

Issue of performance rights

Australian heavy rare earths producer, Northern Minerals Limited (ASX: NTU) (the **Company**) issued a total of 40,416,665 performance rights to executives and employees of the Company (or their nominees) on 24 September 2021 under the Company's Performance Rights Plan (a summary of which is included at Annexure B of the Company's notice of general meeting for 22 July 2021 that was released to ASX on 22 June 2021).

The issue of the performance rights has been split across eight tranches and the performance conditions applicable to each tranche are set out below:

1. 8,083,333 performance rights will vest on completion of testing of 5,000 tonnes of crushed ore through the Company's ore sorter at Browns Range to double the input feed grade received by the ore sorter as the feed grade to the beneficiation plant by 31 December 2021. 50% of these rights will vest if this condition is not met by that date but is met between 1 January 2022 and 30 June 2022.
2. 8,083,333 performance rights will vest on successful development and implementation of the Company's "Integrated Management System" by 30 June 2022. 50% of these rights will vest if this condition is not met by that date but is met between 1 July 2022 and 30 June 2023.
3. 3,250,000 performance rights will vest on production of a total of 40 tonnes of rare earth carbonate (REC) before 30 June 2022. 50% of these rights will vest if this condition is not met by that date but is met between 1 July 2022 and 30 June 2023.
4. 3,250,000 performance rights will vest on processing ore stockpiles through the Company's beneficiation plant to produce 2,000 tonnes of xenotime concentrate by 31 December 2023. 50% of these rights will vest if this condition is not met by that date but is met between 1 January 2024 and 31 Dec 2024.
5. 3,250,000 performance rights will vest on an exploration resource upgrade to support a 10 year life of mine by 31 December 2023. 50% of these rights will vest if this condition is not met by that date but is met between 1 January 2024 and 31 Dec 2024.
6. 4,833,333 performance rights will vest on completion of a Feasibility Study for a full scale beneficiation plant by 31 December 2022. 50% of these rights will vest if this condition is not met by that date but is met between 1 January 2023 and 31 December 2023.
7. 4,833,333 performance rights will vest upon the Board making a final investment decision to invest in a full scale beneficiation plant by 30 June 2023. 50% of these rights will vest if this condition is not met by that date but is met between 1 July 2023 and 30 June 2024.
8. 4,833,333 performance rights will vest on practical completion of the full scale beneficiation plant to produce 4,000 tonnes of TREO per annum in a 30% concentrate by 30 June 2024.

50% of these rights will vest if this condition is not met by that date but is met between 1 July 2024 and 30 June 2025.

Executives (including key management personnel (**KMP**)) were issued performance rights under tranches 1, 2, 6, 7 & 8 and other employees were issued performance rights under tranches 1 to 5. A total of 16,666,665 performance rights were issued to KMP, being 3,333,333 performance rights from each of tranches 1, 2, 6, 7 and 8.

Each performance right may be exercised at any time from and including the vesting date up to and including the expiry date and no issue price is payable on the issue (or exercise) of the performance rights. The performance rights will expire (if not exercised) 12 months after they have vested.

All performance rights were issued under Listing Rule 7.2, Exception 13 and an Appendix 3G will follow this announcement.

Authorised by Mark Tory - CEO

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About Northern Minerals:

Northern Minerals Limited (ASX: NTU) (Northern Minerals or the Company) is one of a few producers of heavy rare earth element Dysprosium outside of China via production from the Browns Range Heavy Rare Earth pilot plant project in northern Western Australia.

The Company commenced the production of heavy rare earth carbonate in late 2018 as part of pilot assessment of economic and technical feasibility of a larger scale development at Browns Range. An ore sorter was installed and commissioned during 2021 which will also be tested for its economic and technical feasibility at the front end of the pilot plant.

Through the development of its flagship project, the Browns Range Project (the Project), Northern Minerals aims to build the Western Australian operation into a 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, military and high technology solutions.

For more information: northernminerals.com.au.



ASX Code:	NTU	Market Capitalisation:	A\$227.8m
Issued Shares:	4,846m	Cash (as at 30 June 2021)	A\$19.9m