No significant results | |

(TREO – Total Rare Earth Oxides)

*Downhole widths only, true width is currently unknown

Figure 4– Iceman prospect – Drill hole location plan

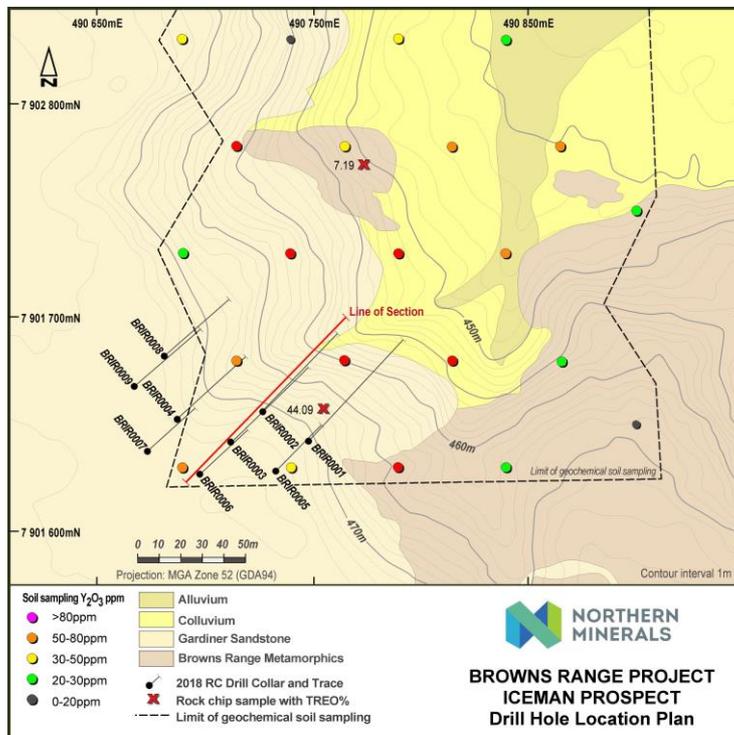
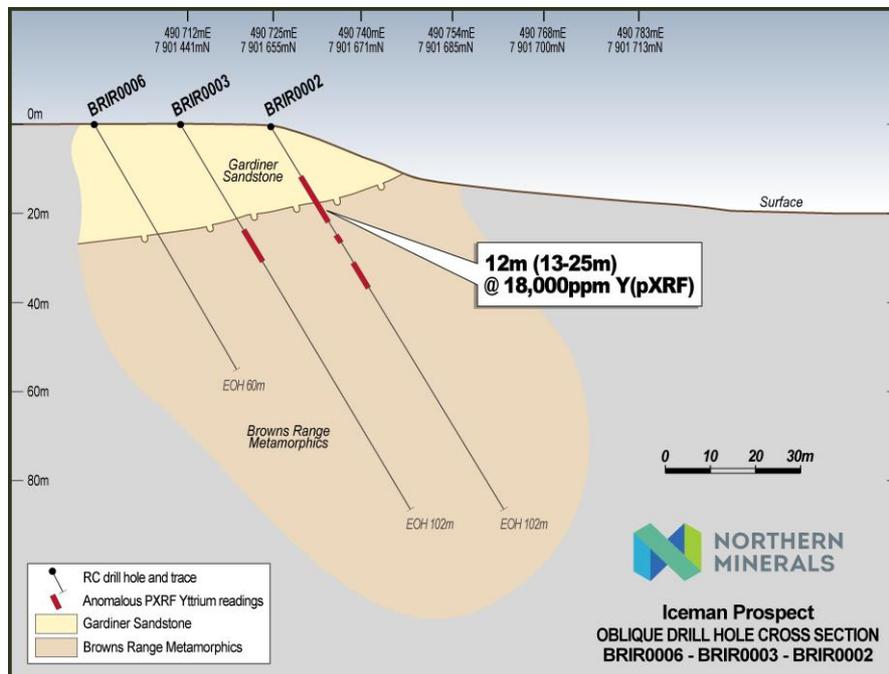


Figure 5 – Iceman prospect – Drill hole cross section showing BRIR0002, 0003 and 0006)



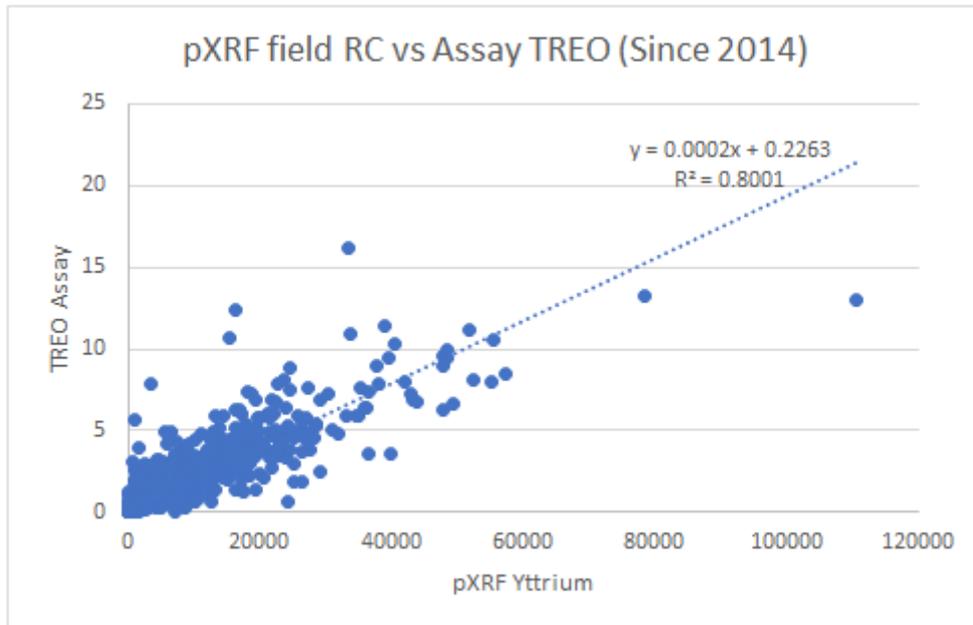
Use of Portable XRF at Browns Range

Northern Minerals has been using portable XRF (pXRF) successfully at Browns Range since the projects beginning. The current procedure for using field pXRF has been in use since 2014. Using this technique, a reliable indicator of final assay TREO is obtained at the drill rig utilising historical correlations built between pXRF analysis of yttrium and paired assay data for TREO. (TREO = Total Rare Earth Oxides – La₂O₃, CeO₂, Pr₆O₁₁, Nd₂O₃, Sm₂O₃, Eu₂O₃, Gd₂O₃, Tb₄O₇, Dy₂O₃, Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃, Lu₂O₃, Y₂O₃)

Northern Minerals, on balance, expects the pXRF analyses that are the subject of this public statement to be a sufficiently reliable to be fit for purpose for public release as exploration results. In making this public announcement, Northern Minerals has balanced the expectation of reporting in a timely manner with the fact that final assay returns from Browns Range incur significant delay.

It needs to be emphasised, however, that the pXRF results that are the subject of this report are preliminary. Field pXRF analysis is known to suffer many potential sources of error. Deviation from the historically robust performance of field pXRF as an analytical tool for TREO (via correlation) at Browns Range cannot be ruled out at this stage until confirmatory assays are received.

Figure 6, below, shows all paired data from the Browns Range database available since the start of 2014 – some 3285 paired analyses. The equation used to assess TREO content in the above tables, from raw pXRF analysis, is shown on the chart.



Commenting on the exciting results, Managing Director and CEO, George Bauk, said “After focussing on getting Browns Range into production, it is fantastic to see our renewed exploration push showing excellent results.

“I am particularly encouraged by the potential for heavy rare earth mineralisation to be discovered in the overlying Gardiner Sandstone given we have tens of kilometres of the unconformity that presents itself as a completely new exploration model.”

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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 Q3 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\$110m |
| Issued Shares: | 1,161m | Cash (as at 30 June 2018): | A\$10.4m |

Compliance Statement

The information in this report relating to Exploration Results was compiled by Mr Robin Wilson who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Wilson is a full time employee of Northern Minerals Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Wilson consents to the inclusion of this information in the form and context in which it appears.

Appendix 1

Iceman Drill hole collar details (all coordinates in GDA94 Zone 52)

| Hole ID | East | North | RL | Mag Azimuth | Inclination | Depth(m) |
|----------|--------|---------|-----|-------------|-------------|----------|
| BRIR0001 | 490748 | 7901642 | 471 | 045° | -60° | 130 |
| BRIR0002 | 490726 | 7901656 | 471 | 045° | -60° | 102 |
| BRIR0003 | 490712 | 7901642 | 473 | 045° | -60° | 102 |
| BRIR0004 | 490687 | 7901652 | 473 | 045° | -60° | 84 |
| BRIR0005 | 490733 | 7901628 | 473 | 045° | -60° | 60 |
| BRIR0006 | 490697 | 7901626 | 472 | 045° | -60° | 60 |
| BRIR0007 | 490673 | 7901637 | 472 | 045° | -60° | 60 |
| BRIR0008 | 490680 | 7901681 | 472 | 045° | -60° | 78 |
| BRIR0009 | 490667 | 7901667 | 472 | 045° | -60° | 78 |

Dazzler drill hole collar details (all coordinates in GDA94 Zone 52)

| Hole ID | East | North | RL | Mag Azimuth | Inclination | Depth(m) |
|----------|--------|---------|-----|-------------|-------------|----------|
| BRDR0008 | 490360 | 7901933 | 473 | 045° | -60° | 120 |
| BRDR0009 | 490345 | 7901918 | 474 | 045° | -60° | 150 |
| BRDR0010 | 490320 | 7901961 | 472 | 045° | -60° | 120 |
| BRDR0011 | 490305 | 7901946 | 474 | 045° | -60° | 120 |
| BRDR0012 | 490335 | 7901943 | 474 | 045° | -60° | 96 |
| BRDR0013 | 490290 | 7901933 | 473 | 045° | -60° | 78 |

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|----------|--------|---------|-----|------|------|----|
| BRDR0014 | 490291 | 7901968 | 473 | 045° | -60° | 78 |
| BRDR0015 | 490276 | 7901952 | 473 | 045° | -60° | 78 |
| BRDR0016 | 490265 | 7901977 | 473 | 045° | -60° | 78 |
| BRDR0017 | | | | 045° | -60° | |

Table 1: JORC code, 2012 Edition

Section 1 - Sampling Techniques and Data

| Criteria | JORC Code Explanation | Commentary |
|---------------------|--|--|
| Sampling techniques | <p><i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></p> | <p>At the Iceman prospect nine Reverse Circulation (RC) drill holes were completed. A total of 754m of drilling was completed, with hole depths between 60m and 130m. At the Dazzler prospect 13 RC drill holes have been completed for 1242m with hole depths between 78m and 150m. Drill hole collars at this stage of exploration have been surveyed using a handheld GPS, with accuracy of +/- 5 metres. Down hole surveys were completed using a gyroscope. RC samples were collected at one metre intervals and subsampled via a rig mounted static cone splitter.</p> <p>Reverse Circulation (RC) drill samples were analysed using Niton XRF XLt3-950 GOLDD+ portable XRF analyser (pXRF). The pXRF was placed on the primary split sample taken off the drilling rig's static cone splitter. One measurement was completed for each drill metre sample, through the calico bag.</p> |
| | <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> | <p>The pXRF instrument is calibrated and serviced annually or more frequently, with daily instrument calibration completed as a minimum. Additionally, at the start of each sampling session, standards are analysed.</p> <p>Sampling was carried out under NTU protocols and employed QAQC procedures in line with industry standard practice and fit for purpose i.e. first-pass exploration drilling. RC drill holes were sampled at one metre intervals exclusively and split at the rig to achieve a target 2-5 kilogram sample weight.</p> |
| | <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> | <p>This report relates to exploration results of a preliminary nature. Portable XRF (pXRF), especially, is a preliminary technique which will be superseded by laboratory analysis when it becomes available.</p> |

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| <i>Drilling techniques</i> | <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> | RC drilling was with nominal diameter of 140mm. RC drilling was completed using face sampling hammer. |
| <i>Drill sample recovery</i> | <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> | RC recovery was assessed by subjective assessment based on volume recovered. RC recoveries were observed to be generally acceptable with recoveries typically 80% or greater. RC recovery information is recorded in the geologist logs and entered into the database. |
| | <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> | RC sample recoveries were visually checked for recovery, moisture and contamination. The cyclone and splitter were routinely cleaned to minimise material build up. |
| | <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> | At this preliminary stage this relationship has not been investigated at the prospects in question. |
| <i>Logging</i> | <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> | RC logging was completed on one metre intervals at the rig by the geologist. Logging is completed directly onto a laptop in the field using a proprietary geological logging package with in-built validation. Logging information was reviewed by the responsible geologist prior to final load into the database. Chip trays were collected for each of the RC intervals. |
| | <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> | Logging was generally qualitative in nature. |
| | <i>The total length and percentage of the relevant intersections logged.</i> | All RC drilling metres were logged and entered into the database. |

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| | <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> | <p>RC samples were collected from the full recovered interval by rig mounted static cone splitter. The majority of samples were collected dry with a minor number being moist due to ground conditions or excessive dust suppression. Samples were split without drying.</p> |
| <p><i>Sub-sampling techniques and</i></p> | <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> | <p>Portable XRF sampling</p> <p>The sampling technique is fit for purpose as a preliminary exploration technique.</p> <p>Northern Minerals has an extensive database (see chart in body of text) of similar field readings within the greater Browns Range Project. The reader should refer this chart to understand the accuracy and implication of the analysis</p> |
| | <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> | <p>At this stage of exploration, subsampling is limited to on rig splitting using a static cone splitter. No QA/QC of the splitting method has been carried out.</p> |
| <p><i>Sample preparation</i></p> | <p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> | <p>No measures taken. Reliance on past adequate performance of method in similar deposits at the Browns Range Project.</p> |
| | <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p> | <p>The RC sample is appropriate for the grain size of the material.</p> <p>The pXRF is a spot reading and has diminished precision due to grain size effect when used on raw (unprepared) RC samples. The competent person considers this diminished precision acceptable within the context of reporting exploration results.</p> |
| | <p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> | <p>Field Analysis only, via pXRF – assay and laboratory analysis not yet performed.</p> |

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| Quality of assay data and laboratory tests | <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> | <p>In the field a Niton (XL3T-950 GOLDD+) XRF hand held tool was used to provide a preliminary quantitative measure of mineralisation. A reading time of 30 seconds was used, with a single reading taken for every metre of RC drilling. The reading was on unprepared raw RC chips, through the calico sample bag. The samples contained natural moisture.</p> <p>The yttrium value reported here is raw, with no calibration applied.</p> <p>The TREO value reported here is derived from the raw yttrium grade direct from the device, and calibrations based on correlation with over 3000 paired assays (using similar field techniques) from the greater Browns Range Project. See correlation plot in body of text for more information</p> |
| | <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> | Calibration of the PXRF is at least daily with the silica blank standard and the TILL-4 yttrium standard checked at the beginning of every sample run. |
| | <i>The verification of significant intersections by either independent or alternative company personnel.</i> | Internal verification of significant results by more than one company geologist. |
| Verification of sampling and assay | <i>The use of twinned holes.</i> | No holes have been twinned due to this being early stage exploration |
| | <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> | <p>Portable XRF</p> <p>Analytical data was collected directly by the Niton pXRF and down loaded by digital transfer to an excel sheet with inbuilt QAQC.</p> <p>All data was checked by the responsible geologist and digitally transferred to Perth. Datashed is used as the database storage and management software and incorporates numerous data validation and integrity checks using a series of defined data loading</p> |

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| | | <p>tools. Data is stored on a SQL server and electronic backups completed three times per day.</p> <p>RC Drilling</p> <p>Primary data was collected into a proprietary logging package (OCRIS) with in-built validation. Details were extracted and pre-processed prior to loading. Datashed is used as the database storage and management software and incorporates numerous data validation and integrity checks, using a series of defined data loading tools. Data is stored on a SQL server by Northern Minerals Ltd subject to electronic backup.</p> |
| | <i>Discuss any adjustment to assay data.</i> | <p>No assay data is reported in this public report. The pXRF data is reported un-adjusted. The pXRF estimated TREO is provided by correlation against the un-adjusted pXRF yttrium reading.</p> |
| | <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> | <p>RC Drilling</p> <p>Drill collar locations have been initially surveyed using a handheld GPS with an accuracy of +/- 5 metres. Down hole surveys were completed by the drilling contractor using a gyroscope at the time of drilling. Survey accuracy of both collars and down hole is considered acceptable at this stage of the exploration program.</p> |
| <i>Location of data points</i> | <i>Specification of the grid system used.</i> | <p>The grid system used is MGA94 Zone 52. All reported coordinates are referenced to this grid.</p> |
| | <i>Quality and adequacy of topographic control.</i> | <p>RC Drilling</p> <p>Topographic control is based on airborne digital terrain survey data collected in 2011 with accuracy considered to be +/-1m.</p> |
| | <i>Data spacing for reporting of Exploration Results.</i> | <p>Only nine RC drillholes have been completed to date at the Iceman prospect, which are located on four drill fences 25m apart, and holes spaced 20m apart. At the Dazzler prospect 13 RC drillholes have been completed in the current program, on six drill fences 25m apart, with the holes again spaced at 20m on drill fences. All holes at both prospects in the current program have been drilled at an inclination of 60° towards the northwest (045°).</p> |

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| <i>Data spacing and distribution</i> | <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> | Exploration Results only. Data spacing and distribution is not yet sufficient to support Mineral Resource or Ore Reserve Estimation. |
| | <i>Whether sample compositing has been applied.</i> | Sampling is on 1m intervals. Results have not been physically composited. |
| <i>Orientation of data in relation to geological structure</i> | <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> | RC Drilling All drill holes in the current program at Iceman and Dazzler have been drilled at an inclination of 60° towards the northwest (045°), which is interpreted to be perpendicular to the overall structural and lithological trend of the southern margin of the Browns Range Dome. The drilling results have suggested that the mineralised zone is spatially associated with the Gardiner Sandstone/Browns Range Metamorphics unconformity which is interpreted to dip moderately towards the southwest. |
| | <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> | There is currently insufficient drilling at Iceman and Dazzler to confidently interpret the orientation of a potential mineralised zone. Current knowledge however indicates that the orientation of drilling with respect to overall structural and lithological trends is not expected to introduce any sampling bias. |
| <i>Sample security</i> | <i>The measures taken to ensure sample security.</i> | Samples are collected on site under supervision of the responsible geologist and stored in bulk bags on site prior to transport by company truck or utility to Halls Creek commercial transport yard. The samples are stored in a secure area until loaded and delivered to the Intertek Genalysis laboratory in Perth. |
| <i>Audits or reviews</i> | <i>The results of any audits or reviews of sampling techniques and data.</i> | No audits/reviews have been conducted. |

Section 2: Reporting of Exploration Results

| Criteria | JORC Code Explanation | Commentary |
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| Mineral tenement and land tenure status | <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> | The Iceman and Dazzler prospects are located on Exploration licence E80/5041. The tenement is located in the company's Browns Range Project approximately 150 kilometres south-east of Halls Creek and adjacent to the Northern Territory border in the Tanami Desert. Northern Minerals owns 100% of all mineral rights on the tenement. The Jaru Native Title Claim is registered over the Browns Range Project area and the fully determined Tjurabalan claim is located in the south of the project area. |
| | <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> | The tenements are in good standing and no known impediments exist. |
| Exploration done by other parties | <i>Acknowledgment and appraisal of exploration by other parties.</i> | No previous exploration for REE mineralisation has been completed by other parties at the Iceman and Dazzler prospects. Regional exploration for uranium mineralisation was completed in the 1980s without success. |
| Geology | <i>Deposit type, geological setting and style of mineralisation.</i> | The Browns Range prospects are located on the western side of the Browns Range Dome, a Paleoproterozoic dome formed by a granitic core intruding the Paleoproterozoic Browns Range Metamorphics (meta-arkoses, feldspathic meta-sandstones and schists) and an Archaean orthogneiss and schist unit to the south. The dome and its aureole of metamorphics are surrounded by the Mesoproterozoic Gardiner Sandstone (Birrindudu Group). The Browns Range xenotime mineralisation is typically hosted in hydrothermal quartz and hematite veins and breccias within the meta-arkoses of the Archaean Browns Range Metamorphics. Various alteration styles and intensities have been observed; namely silicification, sericitisation and kaolinite alteration. |

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| | | <p>The Iceman and Dazzler prospects are located on a scarp slope that marks the unconformity between the younger overlying Gardiner Sandstone and the older Browns Range Metamorphics. At both prospects it is currently unclear what the controls on mineralisation are, however there is a clear spatial association between the unconformity and the most anomalous zones, with mineralisation occurring in both units above and below the unconformity.</p> <p>Further work is required to determine the controls on mineralisation at both prospects with a diamond drilling program likely following the completion of the RC drilling program. .</p> |
| <p><i>Drill hole Information</i></p> | <p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <p><i>easting and northing of the drill hole collar</i></p> <p><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></p> <p><i>dip and azimuth of the hole</i></p> <p><i>down hole length and interception depth</i></p> <p><i>hole length.</i></p> | <p>See tables above in Appendix 1 and Tables 1, 2 and 3 in body of text.</p> |
| <p><i>Data aggregation methods</i></p> | <p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> | <p>Significant intervals were tabulated downhole for reporting. Each metre downhole was analysed using pXRF. All individual metres (one result per metre) were averaged over the entire tabulated range.</p> <p>All intervals were initially based on 1m sample runs, with no lengths shorter than 1m. The geologist then qualitatively grouped contiguous mineralised runs together and the average analysis of the entire run is reported here.</p> |

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| | <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> | No metal equivalents values are used for reporting of exploration results. |
| <i>Relationship between mineralisation widths and intercept lengths</i> | <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> | Not known. |
| <i>Diagrams</i> | <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> | Refer to Figures 1, 2, 3, 4, 5 in body of text. |
| <i>Balanced reporting</i> | <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> | Previous exploration results are the subject of previous reports. The preliminary results of all current drillholes have been reported, including those with “No Significant Results”. Holes with “No Significant results” are acknowledged in Tables 2 and 3. |
| <i>Other substantive exploration data</i> | <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> | <p>At Browns Range Project WA, airborne magnetic and radiometric surveys were acquired by Northern Minerals in 2011. Hyperspectral data captured during October 2012 by Hyvista Corporation Pty Ltd. Very high resolution “Ultracam” aerial photography was captured by Hyvista during the Hyperspectral survey.</p> <p>Regional reconnaissance including geological mapping, rock chip sampling and also geochemical soil sampling completed over the Iceman and Dazzler prospects.</p> <p>Dazzler has previously had reconnaissance RC drilling with seven drill holes completed in 2013. Details of this drilling were reported in the ASX announcement dated 15 October 2014 entitled “Further Discoveries Reinforce Exploration Potential at Browns Range”</p> |
| <i>Further work</i> | <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> | These preliminary pXRF analysis will be confirmed by laboratory assay as soon as practical. Further planning is contingent on successful confirmatory assays and further targeting analysis. |

Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.

Refer to Figures 1, 2, 3, 4, 5 in body of text.

Section 3: Estimation and Reporting of Mineral Resources

Not applicable

Section 4: Estimation and Reporting of Ore Reserves

Not applicable