NORTHERN MINERALS

2024

Annual Report

ABOUT THIS REPORT

Acknowledgement of Country

We acknowledge the Traditional Custodians of the lands upon which we work and operate, including the Jaru peoples whose lands upon which our Browns Range Project lies. We recognise their unique cultural heritage, beliefs and connection to these lands, waters and communities. We pay our respects to all members of these Indigenous communities, and to Elders past and present.

We also recognise the importance of continued protection and preservation of cultural, spiritual and educational practices. We recognise and respect that there are areas of special heritage and cultural significance and continue to honour our agreements when managing our activities. As we value treating all people with respect, we are committed to building successful and mutually beneficial relationships with the Traditional Custodians throughout our areas of operation.

What this report covers

This annual report is a summary of Northern Minerals Limited's financial results and operational performance for the financial year ended 30 June 2024. All references to 'Northern Minerals', 'NTU', 'the Company', 'we', 'us' and 'our' refer to Northern Minerals Limited (ABN 61 119 966 353). All references to 'Browns Range' 'the Project' 'Browns Range', 'the Project', and 'Browns Range Project' refer to the Browns Range Heavy Rare Earths Project. References in this report to a 'year' are to the financial year ended 30 June 2024 unless otherwise stated. All dollar figures are expressed in Australian dollars (AUD) unless otherwise stated.

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ABOUT US

Our Vision

We will be a globally critical source of ethically supplied dysprosium and terbium in support of decarbonisation.

Our Purpose

Creating value and contributing to a cleaner earth for current and future generations.

Our Values

Respect
Care for people, property and the environment.

Integrity
Do the right thing.

Safety
Look out for myself, others and speak up.

Accountability
We can count on each other.

Innovation
Be curious and seek to continuously improve.

Clarity
Be clear and ask if you are unsure.

NORTHERN MINERALS AT A GLANCE

The rare earths we will produce are essential in driving the transition to a low-carbon future.

Northern Minerals is headquartered in Perth, Western Australia and is focused on the development of the Browns Range Heavy Rare Earth Project in the East Kimberley region of Western Australia.

Browns Range Heavy Rare Earths Project

Ownership	100% Northern Minerals Ltd
Location	160km south-east of Halls Creek on the northern edge of the Tanami Desert in Western Australia
Approvals	All key regulatory approvals in place
Offtake Agreement	Binding supply agreement with domestic partner Iluka Resources for a total of 30.5 kt TREO over the initial life of mine to feed the Eneabba Rare Earths Refinery in Western Australia
Targeted Development Timing	Final DFS and Ore Reserve Statement to be released Q1 CY2025. (Previous DFS completed in March 2015 to produce a rare earth carbonate). Final Investment Decision targeted for 1H CY2025 (subject to Project funding) and first production targeted for Q4 CY2027.

SUPPLYING A SUSTAINABLE FUTURE

Powering Tomorrow's Technologies

Northern Minerals is leading the charge in the global energy transition with heavy rare earths—dysprosium (Dy) and terbium (Tb).

Essential Elements

These rare earths are key to powerful permanent magnets that drive electric vehicles, wind turbines, aerospace, defence systems and clean energy technology.

Higher Performance

By incorporating dysprosium and terbium, magnets can maintain performance at higher operating temperatures.

A Cleaner Future

At Northern Minerals, we are contributing to the supply of materials that are critical for a cleaner, greener world.


EV CHARGING
3:25
63%

PATHWAY TO PRODUCTION

ACHIEVING KEY MILESTONES...

DFS update commenced
2022

Iluka Resources strategic partnership
Q4 2022

Engagement with NAIF & EFA commenced
Q2 2023

Mineral Resource Definition Drilling Program commenced
Q4 2023

Independent Technical Engineer appointed
Q4 2023

Exceptional assay results from Drilling Program
Q1 2024

KEY APPROVALS IN PLACE AND PRIOR WORK ENABLING ACCELERATED START UP:

- ✓ Ministerial Statement approved
- ✓ Native Title and Heritage Agreements in place with the Jaru Aboriginal Corporation and Tjurabalan Native Title Land Aboriginal Corporation
- ✓ Project critical tenure granted
- ✓ Existing NPI (camp, airstrip, tailings dam)[2]
- ✓ High retention of a skilled workforce with experience in remote operations

1 Milestone targets are represented in calendar year and are indicative and subject to change and dependent on funding.
2 Expansion will be required for full scale operations

...AND MAINTAINING MOMENTUM TOWARDS FID[1]

DFS updates incl. Mineral Resource estimate update
Q4 2024

Final DFS & Ore Reserve Statement
Q1 2025

Targeted Final Investment Decision (FID)
1H 2025

Targeted Financial Close
Q3 2025

Targeted Construction commencement
Q3 2025

Targeted Mining Commencement
Q3 2026

Targeted First production
Q4 2027

OUR YEAR IN REVIEW

TRIFR 0.00 (maintained since Nov 2022)

Definitive Feasibility Study well advanced

16,586 m of resource definition drilling completed at Wolverine deposit

Exceptional Dy and Tb assay results confirming significant high-grade mineralisation that remains open at depth

Advancing funding initiatives with NAIF and EFA

Completed heritage surveys and agreed management with Traditional Owners for critical development footprint areas


NORTHERN
MINERALS

FROM THE EXECUTIVE CHAIR

On behalf of the Board of Directors of Northern Minerals Limited, I am pleased to share with you the Company's Annual Report for the financial year ending 30 June 2024.

Northern Minerals has remained focussed on finalising critical work programs required to advance the globally significant Browns Range heavy rare earths Project towards production.

Substantial progress has been made towards updating the Definitive Feasibility Study (DFS) during the year, which is a critical undertaking as we move closer to a Final Investment Decision (FID) in early 2025.

The catalyst for the update of the DFS was the strategic partnership that was formed with Iluka Resources in October 2022. The long-term offtake agreement to supply xenotime concentrate from Browns Range to Iluka's Eneabba refinery, and potential cornerstone funding arrangement, marked an important step forward for the Project. The offtake agreement also necessitated a substantial redesign of our process flowsheet and subsequent update of the previously completed DFS. Leveraging the learnings gained from operating the pilot plant at Browns Range between 2018 and 2022, the team have been progressively updating the DFS to ensure that Browns Range is positioned for success, both technically and commercially.

In addition, our exploration activities during the year produced exceptional results, with resource definition drilling confirming significant high-grade mineralisation at our flagship Wolverine deposit, that remains open at depth. The results have prompted an update to our Mineral Resource estimate (MRe), which is scheduled for release in Q4 CY2024 and will underpin the updated DFS, which is expected to be finalised in Q1 CY2025.

On the financial front, we have continued discussions with Export Finance Australia (EFA) and the Northern Australia Infrastructure Facility (NAIF) during the year to secure potential debt funding. In parallel, our strategic partner Iluka Resources is advancing its due diligence for potential cornerstone equity funding, ensuring that we are well-prepared for the capital requirements of the Project.

Best practice corporate governance and transparency are key priorities for Northern Minerals. Earlier this year, the Federal Treasurer requested five existing shareholders to divest approximately 10.4% of Northern Minerals' issued capital following a referral to the Foreign Investment Review Board (FIRB).

This action followed a referral by the Northern Minerals Board regarding certain share trading activity.

The second half of the year saw changes to our Board and executive leadership team, with the decision by Nicholas Curtis to step down from his position as Executive Chair. On behalf of my fellow Directors, I extend our sincere thanks to Nick for his significant contributions to our Company since 2021.

As a result of changes to our Board, former Finance Director Shane Hartwig was appointed Managing Director and CEO in May. Shane joined Northern Minerals in December 2022 and his deep expertise in finance, capital markets, and project development makes him the ideal leader to steer the Company through the next critical phase.

Looking ahead, the long-term market outlook for critical minerals remains positive. The strategic importance of the heavy rare earth concentrate that will be produced at Browns Range, combined with Iluka's Eneabba refinery, strengthens our role in advancing Australia's rare earths supply chain. With global supply chains for heavy rare earths remaining constrained, we are well-positioned to contribute to an independent and sustainable supply of these critical minerals.

As we move closer to a Final Investment Decision for the Project, Northern Minerals remains committed to delivering long-term value for our shareholders. The Board and management team are united in their dedication to advancing Browns Range, and we are excited by the prospects that lie ahead. Over the coming year, we will continue to prioritise transparency, good governance, and strategic execution as we navigate the challenges and opportunities to come.

On behalf of the Board, I would like to thank our shareholders for their continued support and engagement. I look forward to updating you on our pathway towards production and becoming a key player in the establishment of a significant Australian-based rare earths supply chain.

Adam Handley

Executive Chair

FROM THE CEO

FY24 has been a pivotal year for Northern Minerals as we continue to advance the Browns Range Heavy Rare Earths Project. Following my appointment to Managing Director and CEO in May 2024, I am pleased to provide an update of progress made during the year.

The health and safety of our workforce remains Northern Minerals' highest priority. This year we continued our strong safety performance, achieving a Total Recordable Injury Frequency Rate of 0.00, which I am proud to report that we have maintained since November 2022. As work activities increase, particularly at the Project, we remain committed to ensuring we maintain a culture of looking out for each other and speaking up.

Northern Minerals continued to strengthen our executive leadership team during the year to support the development and future operations of the Browns Range Project. Experienced executive Angela Glover was appointed to the role of Chief Operations Officer and we welcomed Dale Richards as Head of Geology. Both appointments are key to ensuring that we have the right skills and capabilities to drive the Browns Range Project forward.

This year has been marked by significant advancements across critical workstreams, culminating in substantial progress toward finalising the Definitive Feasibility Study (DFS) for the Project. Key progress included the completion of chapters on mine design, geology, process flowsheet, and water management. In addition to this work, our Mineral Resource Definition Drilling Program at the flagship Wolverine Deposit yielded high-grade assay results, confirming significant high-grade xenotime mineralisation along strike and down plunge, with the deposit remaining open at depth. In light of these results, the Company decided to defer the release of the DFS to incorporate the updated Mineral Resource Estimate for Wolverine, which is due in Q4 2024. This decision ensures that the final DFS, expected in Q1 2025, will reflect the most accurate geological insights, providing a strong foundation for our next steps.

Building strong relationships with the Jaru People, the traditional owners of the Browns Range site, is a key focus for Northern Minerals. Progress during the year included comprehensive ethnographic and archaeological surveys, which led to an

approved variation to the Ministerial Statement 986. This approval allows us to enhance the Project's infrastructure and improve access, which is critical as we prepare for the construction phase.

We continued to strengthen our risk management framework during the year, adhering to ISO 31000 standards, and enhanced our internal capabilities with workforce training. A key workstream during the year included managing environmental, social, and governance (ESG) risks, aligned with evolving industry standards. Our focus on cyber security was intensified following a breach earlier this year. We responded swiftly, implementing new security measures (including the appointment new third party IT service providers), revising internal policies, and enhancing system protections.

Subsequent to the end of the financial year, we announced we had received binding commitments from existing and new institutional and sophisticated investors, for a capital raising totalling $43 million (before costs) via a two-tranche placement (Tranche 2 subject to shareholder approval). The placement enables Northern Minerals to continue key project initiatives, seek project funding and proceed towards FID, while also enabling the Company to undertake value-accretive exploration initiatives.

FY24 has been a year of meaningful progress towards the development of Browns Range. On behalf of the management team, I extend my sincere gratitude to our team for their dedication and hard work, to existing and new shareholders for their confidence in our company, and to the Board of Directors for their ongoing guidance and support.

I look forward to sharing our progress with you over the coming year ahead.

Shane Hartwig

Managing Director / CEO

FINANCIAL REVIEW

Financial Performance

The Group reported a net loss from continuing operations of $31.6 million for the year, up from $22.3 million in FY2023. The Group's cash as at 30 June 2024 totalled $8.3 million compared to $11.7 million on 30 June 2023.

Northern Minerals successfully raised $25 million in September via a placement to institutional and sophisticated investors at $0.03 per Northern Minerals share[1]. The Placement comprised the issue of 833,333,334 new fully paid ordinary shares in Northern Minerals at an offer price of $0.03 per new share[1]. The placement proceeds were utilised to maintain the Company's assets, including tenure and regulatory compliance, in good standing. In addition, the funds were also allocated to critical work activities throughout the year, including the resource definition drilling campaign and progressing the Definitive Feasibility Study (DFS) including mine design, scheduling and process plant engineering, procurement and construction (EPC) work. A detailed overview of these activities is provided within this report.

Post the reporting period, Northern Minerals received binding commitments to raise $43 million[2] through a two-tranche placement[3] at an issue price of $0.019 per share, attracting strong demand from both existing and new investors. Proceeds from the capital raise will be used to complete the DFS, advance exploration drilling to increase the resource base and support early works towards Final Investment Decision (FID) of the Project, which is targeted for the first half of CY25.

Project Funding

Discussions continued throughout the year with Export Finance Australia (EFA) and the Northern Australian Infrastructure Facility (NAIF) to secure potential debt funding arrangements, with the Company previously fulfilling the strategic assessment phase of NAIF's investment decision process. In parallel, the Company continued working with its strategic partner Iluka Resources Limited (Iluka), in its due diligence program to advance potential cornerstone equity funding in preparation of FID. As part of the due diligence process, Iluka continued to review technical and other relevant data from the Project.

During the year SRK Consulting (Australasia) Pty Ltd (SRK) was appointed as Independent Technical Engineer (ITE) for the benefit of prospective lenders to the Project. SRK is an independently owned company with a global network of specialists experienced in undertaking due diligence reviews of global mining projects, typically for international banks, mining companies, and financial institutions.

By the end of June, all draft DFS chapters were provided to SRK which will enable the company to produce a comprehensive Technical Due Diligence Report for the Project, including assessments of environmental and social aspects. A final ITE Report (incorporating results from the final DFS) will be issued to prospective lenders to provide an independent assessment of the Browns Range Project.

1 *ASX 30 August 2023*
2 *ASX 16 September 2024*
3 *Tranche 2 subject to shareholder approval at a meeting to be convened on or around 6 November 2024.*

Critical Minerals Market

The market for rare earth elements continues to show the potential for strong growth, driven by increasing demand across advanced technology sectors that support global trends of decarbonisation, automation and clean energy. As the world accelerates its transition to net zero, the role of rare earths, particularly those used in permanent magnets, is becoming increasingly vital.

The rapid growth of the electric vehicle (EV) market, expansion of renewable energy infrastructure, and the increasing reliance on advanced technologies in the defence sector have all contributed to a surge in demand for rare earth elements. This is especially pronounced for minerals that are required for high-performance magnets, such as dysprosium and terbium, which the Browns Range Project will produce. Demand for permanent magnets is projected to rise substantially, resulting in a compound annual growth rate of 5.4% for dysprosium and terbium through to 2040[4] (Figure 1).

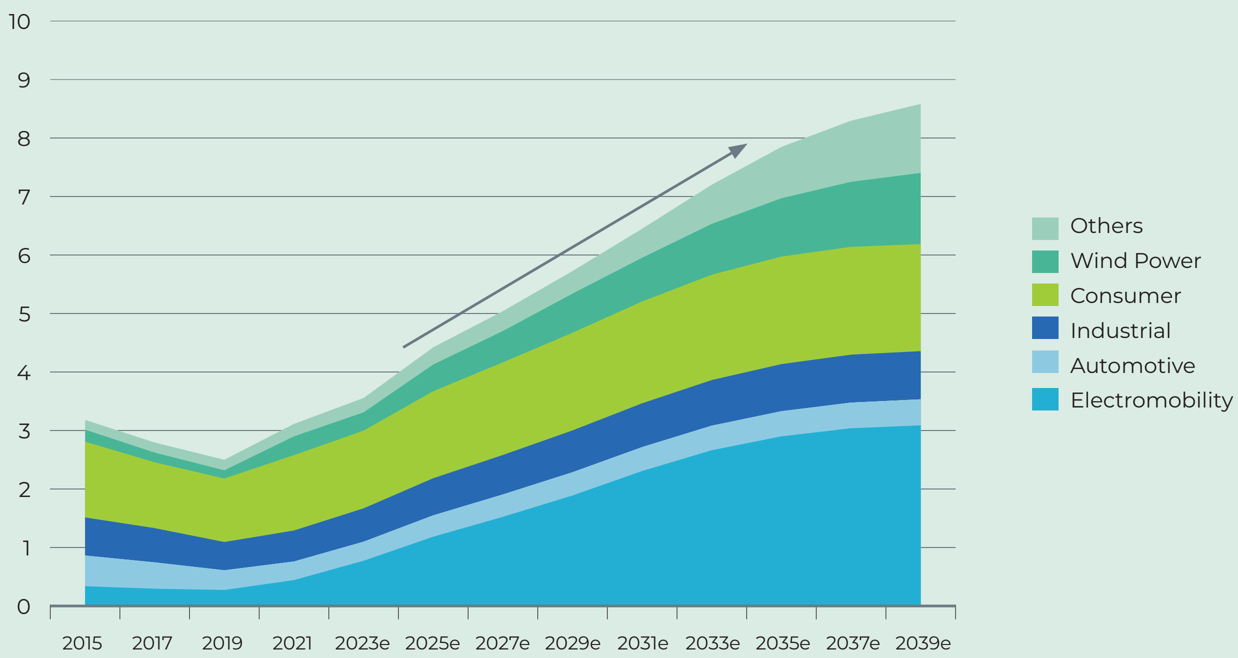

FIGURE 1 Historical and forecasted demand for dysprosium and terbium[4].

The outlook for the EV industry, a key demand end-use for heavy rare earths, is particularly positive as continuing growth in EV sales is expected to build on an increasingly higher base. The International Energy Agency recently upgraded its projections for 2030 EV sales to 45 million sales, and climbing to nearly 65 million sales in 2035[5]. These projections are an increase from 2023 figures, which estimated 20 million EV sales in 2030 and 40 million in 2035.

The long-term market outlook remains positive for Northern Minerals, given the strategic importance of the heavy rare earth concentrate which will be produced at Browns Range, and in conjunction with Iluka's Eneabba refinery, will establish a new domestic magnet supply chain. With global supply chains for heavy rare earths expected to remain constrained, the Company is well positioned to contribute to the development of an independent and sustainable supply of these critical minerals.

[4] *Adamas Intelligence 2023*
[5] *International Energy Agency*


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REVIEW OF OPERATIONS

Northern Minerals focused its operational activities during the year on advancing critical work programs essential to reaching a Final Investment Decision (FID) for the Browns Range Project, in pursuit of transitioning the project to full-scale production.

Definitive Feasibility Study

Throughout the year, the Company made significant progress towards completing the key workstreams necessary to finalise the updated DFS. This update is crucial for advancing the Browns Range Project, ensuring it remains both technically and commercially robust.

A major catalyst for the DFS update was the strategic partnership formed with Iluka Resources Limited (Iluka) in October 2022[6]. This partnership includes a long-term offtake agreement to supply xenotime concentrate, marking a significant step forward for the Project. In addition, the updated Mineral Resource estimate (MRe) for the Wolverine deposit, which delivered an impressive 47% increase in TREO tonnes[7], further solidified the requirement to commence an update of the 2015 DFS.

The partnership with Iluka required a substantial redesign and simplification of the Project's process flowsheet. Other key improvements include the incorporation of ore sorting technology and a change in the underground mining method to sub-level caving. These modifications are expected to optimise the Project's efficiency and long-term viability.

Building on the foundation of the 2015 DFS and the valuable operational insights gained from operating the pilot plant at Browns Range (2018–2022), the updated DFS aims to provide a technical and economic evaluation of the Project.

[6] *ASX 26 October 2022*
[7] *ASX 10 October 2022*

Progress on Key DFS Workstreams

Throughout the year, substantial progress was made to advance critical workstreams essential to finalising the DFS.

Mine Design and Scheduling

The proposed mining operation at Wolverine will consist of open pit mining followed by underground longitudinal sub-level caving (Figure 2).

During the year, mining and geotechnical studies were completed. The work included finalising the mine dewatering study, the cave flow modelling for the underground operation and the integrated mining schedule and mining cost model for both the open pit and underground operations. This work provided the mining production physicals and costs to inform the mining capital expenditures (CAPEX) and operating expenditures (OPEX) estimates for the draft DFS.

Draft DFS mining studies, mine design and schedules and a mining cost model for the open pit and underground mining operations at Wolverine were completed by Entech, an independent international mining consulting firm.

Australian-based engineering firm Beck Engineering completed cave flow modelling scenarios for cave propagation and subsidence simulations to provide the data required to inform the mine schedules of the underground operation. Geotechnical modelling for the underground mining operation, also completed by Beck Engineering, incorporates geotechnical test data from the DFS geotechnical drilling program completed in March 2023.

A mine dewatering study completed by Klohn Crippen Berger, an international consulting firm, includes the hydrology and base case hydrogeological assessment to develop the water management requirements for the mining operation, along with the development of a pumping strategy to accommodate expected groundwater inflows.

The mine design and schedules for the Wolverine open pit and underground operations were used to develop the necessary documentation for a request for quotation (RFQ) process for the open pit mining services and an early contractor involvement (ECI) process for the underground mining services. Both of the RFQ and ECI processes were completed during the year, and evaluations were undertaken by Entech and Northern Minerals on submissions from three suitably qualified and experienced contractors for both the open pit and underground mining services, which informed the draft DFS cost estimates for the mining operation.

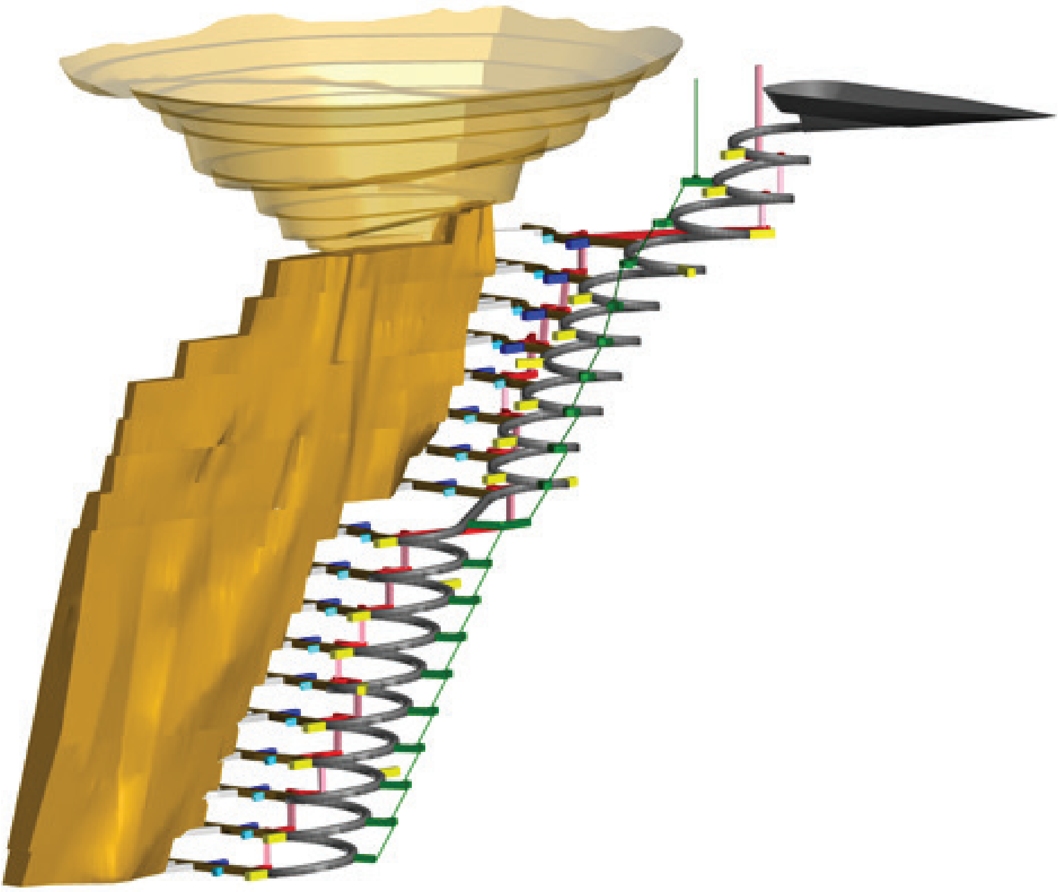
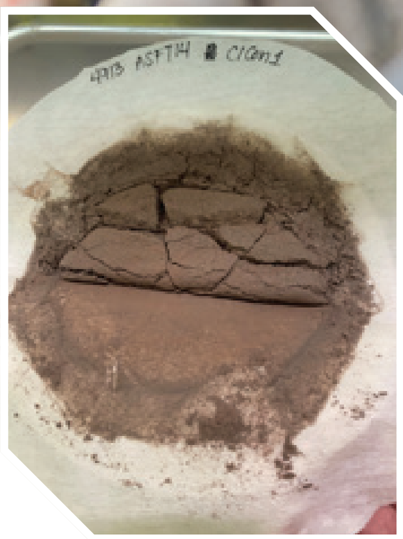


FIGURE 2 Proposed open pit and underground design (looking northeast) at the Wolverine deposit.



Process Plant

The proposed delivery method for the process plant is a lumpsum engineering procurement and construction (EPC) contract. Following an expression of interest process in Q2 CY2022, the Company appointed GR Engineering Services Ltd (GRES) and MACA Interquip (MIQ) to undertake a dual-party ECI process for the delivery of the process plant. The process flowsheet includes the following key circuits, as shown in Figure 3:

- ROM ore is fed at an average head grade of 0.7% to a primary crusher, which then undergoes scrubbing and screening with fines pumped directly to the grinding circuit and oversize fed to a secondary crusher and returned to the scrubber.
- Two intermediate scrubber product size fractions are fed to two X-Ray transmission ore sorters, one for each size fraction, where select ore is directed to a select ore bin for further processing, and the reject material to a bin for trucking to a long-term stockpile.
- Further comminution of scrubber fines and select ore by semi-autogenous mill grinding.
- Three stages of wet high gradient magnetic separation produce a magnetic concentrate of approximately 4% TREO.
- Several stages of flotation upgrade the magnetic concentrate by rejection of entrained silica, mica and iron oxides to produce a final concentrate slurry of 25% TREO.
- The concentrate is dewatered via a plate and frame pressure filter to produce a filter cake which is dried in a spiral flash dryer and bagged using a semi-automated bagging system in 1.5 tonne bulka bags ready for transport.

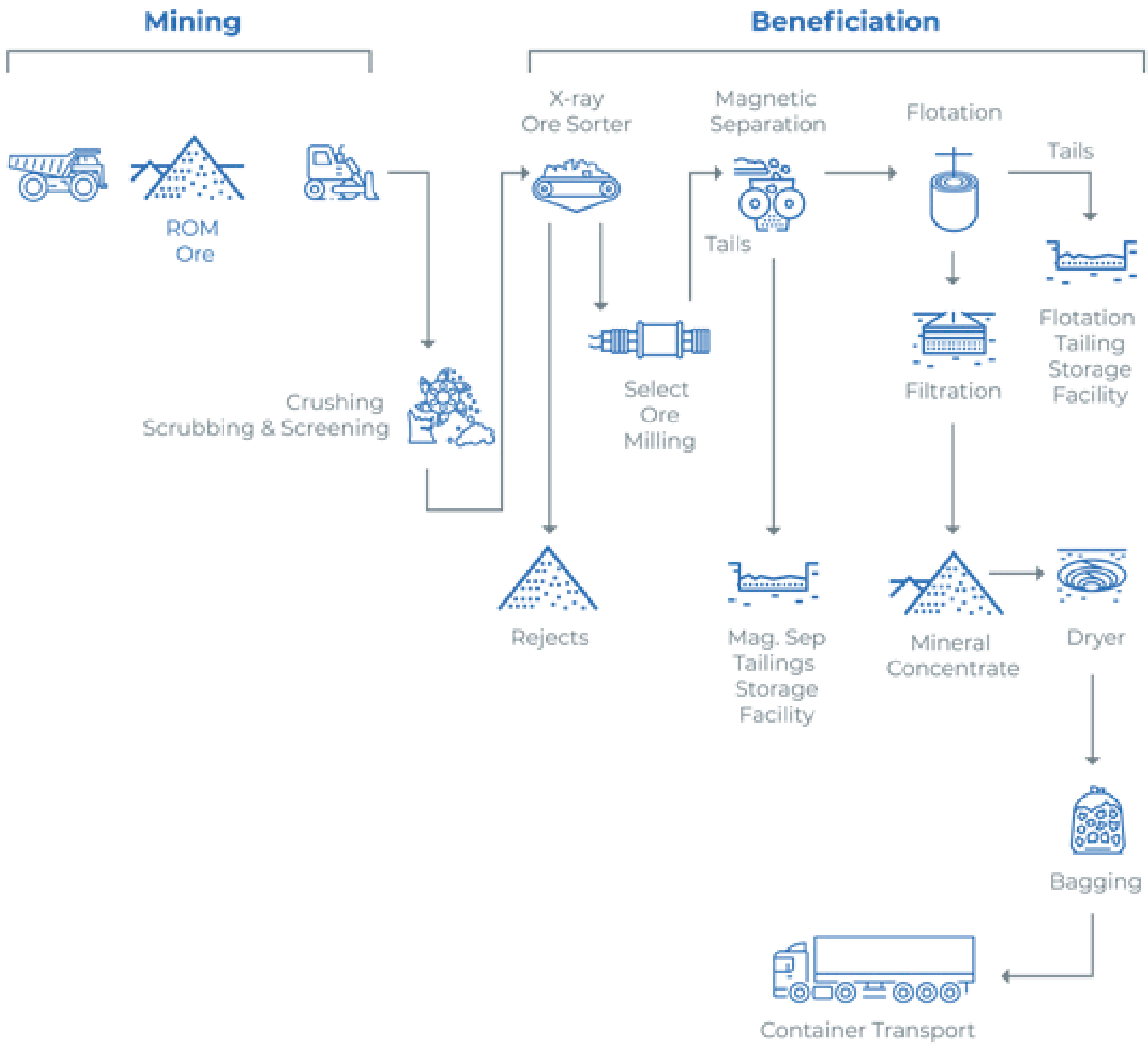


FIGURE 3 Process flowsheet schematic.

Water Management

During the year, studies were concluded on hydrological and hydrogeological aspects for the Project to inform the site wide water management plan, the surface water management plan and water management structures which are crucial to ensuring sustainable water use, site operability and safety.

A water drilling program was completed in June 2023 at the proposed borefield which is approximately 13 km west of the Project site. Seven holes were drilled using reverse-circulation techniques targeting the Gardiner Sandstone. The drilling program indicated that the Gardiner Sandstone aquifer has the capacity to meet requirements of the Project construction and operational water supply. A second water drilling program was completed in January and comprised the drilling and airlift testing of eight groundwater exploration holes to provide additional information on the lithology, water strike, airlift yield and physico-chemical parameters. This resulted in four additional prospective bores for inclusion in the borefield network.

An updated numerical groundwater model was completed by Klohn Crippen Berger, to incorporate the proposed borefield layout and to assess that a sustainable yield of the Project water demand of 42 litres per second can be achieved. Results from the numerical model indicated that the proposed pumping rates from the production bores of the borefield network can be sustained for the duration of the Project life.

Other work undertaken during the year included:

- Assessment of water supply sources and developing the water supply plan and design
- Assessment of mine dewatering requirements, including groundwater inflow assessment, drawdown impacts and dewatering infrastructure requirements
- Development of the site wide water management plan which includes a water balance model, the borefield water supply, raw and stormwater ponds and excess water management
- Development of a surface water management plan to control and manage surface water run-off and stormwater discharge.

FIGURE 4 January 2024 water drilling program.

Non-Process Infrastructure

Engineering and design of all non-process infrastructure (NPI) packages were finalised during the year, detailing the development of all site NPI facilities, including the expansion of the existing village and airstrip, access roads, tailings storage facility, water supply, power supply, and logistical requirements (Figure 5).

The main NPI packages included designing and costing of:

- The main access road to the site, commencing from the existing Shire road north of Ringer Soak, by-passing Ringer Soak and upgrading the existing road to the Project site.
- Expanding the existing 1,100 m airstrip to 2,000 m to facilitate direct flights from Perth.
- Expanding the existing 80-room accommodation village to 352 rooms with associated infrastructure and lifestyle facilities.
- A new onsite purpose-built hybrid diesel-solar-wind power station to supply power to the Project. The renewable energy generation will comprise a solar farm, wind turbines and a battery energy storage system.
- The tailings storage facility (TSF) to store tailings generated from the process plant. The TSF will consist of three adjacent paddock cells formed by earth fill embankments constructed in four stages to suit operational storage requirements.

Contractor Assessments

During the year, evaluations were completed on tender submissions received for 11 main packages for inclusion in the DFS CAPEX and OPEX estimates. Key packages included tenders from experienced mining contractors for both open pit and underground operations, as well as submissions for site-wide earthworks, process plant, water supply and water treatment, laboratory services, modular building supply, village and NPI design and construction, and outsourced power solutions integrating hybrid diesel, solar, and wind technologies.

Project Execution and Operational Readiness

The development of the Project Execution Plan was completed during the year, which outlines the strategy that will be used to manage the execution of the Project and includes a detailed project implementation schedule, procurement and contracting strategy, project controls as well as construction and commissioning strategies necessary for project delivery.

A feasibility level Operational Readiness (OR) Plan was also completed during the year, to ensure optimal capability and systems to operate from start-up. Specialist OR consultant EnterpriseIS was engaged to assist in preparation of the framework-based OR plan and assessment of necessary OR activities to enable successful Project commencement from the ‘go-live’ date. OR will enable handover of new infrastructure, buildings, equipment and systems to the Company and the intent of the plan is to ensure that Northern Minerals staff are trained, procedures and policies are in place, consumables and spares are on hand to achieve on-time project start-up and a ramp-up rate that matches Project expectations is achieved.

Value Engineering Assessments

Value engineering assessments on several packages for the draft DFS were completed, focusing on identifying potential cost efficiencies and optimising capital and operating expenditure. The items included optimising the scope in some areas, changing to build-own-operate-transfer arrangement for the laboratory, and optimising timing or sequencing of some infrastructure items to reduce the implementation schedule.

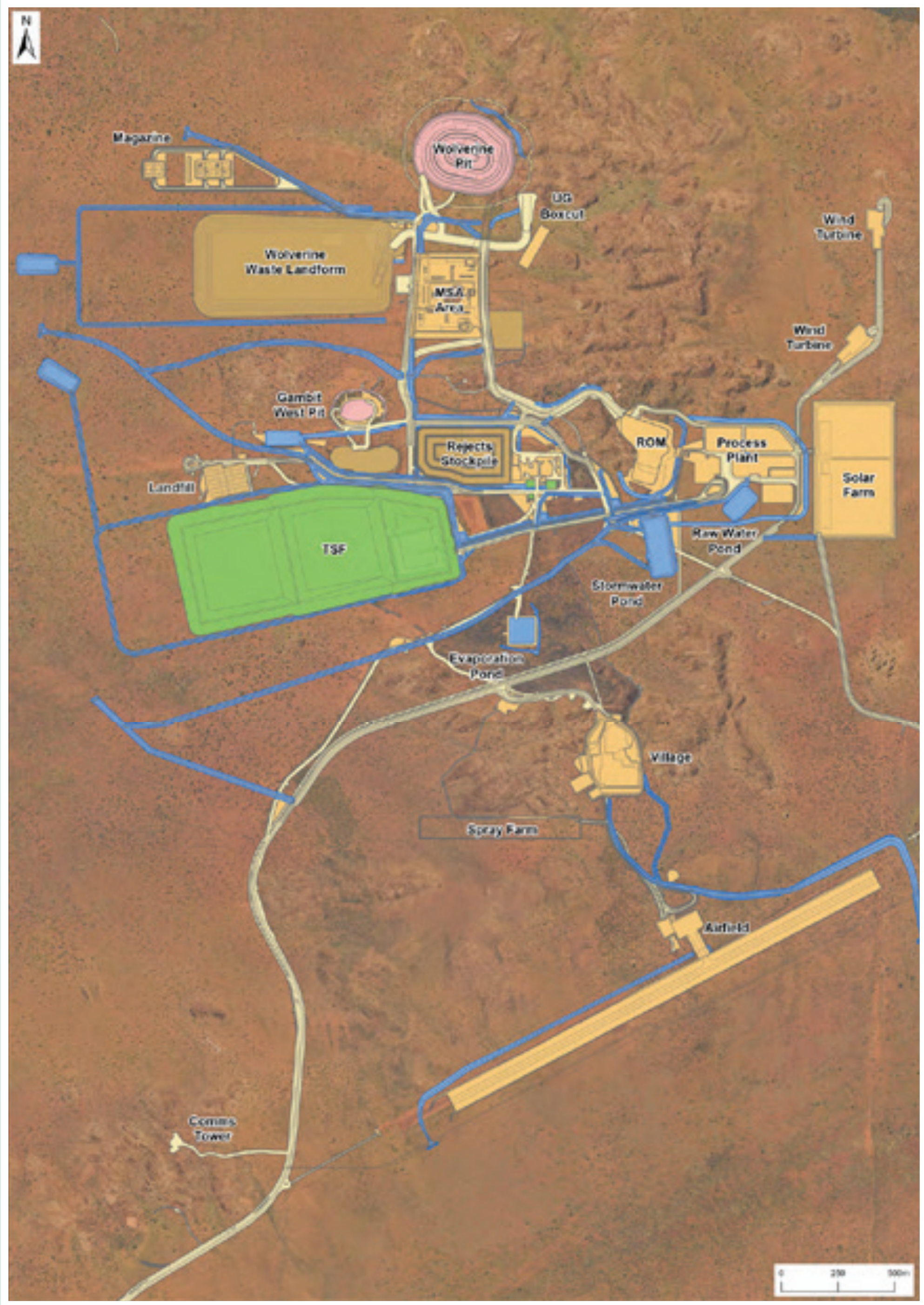


FIGURE 5 Proposed Browns Range Project Infrastructure Layout.

Resource Definition Drilling Program

Northern Minerals successfully completed the Mineral Resource Definition Drilling Program at Wolverine during the year, with the aim of increasing geological confidence and improving the classification of Inferred Resource to Indicated. The field program commenced in November 2023 and was completed in May 2024, with subsequent demobilisation of the diamond-core drill rigs. Funded through a 50/50 arrangement with the Federal Government's Critical Minerals Development Program[8], the completion of the program was critical to advancing the Browns Range Project towards production.

[8] *ASX 18 May 2023*

FIGURE 6 Diamond drill rig at the Wolverine deposit.

Two diamond drill rigs at Wolverine completed 16,586 metres drilled from 42 holes targeting the deeper Inferred Mineral Resource. The drilling has been successful in infilling drill spacing at a nominal 25 m by 25 m grid, with the intent to improve geological confidence in subsequent Mineral Resource estimates. Assay results from the drilling confirmed consistent wide and high-grade mineralised intervals across strike and down plunge, with mineralisation remaining open at depth[9,10].

The drilled intersections provided important information on the short-range variability of mineralisation, both in the focal area of mineralising fluids and towards the periphery of the economically defined mineralisation. This data is essential to improve resource estimation and provides a robust platform for further optimising mining studies.

Figure 7 and Figure 8 show cross sections and location plan of the drilled area.

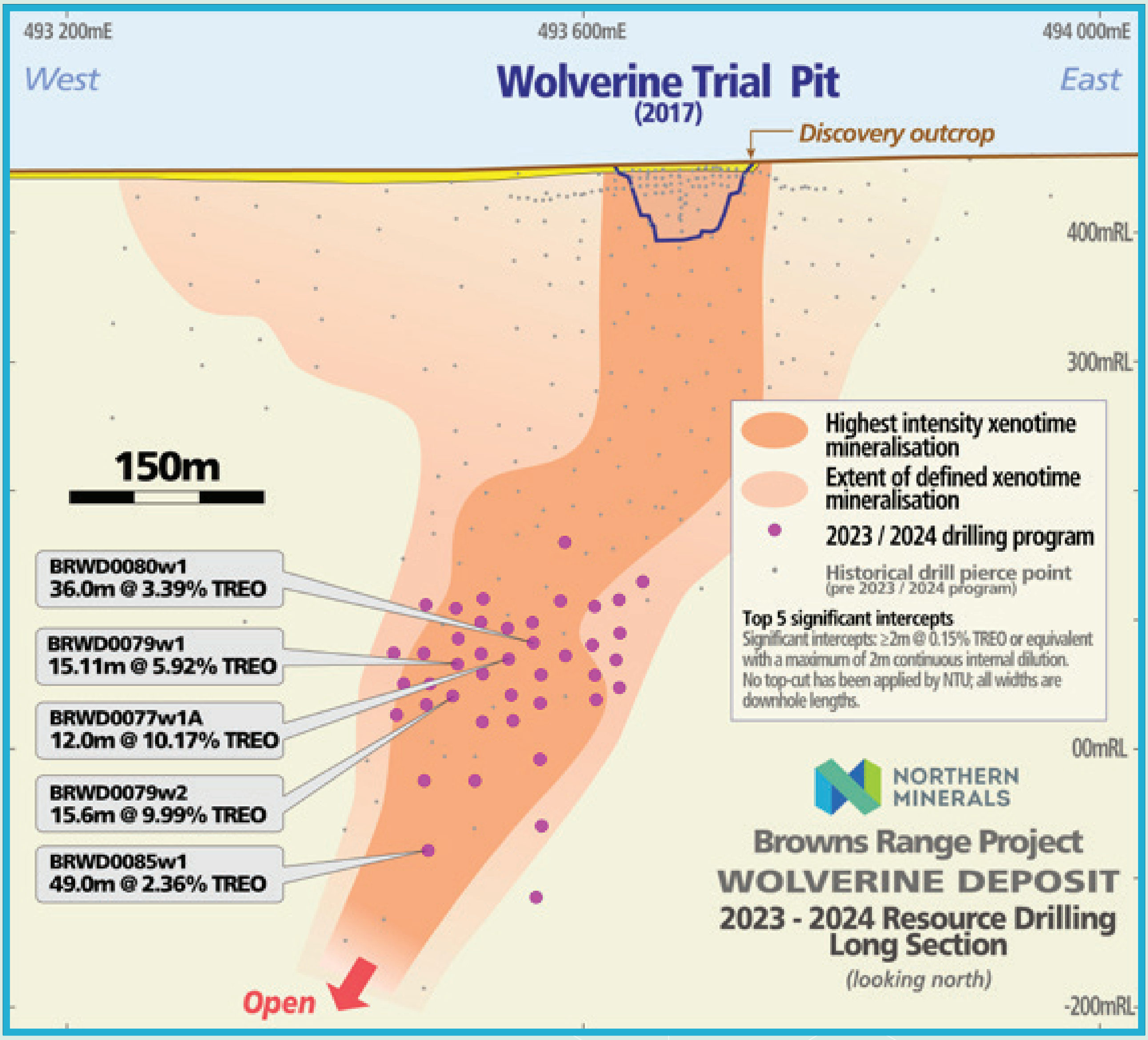


FIGURE 7 Schematic long section of the Wolverine deposit highlighting significant intercepts.

9 ASX 22 April 2024
10 ASX 30 May 2024

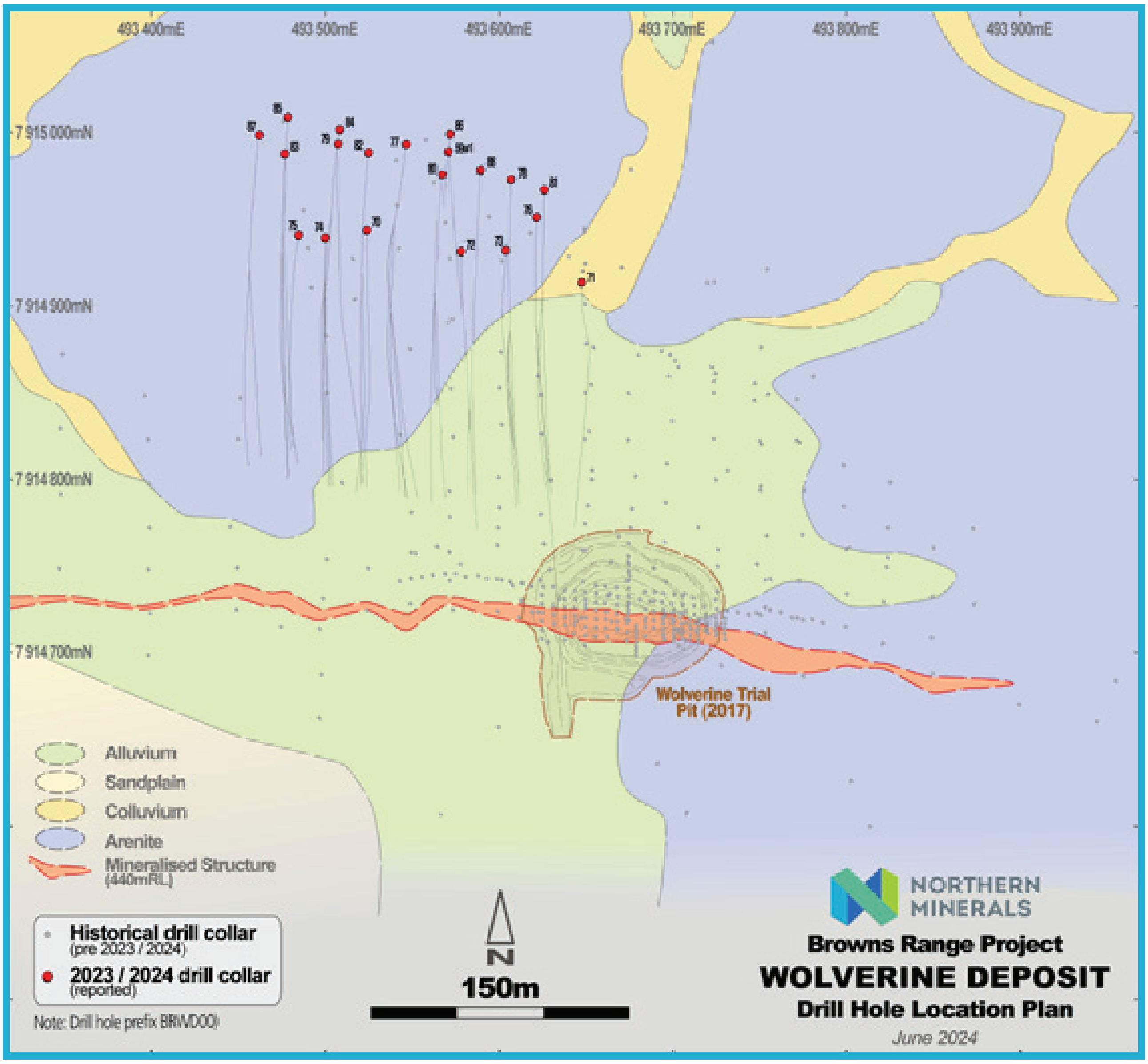


FIGURE 8 Location plan view of drillhole collars.

The deepest down plunge drill intercept BRWD0085W1 returned an exceptional intercept of 49 m @ 2.36% TREO from 540 m, confirming xenotime mineralisation remains open at depth (Figure 9).

Other significant intercepts reported by the Company include:

- BRWD0079w2: 15.6m @ 9.99% TREO, from 428.20 m
- BRWD0080w1: 36.0m @ 3.39% TREO, from 396.00 m
- BRWD0077w1A: 12.0m @ 10.17% TREO, from 410.00 m
- BRWD0079w1: 15.1m @ 5.92% TREO, from 410.58 m
- BRWD0082w2: 30.2m @ 2.89% TREO, from 442.00 m
- BRWD0083w2: 29.5m @ 2.86% TREO, from 419.79 m
- BRWD0083: 25.8m @ 2.37% TREO, from 406.00 m
- BRWD0085: 13.1m @ 4.35% TREO, from 496.90 m

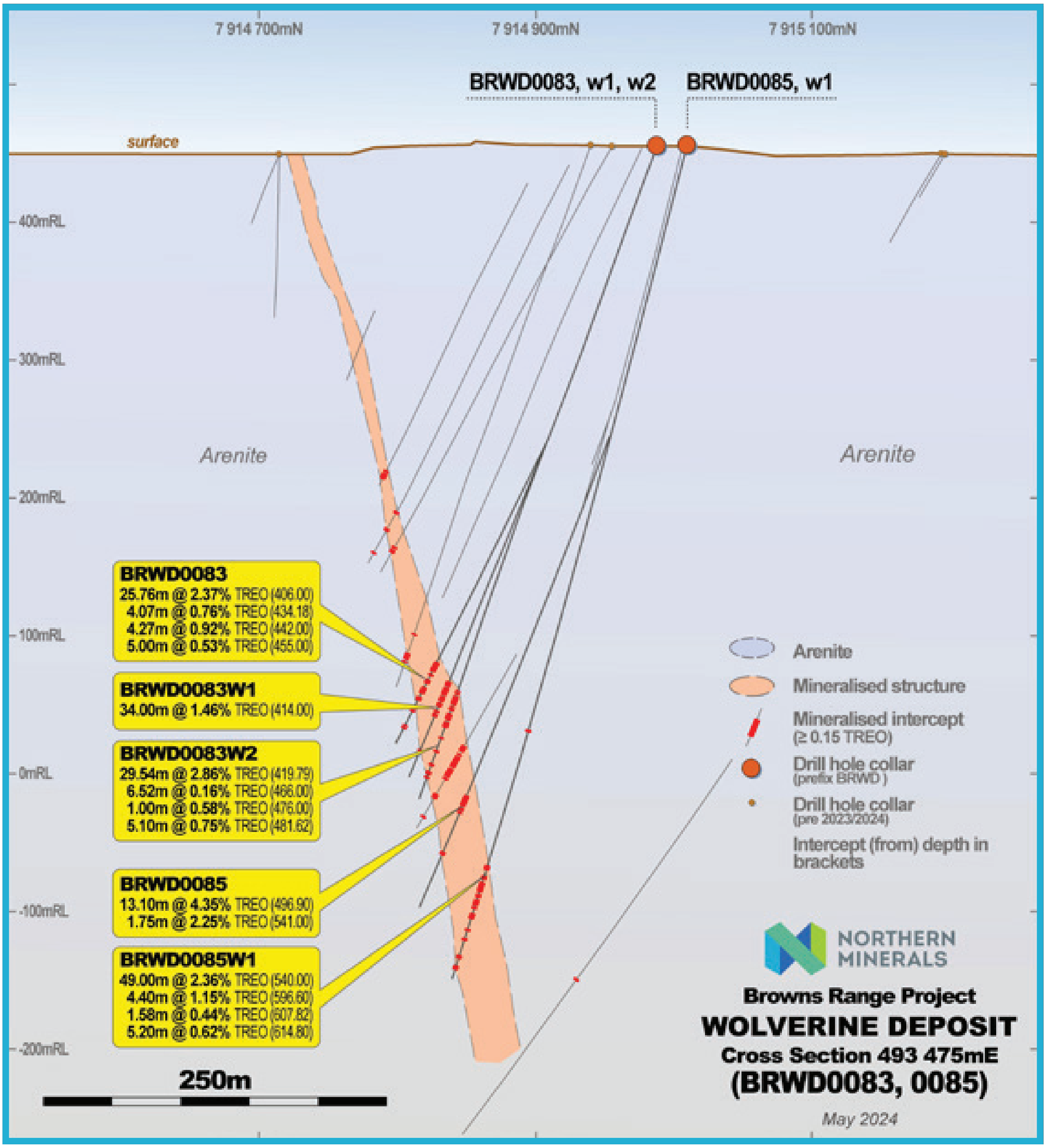


FIGURE 9 Significant intercepts in drill holes BRWD0083 and BRWD0085 and daughter holes BRWD0083W1, BRWD0083W2, and BRWD0085W1 (cross section facing west along 493475 Easting).

FIGURE 10 Wolverine core samples.

A broader structural review of the Wolverine deposit was completed in the June quarter, which integrated new data from the drilling. In addition, a refined spatial model of deformation intensity was developed through the standardised logging of historical drill holes, including the relogging of 12,800 metres within key structural zones. This updated model aims to better define geological domains and understand the mineralisation controls, providing valuable insights into the distribution of grades within the deposit.

This enhanced geological understanding will not only inform the upcoming MRe update, but also guide future exploration targeting across the Browns Range Dome tenements in Western Australia and the Northern Territory. The updated MRe, incorporating the latest assay results and spatial modelling, is expected to be completed in Q4 CY2024. In parallel, an updated MRe for the Banshee deposit has also been initiated, incorporating results from the 2021 resource extension drilling program[11] and will be completed during the first half of FY25.

Pathway to finalising the DFS

While the Company has completed the majority of the DFS, the release was deferred until such time as the results from the Resource Definition Drilling Program can be included in an updated MRe. This updated MRe will inform subsequent mine design, scheduling, and cave flow modelling and will enable the DFS to be completed and released in Q1 CY2025.

Key remaining work programs of the DFS include:

- Finalisation of the updated Wolverine MRe.
- Mine design, scheduling adjustments and cave flow modelling based on the updated MRe.
- Completion of magnetic separation and flotation variability test work.
- Updated CAPEX and OPEX estimates.
- Updated Project implementation schedule and implementation plan.

The successful completion of these remaining workstreams is essential to advancing the Browns Range Project, ultimately guiding Northern Minerals towards a Final Investment Decision, which is targeted for the first half of CY2025.

11 *ASX 7 September 2021*

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

Northern Minerals is committed to its vision of sustainably producing dysprosium and terbium to support clean energy technologies and contribute to the global reduction of greenhouse gas emissions. This aligns with the Company's broader ESG strategy, demonstrating a clear commitment to sustainable development and responsible resource management.

Environmental Performance

Environmental and Social Management

Northern Minerals is proud of its collaborative approach with stakeholders and remains dedicated to complying with regulatory and contractual obligations related to environmental and social management across its projects. The Company has continued to adhere to the Department of Energy, Mines, Industry, Regulation and Safety (DEMIRS) accepted Care and Maintenance Plan for the Browns Range Pilot Plant, following its transition into Care and Maintenance in 2022. During FY24, Northern Minerals supported its Site Managers Workplace Health and Safety (WHS) Statutory Manager training as part of their statutory responsibility of Senior Site Executives (SSE) for the Browns Range Project. The SSE is responsible for ensuring compliance with the WHS legislation and delivery of the Care and Maintenance Plan.

Northern Minerals is committed to continuous improvement in social and environmental management. In the first quarter, the Company developed an Environmental and Social Management System (ESMS), which is currently being updated to support the proposed construction phase of the Browns Range Project. The ESMS is a key tool to assist Northern Minerals to manage activities with minimal environmental and social impact. It includes obligations registers and management plans to minimise and avoid impacts to sensitive areas, vegetation, fauna, water resources and from the generation of wastes. This updated ESMS will be integrated into the Company's broader Integrated Management System to ensure a cohesive approach to managing environmental and social responsibilities.

CASE STUDY:

Enhancing Environmental Management through Targeted Mapping Studies

Background

Northern Minerals is committed to minimising environmental impacts and preserving the unique biodiversity at Browns Range. To support this commitment, the Company engaged Mattiske Consulting and Bamford Consulting during the year to refine and consolidate critical environmental mapping datasets.

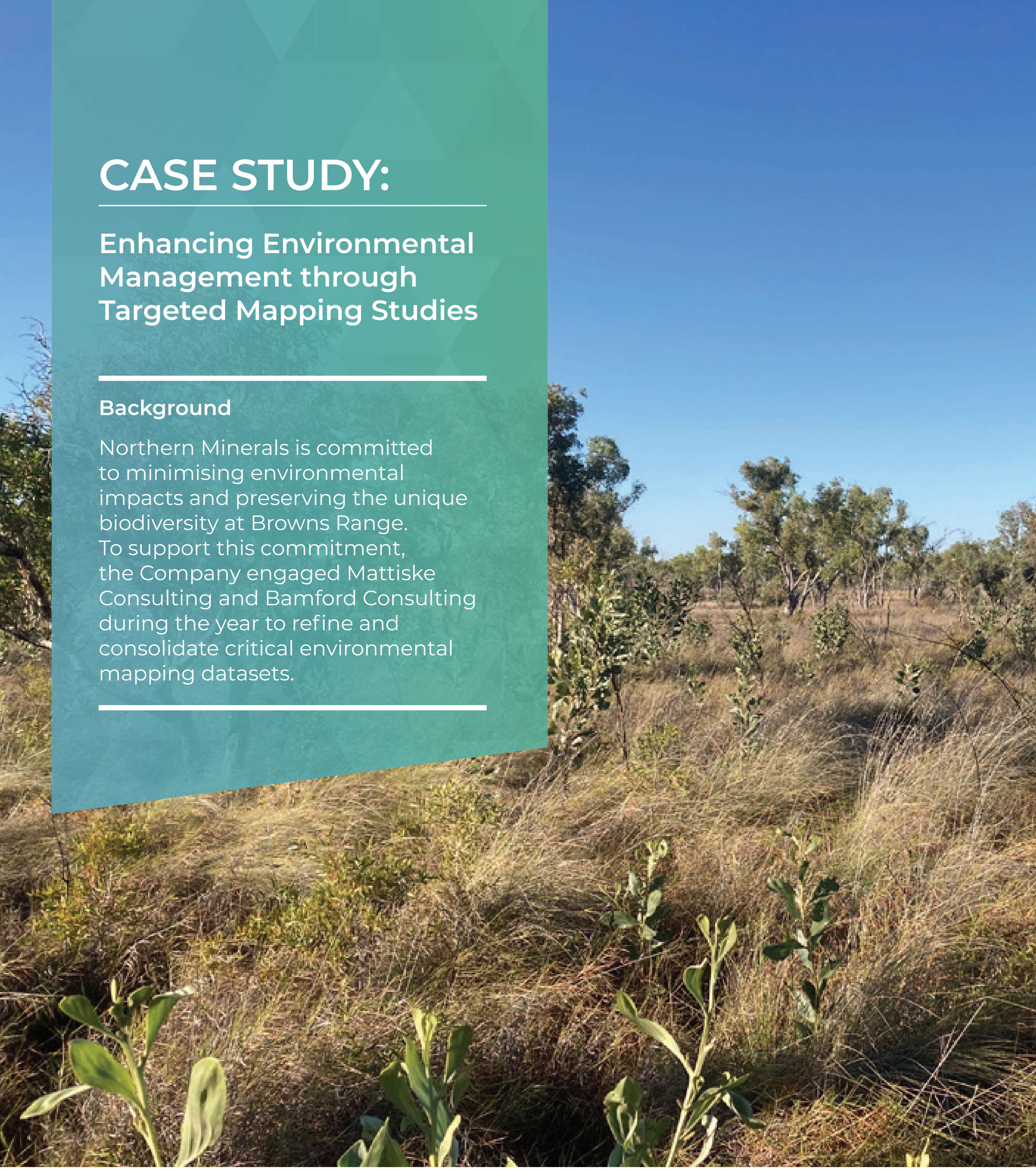


FIGURE 11 The access road has been designed to minimise impacts to Perched Damplands vegetation type (Mattiske Environmental Consulting 2023), which contains unusual flora.

The Initiative

Mattiske Consulting was commissioned to review and update flora and vegetation mapping that had previously been undertaken in 2013. The goal was to create a single, consistent mapping dataset that would serve as an input into a key Geographic Information System (GIS) tool for planning and managing ground disturbance on site. The updated mapping highlighted the Project area's distinctive open Eucalyptus and Corymbia woodlands over hummock grasslands. A targeted survey was also conducted to assess the regional extent of the "Perched Damplands," an unusual vegetation type that harbours conservation-significant flora. Findings from this study directly influenced the redesign of the access road alignment, the area which is shown in Figure 5, allowing Northern Minerals to minimise or avoid impacts on sensitive vegetation.

Complementing this work, Bamford Consulting was tasked with consolidating vertebrate fauna habitat mapping. This dataset identifies habitats of conservation-significant species such as the Spectacled Hare-Wallaby, Bilby, and Pebble-mound Mouse. Integrated into Northern Minerals' GIS tools, these maps are critical in enforcing rigorous ground disturbing procedures aimed at protecting vulnerable fauna.

Impact

The mapping studies have been instrumental in guiding project planning to avoid or minimise environmental impacts, demonstrating Northern Minerals' proactive approach to environmental management. These efforts underscore the Company's commitment to responsible resource development while safeguarding the unique flora and fauna of the East Kimberley region.

Project Design Improvements and Environmental Approvals

During the year, Northern Minerals identified opportunities to enhance the Browns Range Project design by incorporating renewable energy solutions to reduce reliance on diesel power generation. The design enhancements included a combination of a 10 MW solar farm and two 4.5 MW wind turbines, consideration of alternative water sources, and fulfilling its commitment to the Kundat Djaru community through the construction of an access track to bypass the Ringer Soak town-site. The proposed renewable energy solutions reduce the Projects greenhouse gas emissions as well as reducing costs associated with logistics and energy. Once constructed, the access track will bypass the Ringer Soak town-site by approximately two kilometres, reducing traffic and minimising dust impacts to the community.

In support of the Project's design improvements, Northern Minerals submitted a minor change to the approved Ministerial Statement 986 (MS986) under Section 45C (S45C) of the Environmental Protection Act 1986 which was ultimately granted, post the reporting period[12].

Key environmental approvals under the Mining Act 1978 were obtained mid-year to facilitate hydrogeological exploration in the proposed bore field and to conduct geotechnical investigations across the Project area. Baseline environmental surveys were conducted by Mattiske Consulting and Bamford Consulting, focusing on flora, vegetation, and fauna to assess the potential impacts of proposed infrastructure changes, including road deviations and additional project infrastructure.

[12] *ASX 30 August 2024*

CASE STUDY:

Rehabilitation and Environmental Stewardship

Background

Northern Minerals is committed to responsible environmental stewardship, with a focus on effective rehabilitation practices to restore disturbed land. Following a rehabilitation study of the waste rock landforms (WRL) associated with the Pilot Plant in 2018, the Company engaged Mattiske Consulting to assess vegetation regrowth on topsoil treatments applied to the WRLs.

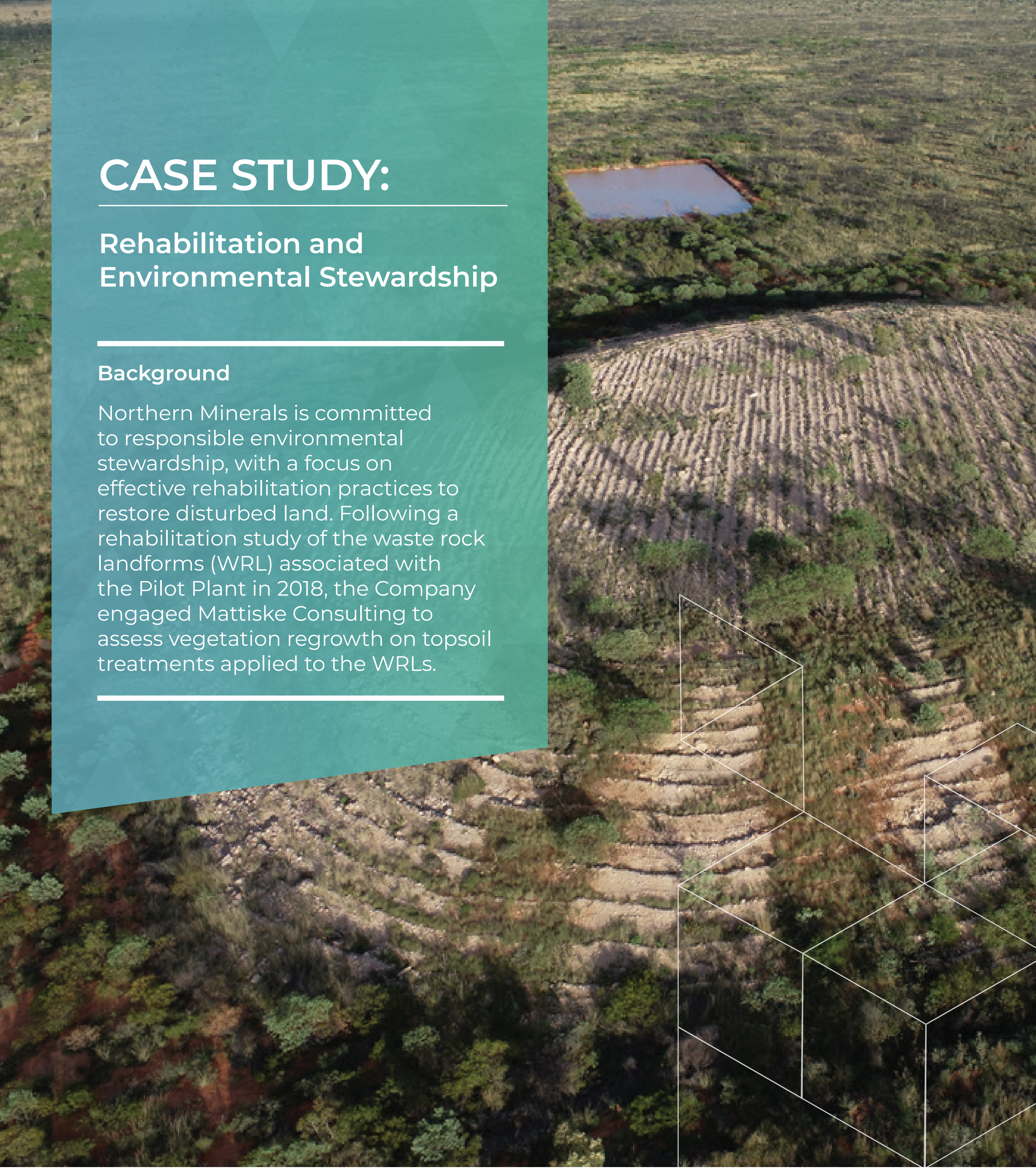


FIGURE 12 Wolverine waste rock landform rehabilitation soil depth trial area.

The Study

An on-site assessment of the area was conducted in the final quarter of FY2023, with subsequent plant identification and sample analyses in quarter two of the reporting period, which aimed to evaluate species richness, density, and foliage cover on the Wolverine and Gambit WRLs. A total of 109 vascular plant species from 27 families and 66 genera were recorded, demonstrating the success of the rehabilitation efforts. The findings highlighted the importance of perennial species, which accounted for 66% of the species recorded. These long-lived plants contribute to long-term slope stability, crucial for developing a sustainable and stable landform.

The study trialled various topsoil treatments, including 50 mm, 100 mm, and 150 mm thickness applications. Results indicated that the thickest topsoil treatment (150 mm) supported the highest species richness and perennial density on both WRLs, reinforcing the value of topsoil as a critical resource that should be carefully managed throughout the life of the Project.

Impact

The positive outcomes of the rehabilitation trial underscore the importance of topsoil in achieving successful vegetation regrowth, with implications for larger-scale rehabilitation works planned for the broader Project area when the time comes. These findings demonstrate Northern Minerals' proactive approach to environmental management, highlighting the Company's commitment to restoring the land and supporting biodiversity in line with best practice standards. The ongoing WRL study will continue to guide rehabilitation efforts in the future, ensuring that the site can be effectively rehabilitated when the Project concludes.

Social Performance

Health and Safety

Northern Minerals is committed to ensuring the physical and psychological safety and wellbeing of its workforce. The Company's health and safety culture is grounded in its core value of Safety – looking out for myself, others and speaking up.

Northern Minerals placed significant emphasis on implementing its Safety Management System (SMS) in FY24 and reinforcing strong governance practices. Key initiatives during the year included improvements to the site induction process, strengthening contractor onboarding protocols, and implementation of the incident reporting training module. The objective of these initiatives was to improve clarity and understanding of health and safety expectations across its workforce.

The Company's commitment to maintaining a safe and healthy working environment for employees, contractors, and visitors is reflected in its outstanding safety performance, with a Total Recordable Injury Frequency Rate (TRIFR) of zero (0.00) as of 30 June 2024 - a record that has been maintained since November 2022.

Employee Wellbeing and Psychosocial Safety

The Company strengthened its commitment to employee wellbeing during the year with the appointment of Employee Assistance Provider (EAP) Lifeskills Australia. This partnership ensures its workforce has access to a comprehensive range of mental health and emotional support services, tailored to meet the diverse needs of its employees.

To address psychosocial hazards, Northern Minerals conducted a Safety Climate Survey during the June quarter to gain deeper insights into its workforce's experiences and perceptions of the workplace environment. This survey aimed to identify psychological safety improvement areas for improvement within the Company. The findings from the survey will be analysed during Q1FY25 and will inform an action plan to drive meaningful improvements.

Emergency Preparedness and Response

Northern Minerals' collaboration with Riklan Emergency Management Services, a leading provider of emergency and safety training for the mining industry, has strengthened the Company's emergency preparedness and response capabilities. Throughout FY24, a comprehensive review of emergency equipment was conducted, alongside a reassessment of the Company's risk profile.

Targeted training sessions, including bushfire and fire safety awareness, risk management, and incident reporting, were conducted to equip the workforce and supervisors with the necessary skills to handle emergencies effectively. These training modules, tailored to the specific risks of the Browns Range Project, support Northern Minerals' overarching commitment to maintaining a safe working environment and enhancing its safety culture.

FIGURE 13 Lunch in the shade during archaeological survey, November 2023.

Heritage

Northern Minerals is committed to working respectfully with the Traditional Owners of the lands on which it operates in Western Australia and the Northern Territory, ensuring that best practice heritage processes are followed, and mutually beneficial outcomes are achieved. Throughout the year, the Company closely collaborated with the Jaru people, the Traditional Owners of the land surrounding the Browns Range Project, to safeguard cultural heritage as the Project advances towards development.

During FY24, the Jaru people conducted three archaeological surveys and one ethnographic survey across the Browns Range Project area and targeted exploration drilling sites (Figure 7 and Figure 8). These surveys provided critical heritage clearances for key project infrastructure, including the mine site, plant, and non-process facilities. The surveys also identified areas of cultural significance, including sites containing artifacts, allowing Northern Minerals to integrate heritage management practices into project design and on-ground activities.

In addition to conducting surveys, the Jaru people provided heritage monitoring services during ground-disturbing activities, ensuring that cultural values and heritage sites are respected and preserved throughout project and exploration activities. This ongoing collaboration reflects Northern Minerals' commitment to protecting cultural heritage and maintaining strong, respectful relationships with Traditional Owners.

FIGURE 14 Walking the flat lands during archaeological Survey, November 2023.

Community Engagement

Northern Minerals built a strong presence in the local community throughout the year, actively engaging with regional stakeholders and supporting local events. In October, the Company hosted a site tour of the Browns Range Project for members of the Shire of Halls Creek, where discussions centred on the recently approved Gordon Downs Road intersection and explored opportunities for Aboriginal training, employment, and contracting within the region.

The Company participated in NAIDOC Week celebrations in Halls Creek in July and Kundat Djaru in October, reflecting its commitment to supporting culturally significant events. Contributions included sponsoring a local basketball carnival, catering the NAIDOC Youth Dance in Halls Creek, and hosting a community BBQ in Kundat Djaru. In appreciation of Northern Minerals' community involvement, including erecting a playground and providing a hands-on geology lesson at Birlirr Ngawiyiwu Catholic School in Kundat Djaru, the children and community invited the Company to participate in a cultural ceremony at the school in September.

Responding to a longstanding community need, Northern Minerals supported a local Jaru contractor in February to grade a track to a previously inaccessible cultural site. This initiative allowed Elders to access the culturally important location and perform traditional practices there for the first time in many years, highlighting Northern Minerals' commitment to fostering meaningful connections and preserving cultural heritage.

Business Community and Local Engagement

Northern Minerals further strengthened its engagement with local business during FY24 by becoming members of the East Kimberley Chamber of Commerce and Industry and the Broome Chamber of Commerce and Industry. These memberships reflect the Company's commitment to supporting regional economic development and building strong relationships with local businesses. Throughout the year, Northern Minerals actively participated in business awards and networking events hosted by these chambers, providing opportunities to connect with local business, community representatives and other key stakeholders.

The Browns Range Project triggered the requirements of the Australian Jobs Act 2013, resulting in the successful approval of an Australian Industry Participation Plan (AIPP) in December. This plan underscores Northern Minerals' commitment to providing transparency and opportunities for local communities. Following the reporting period, the ICN Gateway procurement portal for the Browns Range Project was published on the Company's website which Northern Minerals has broadly communicated to encourage businesses to express interest in delivering project packages.

FIGURE 15 Site access road conditions during the 2024 wet season in the East Kimberley.

FIGURE 16 Damaged creek crossing at Ringer Soak.

The Kimberley region is characterised by a sub-tropical climate with a distinct wet season from November to April. During the 2024 wet season, the East Kimberley experienced significant rainfall, causing considerable damage to the Browns Range site access road (Figure 15). In response, Northern Minerals collaborated with the Jaru Traditional Owners to implement a comprehensive road repair program, which commenced in April. Repairs were successfully completed by mid-May, allowing the access road to be reopened, restoring critical connectivity to the Browns Range Project.

The Company's road repair program included the Kundat Djaru (Ringer Soak) floodway crossing, a vital access route for the local community and the Project (Figure 16). This floodway crossing plays a crucial role in ensuring safe and reliable passage during wet seasons, facilitating the movement of people, goods, and services. Its repair was essential to maintaining uninterrupted access for both community members and Northern Minerals' operations, reinforcing the Company's commitment to supporting local infrastructure and the wellbeing of the East Kimberley community.

CASE STUDY:

Strengthening Regional Engagement through Strategic Partnerships

Background

Staff movements to and from the Browns Range Project have historically been managed through Broome Airport, located in Western Australia. However, as part of Northern Minerals' ongoing commitment to supporting the East Kimberley community, the Company sought to explore alternative solutions that would better align with its strategic focus on regional engagement and its long-term commitment to delivering benefits to the East Kimberley.

The Opportunity

In the second half of FY24, Northern Minerals identified an opportunity to strengthen ties with the East Kimberley region by advancing discussions with Aviair, a leading regional airline, to secure direct charter flights from Kununurra to Browns Range. This strategic shift aimed to enhance logistical efficiencies and contribute to local economic development.

The Partnership

Through a collaborative partnership with Aviair, Northern Minerals secured charter flights that will not only streamline transport logistics but will also provide benefits to the local community. The decision to relocate flight operations from Broome to Kununurra aligns with Northern Minerals' broader focus on fostering strong regional connections and supporting local businesses.

The Inaugural Flight

The inaugural charter flight from Kununurra to Browns Range took place on 23 August 2024, shortly after the reporting period, marking a significant milestone for the Company. The event was attended by Northern Minerals Chief Operating Officer Angela Glover and Aviair Managing Director Michael McConachy highlighting the partnership's importance in strengthening regional ties.

Impact and Future Outlook

The introduction of direct charters from Kununurra is a critical step forward, providing improved logistical support as the Browns Range Project moves closer to production. During the construction and operations phase of the Project, Northern Minerals expects to increase its workforce which will bring direct and indirect financial benefits to the community. This partnership demonstrates Northern Minerals' dedication to creating long-term value for the East Kimberley region and reinforces its commitment to sustainable regional development.

People and Culture

Northern Minerals recognises the critical importance of actively shaping and embedding a positive culture to attract, develop, support, and retain a talented workforce. The Company implemented several initiatives in FY24 that contributed to high retention rates in a highly competitive labour market, resulting in over 90% of its workforce choosing to remain with Northern Minerals during the year.

Vision, Purpose, and Values

In the first quarter of the year, Northern Minerals conducted a workshop with senior managers and leaders to refine its vision, clarify its purpose, and refresh its values. This workshop set the foundation for a workplace culture that reflects the Company's commitment to Safety, Respect, Integrity, Accountability, Innovation, and Clarity. The refreshed focus centres on attracting, developing, and retaining individuals who align with these values and support the Company's strategic objectives.

To further embed these values, Northern Minerals introduced a new performance and development framework that emphasises the achievement of business and individual goals in alignment with its core values.

Policy Framework and Code of Conduct

During the year, Northern Minerals carried out a thorough assessment of its policy framework, resulting in the introduction of new and updated policies, including those on Diversity, Risk Management, and Community, that set clear standards of behaviour and foster an inclusive and diverse workplace.

A refreshed Code of Conduct was developed to guide employees and contractors in understanding the Company's values and expected behaviours, serving as a vital tool in supporting and reshaping our culture. The Code of Conduct underpins Northern Minerals' commitment to maintaining a workplace that is free from harassment, bullying, and discrimination, supporting a healthy and resilient workforce.

Future Initiatives and Continuous Improvement

Looking ahead to FY25, Northern Minerals plans to implement further initiatives to enhance employee attraction and retention. The Company will focus on strengthening communication and engagement with employees by launching a refreshed employee engagement survey. This survey will gather feedback across key metrics, providing annual insights into engagement levels and organisational culture. The results will serve as a foundation for targeted initiatives to address feedback and seize opportunities for improvement.

Improving systems, enhancing efficiencies, and leveraging data analytics will also be key priorities over the next 12 months. During FY24, Northern Minerals initiated a review of its technology and management systems, which will continue as a priority in the coming year. The implementation of new HR systems will support improved efficiencies, provide consistent data, and offer a deeper understanding of employee experience and capabilities.

Governance

Risk Management

Northern Minerals' risk management framework aligns with ISO 31000, the international standard for risk management, ensuring a structured and consistent approach to identifying, assessing, managing, and reporting on strategic, operational, financial, environmental, social, governance, and other business risks across the organisation. The framework is supported by strong oversight from the Board, which possesses a comprehensive understanding of the critical risks associated with the resources sector and the specific jurisdictions in which it operates.

Northern Minerals conducted a comprehensive review of risk profiles across its operational teams in FY24, aiming to ensure that all identified risks are thoroughly managed at the operational level. To enhance risk management capability, the Company provided internal risk management training to its workforce and external competency-based training.

Environmental Compliance

During the year, Northern Minerals focused on reviewing environmental performance and improving compliance management as it managed its obligations under the Browns Range Care and Maintenance Plan and prepared for the proposed construction phase of the Project. A dedicated environmental compliance role was established, allowing the Company to develop a comprehensive Environmental Performance Evaluation Schedule. This schedule lists key environmental compliance commitments to assist in planning work schedules and track tasks until their completion. This schedule has been effective in managing environmental compliance.

Despite an exceptionally wet season in 2024, the Company successfully avoided any significant adverse material environmental impacts. Compliance monitoring continues to be managed in-house, supported by a robust environmental dataset baseline.

In accordance with the requirements of Ministerial Statement 986, Northern Minerals remains committed to the Browns Range Conservation Significant Fauna Management Plan. As part of this commitment, staff participated in fauna handling training provided by Australian wildlife education and training organisation Animal Ark during the June quarter. The training covered safe handling techniques for various fauna, including reptiles, mammals, and birds, with a particular focus on venomous snake management.

Care and Maintenance Obligations

To meet the Care and Maintenance Plan obligations for the Browns Range Project, Northern Minerals invested in several initiatives to ensure adherence to the Plan. This included engaging Site Managers to oversee compliance, conducting on-ground fauna inspections prior to any ground-disturbing works, and engaging Knight Piésold, a global engineering and environmental consultancy, to perform a geotechnical inspection of the waste rock landforms and the tailings storage facility.

CORPORATE UPDATE

Board and Executive changes

Northern Minerals made changes to its Executive team during the year to strengthen the Company's operational and strategic capabilities. Angela Glover was appointed Chief Operating Officer in the first quarter, bringing over 20 years resources sector experience to Northern Minerals, including roles with BCI Minerals, Atlas Iron, and Alcan Gove. In the second quarter, Dale Richards joined as Head of Geology, and has over 25 years of international mining experience in exploration, resource development, and operational geology.

In May[13], Executive Chair Nicholas Curtis AM announced he would step down from the role having served the Company since November 2021. Nick remains available to Northern Minerals as a strategic advisor. Non-Executive Director Adam Handley was subsequently appointed to the role of Executive Chair effective 27 May 2024. Adam, who joined the Board in December 2021, is a partner of global law firm HFW and immediate past President of the Australia China Business Council (WA).

As part of the changes to the Board of Directors, Shane Hartwig was appointed Managing Director and CEO effective 27 May 2024. Shane, who joined Northern Minerals as Finance Director in December 2022, has over 30 years' experience in finance, capital markets and project development and brings a strong strategic and financial perspective to his new role.

[13] *ASX 27 May 2024*

Foreign Acquisitions and Takeovers Orders

In June, the Federal Treasurer, Jim Chalmers, made an instrument outlining the requirement for five existing shareholders of the Company to divest a total of ~613.6M fully paid ordinary shares in the Company (approximately 10.4% of the issued capital of the Company) by the end of day on 2 September 2024 ("the Instrument")[14].

The Order was made by the Federal Treasurer following a referral in October 2023[15] by the Board of Directors regarding certain share buying activities of the Company's shares, in reference to requirements of the Foreign Acquisitions Takeovers Act 1975 (Cth).

Cyber Security Response

During the year, Northern Minerals experienced a cyber security breach[16]. Responding to this incident and enhancing cyber security measures have been critical areas of focus for the Company throughout the year.

Following the identification of the cybercrime event, a comprehensive response team was activated, comprising executive team members, the newly appointed Chief Information Officer, third-party cyber security specialists and legal consultants. The response efforts centred on identification, containment and remediation activities, including thorough analysis and assessment of compromised data. Communications with key stakeholders and regulatory bodies were conducted promptly in line with legal and regulatory obligations.

In addition to the immediate measures undertaken to secure its systems, Northern Minerals implemented several enhancements to strengthen its cyber security framework. These improvements included revising internal processes and policies, engaging a new technology service provider, and upgrading security settings and service provisions.

As part of its commitment to continuous improvement, Northern Minerals will expand its focus to develop a risk-aligned cyber security strategy in FY25. This strategy will leverage leading standards, including the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) and guidance from the Australian Cyber Security Centre, to mature its approach and strengthen its defences against evolving cyber threats.

Cyber security is now a standing agenda item considered by the Board Risk and Audit Committee, with regular reporting on management's initiatives to monitor, prevent, and respond to cyber threats and emerging risks.

[14] *ASX 3 June 2024*
[15] *ASX 30 October 2023*
[16] *ASX 4 June 2024*

MINERAL RESOURCES STATEMENT

Mineral Resource Annual Review

During the year under review, a Resource Definition Drilling Program was conducted targeting the existing Inferred Resource component of the Wolverine deposit. Drilling commenced during November 2023 and was completed in May 2024. Subsequent incorporation of the assay results into an updated Mineral Resource estimate commenced, with completion planned for Q4 CY2024.

This Mineral Resource statement as at 30 June 2024 has been reported in accordance with the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (JORC Code).

The total Mineral Resource estimate for Browns Range as at 30 June 2024, is stated below in Table 1.

Comparison With Previous Year's Mineral Resource Estimate

The Mineral Resource Statement remains unchanged at 30 June 2024 compared with the 30 June 2023 Mineral Resource Statement.

TABLE 1 – Browns Range Mineral Resource Estimate, 30 June 2024

Deposit	Classification	Mt	TREO %	Dy_2O_3 kg/t	Y_2O_3 kg/t	Tb_4O_7 kg/t	HREO %	TREO kg
Wolverine	Measured	0.14	0.70	0.61	3.99	0.09	88	986,000
	Indicated	3.24	0.95	0.83	5.53	0.12	89	30,751,000
	Inferred	3.05	0.98	0.84	5.68	0.13	89	29,756,000
	Total[1]	**6.44**	**0.96**	**0.83**	**5.57**	**0.12**	**89**	**61,492,000**
Gambit West	Measured	-	-	-	-	-	-	-
	Indicated	0.12	1.8	1.62	10.98	0.22	94	2,107,000
	Inferred	0.13	0.51	0.4	2.67	0.05	81	674,000
	Total[1]	**0.25**	**1.11**	**0.97**	**6.56**	**0.13**	**91**	**2,781,000**
Pilot Plant Stockpiles	Measured	-	-	-	-	-	-	-
	Indicated	0.16	0.95	0.83	5.5	0.12	89	1,489,000
	Inferred	0.03	0.26	0.2	1.35	0.03	79	89,000
	Total[1]	**0.19**	**0.82**	**0.71**	**4.71**	**0.1**	**88**	**1,577,000**
Gambit	Measured	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-
	Inferred	0.21	0.89	0.83	5.62	0.11	96	1,878,000
	Total[1]	**0.21**	**0.89**	**0.83**	**5.62**	**0.11**	**96**	**1,878,000**
Area 5	Measured							
	Indicated	1.38	0.29	0.18	1.27	0.03	69	3,953,000
	Inferred	0.14	0.27	0.17	1.17	0.03	70	394,000
	Total[1]	**1.52**	**0.29**	**0.18**	**1.26**	**0.03**	**69**	**4,347,000**
Cyclops	Measured	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-
	Inferred	0.33	0.27	0.18	1.24	0.03	70	891,000
	Total[1]	**0.33**	**0.27**	**0.18**	**1.24**	**0.03**	**70**	**891,000**
Banshee	Measured	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-
	Inferred	1.66	0.21	0.16	1.17	0.02	87	3,484,000
	Total[1]	**1.66**	**0.21**	**0.16**	**1.17**	**0.02**	**87**	**3,484,000**
Dazzler	Measured	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-
	Inferred	0.21	2.33	2.17	13.93	0.29	95	5,000,000
	Total[1]	**0.21**	**2.33**	**2.17**	**13.93**	**0.29**	**95**	**5,000,000**
Total[1]	Measured	0.14	0.7	0.61	3.99	0.09	89	986,000
	Indicated	4.9	0.78	0.67	4.46	0.1	87	38,300,000
	Inferred	5.76	0.73	0.62	4.22	0.09	89	42,166,000
	Total[1]	**10.81**	**0.76**	**0.64**	**4.33**	**0.09**	**88**	**81,450,000**

[1] *Rounding may cause some computational discrepancies*

TREO = Total Rare Earth Oxides – Total of: La_2O_3, CeO_2, Pr_6O_{11}, Nd_2O_3, Sm_2O_3, Eu_2O_3, Gd_2O_3, Tb_4O_7, Dy_2O_3, Ho_2O_3, Er_2O_3, Tm_2O_3, Yb_2O_3, Lu_2O_3, Y_2O_3

HREO = Heavy Rare Earth Oxides – Total of: Sm_2O_3, Eu_2O_3, Gd_2O_3, Tb_4O_7, Dy_2O_3, Ho_2O_3, Er_2O_3, Tm_2O_3, Yb_2O_3, Lu_2O_3, Y_2O_3

HREO % = HREO/TREO x 100

COMPETENT PERSON AND COMPLIANCE STATEMENT

The information in this report that relates to the Wolverine Mineral Resource estimate (Oct 2022) is based on information compiled and approved by Dr. Maxim Seredkin. Dr. Maxim Seredkin is a full-time employee of CSA Global Pty Ltd and is a Fellow of Australasian Institute of Metallurgy and Mining (AusIMM) and Member of Australian Institute of Geoscience (AIG). Dr Maxim Seredkin has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Maxim Seredkin consents to the disclosure of the information in this report in the form and context in which it appears.

The information in this report that relates to the Mineral Resource estimates (other than Wolverine) estimates was compiled and approved as a whole by Mr Bill Rayson who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Rayson is a consultant to Northern Minerals, employed by Total Earth Science Pty Ltd, 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 Rayson consents to the inclusion of this information in the form and context in which it appears.

The Mineral Resource statement is based on, and fairly represents, information and supporting documentation prepared by competent persons.

For Wolverine deposit, further information that relates to the Mineral Resource estimate is available in the report entitled "Independent review increases Wolverine REE Mineral Resource estimate by 47% at Browns Range" dated 10 October 2022 and is available to view on the company's website (www.northernminerals.com.au).

For Dazzler, further information that relates to the Mineral Resource estimates is available in the report entitled "Over 50% Increase In Dazzler High-Grade Mineral Resource" dated 7 April 2020 and is available to view on the company's website (www.northernminerals.com.au).

For Pilot Plant Stockpiles, Gambit, Gambit West, Cyclops, Banshee and Area 5, further information that relates to the Mineral Resource estimates is available in the report entitled "Mineral Resource and Ore Reserve Update" dated 28 September 2018 and is available to view on the company's website (www.northernminerals.com.au).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

CORPORATE GOVERNANCE AND INTERNAL CONTROLS – MINERAL RESOURCES

Northern Minerals has ensured that the Mineral Resource estimates quoted above are subject to governance arrangements and internal controls. The Mineral Resource estimates have been derived by various practitioners and then reviewed by Northern Minerals' employees who have substantial knowledge of best practice in modelling and estimation techniques. Internal reviews of the Mineral Resource estimate have been completed by Northern Minerals' management and executives prior to public release. All Mineral Resource estimates that are disclosed by the Company are subject to review and approval by the Company's Board of Directors whose qualifications are disclosed in the Directors Report.

TENEMENT REPORT

Details of mining tenements as at 30 June 2024

Project	Location	Tenement ID	State	Status	Holder Application	Interest
Browns Range WA	Browns Range	E80/4479	WA	Granted	Northern Minerals	100%
	Browns Range	E80/4782	WA	Granted	Northern Minerals	100%
	Browns Range	E80/5040	WA	Granted	Northern Minerals	100%
	Browns Range	E80/5041	WA	Granted	Northern Minerals	100%
	Browns Range	M80/627	WA	Granted	Northern Minerals	100%
	Browns Range	M80/649	WA	Application	Northern Minerals	100%
	Browns Range	L80/76	WA	Granted	Northern Minerals	100%
	Browns Range	L80/77	WA	Granted	Northern Minerals	100%
	Browns Range	L80/78	WA	Granted	Northern Minerals	100%
	Browns Range	L80/79	WA	Granted	Northern Minerals	100%
	Browns Range	L80/107	WA	Application	Northern Minerals	100%
	Browns Range	L80/0109	WA	Application	Northern Minerals	100%
	Browns Range	L80/0110	WA	Application	Northern Minerals	100%
	Browns Range	L80/0111	WA	Application	Northern Minerals	100%
	Browns Range	L80/0113	WA	Application	Northern Minerals	100%
	Browns Range	E80/5260	WA	Granted	Northern Minerals	100%
	Browns Range	E80/5261	WA	Granted	Northern Minerals	100%
	Browns Range	E80/5367	WA	Granted	Northern Minerals	100%
	Browns Range	E80/5368	WA	Granted	Northern Minerals	100%
	Browns Range	E80/5369	WA	Granted	Northern Minerals	100%
	Browns Range	E80/5370	WA	Granted	Northern Minerals	100%
	Browns Range	E80/5418	WA	Granted	Northern Minerals	100%
Browns Range NT	Browns Range	EL24193	NT	Granted	Northern Minerals	100%
	Browns Range	EL24174	NT	Granted	Northern Star Resources	REE rights only
	Browns Range	EL26270	NT	Granted	Northern Minerals	100%
	Browns Range	EL26286	NT	Granted	Northern Minerals	100%
	Browns Range	ELA32161	NT	Application	Northern Minerals	100%
	Browns Range	ELA32162	NT	Application	Northern Minerals	100%
John Galt	John Galt	E80/4298	WA	Granted	Northern Minerals	100%
	John Galt	E80/4967	WA	Granted	Northern Minerals	100%
	John Galt	E80/5230	WA	Granted	Northern Minerals	100%

Project	Location	Tenement ID	State	Status	Holder Application	Interest
Boulder Ridge	Boulder Ridge	EL29594	NT	Granted	Northern Minerals	100%
	Boulder Ridge	ELA24849	NT	Application	Northern Minerals	100% (excluding gold rights)
	Boulder Ridge	ELA24935	NT	Application	Northern Minerals	100% (excluding gold rights)
	Boulder Ridge	EL24177	NT	Granted	Northern Minerals	100%
	Boulder Ridge	EL25171	NT	Granted	Northern Star Resources	REE rights only
	Boulder Ridge	ELA28868	NT	Application	Northern Star Resources	REE rights only
	Boulder Ridge	EL27590	NT	Granted	Northern Star Resources	REE rights only
Gardiner-Tanami NT	Tanami	EL23932	NT	Granted	Northern Star Resources	REE rights only
	Tanami	EL25009	NT	Granted	Northern Star Resources	REE rights only
	Ware Range	EL26498	NT	Granted	Northern Minerals	100%
	Ware Range	EL26541	NT	Granted	Northern Minerals	100%
	Pargee	EL27367	NT	Granted	Northern Minerals	100%
	Tanami	EL29592	NT	Granted	Northern Star Resources	REE rights only
	Tanami	EL29593	NT	Granted	Northern Star Resources	REE rights only
	Tanami	EL29595	NT	Granted	Northern Minerals	100%
	Tanami	ELA29619	NT	Application	Northern Star Resources	REE rights only
	Tanami	EL26635	NT	Granted	Northern Star Resources	REE rights only
	Tanami	ELA32163	NT	Application	Northern Star Resources	REE rights only
	Tanami	ELA32164	NT	Application	Northern Star Resources	REE rights only
Rabbit Flats	Rabbit Flats	ELA25159	NT	Application	Northern Star Resources	REE rights only
	Rabbit Flats	ELA25160	NT	Application	Northern Star Resources	REE rights only

The Company notes that post the end of the FY2024 reporting period that the two applications set out below were lodged.

Project	Location	Tenement ID	State	Status	Holder Application	Interest
Browns Range WA	Browns Range	L80/0120	WA	Application	Northern Minerals	100%
John Galt	John Galt	E80/6079	WA	Application	Northern Minerals	100%

ANNUAL FINANCIAL STATEMENTS 30 JUNE 2024

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024

The directors present their report together with the consolidated financial report of the Group, being Northern Minerals Limited ("Northern Minerals", "NTU", the "parent entity" or "Company') and its controlled entities, for the financial year ended 30 June 2024 and the independent auditors report thereon.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Directors and officers were in office for the entire period unless otherwise stated.

In May 2024 the Company announced a restructure of its Board of Directors that included Mr Adam Handley moving to the role of Executive Chairman, Mr Nicholas Curtis AM resigning from the role of Executive Chairman and taking on the role of Strategic Advisor to the Company and Mr Shane Hartwig moving from Finance Director to take on the role of Managing Director/CEO. These appointments were effective from 27 May 2024.

Adam Handley – Executive Chairman

Mr Handley, a Perth-based partner of global law firm HFW and Immediate Past President of the Australia China Business Council (WA), specialises in advising North Asian investors and their Australian counterparts to bridge successful business relationships across a range of sectors including resources, mining and project development. He is also the convenor and moderator of the Western Australian Premier's China WA Strategic Resources Dialogue (since inception of the dialogue in 2017).

He is widely regarded as one of the leading Australian legal advisers for major foreign government and non-government investors into Australia, particularly from China, and has advised on many notable Chinese trade and investment transactions. He also has a significant track record in advising Federal and State Governments on major regulatory and commercial projects within Western Australia and other States and Federally.

Mr Handley joined the board of Northern Minerals as a Non-executive Director in 2021 and moved into the role of Executive Chairman on 27 May 2024.

Mr Handley is the Chair of the Remuneration and Nomination Committee and Chair of the Audit and Risk Committee.

During the past three years, Mr Handley has not served as a director of any other listed companies.

Shane Hartwig – Managing Director / CEO

Mr Hartwig is a Founder and a Director of Peloton Advisory, a well-established and highly successful corporate advisory firm with offices in Sydney and Perth. He has more than 25 years' national and international experience in the finance industry and project development, more recently CFO and commercial lead for a proposed greenfield integrated infrastructure and mining project in WA.

He is a Certified Practicing Accountant and Chartered Company Secretary, with a Bachelor of Business majoring in Accounting and Taxation from Curtin University of Technology in Western Australia.

Mr Hartwig is accountable to direct and control the Company's operations and to work with the Chairman to provide strategic guidance and direction to the Board to ensure that the Company achieves its mission and objectives associated with progressing Northern Minerals' Browns Range Project into development, including securing project funding.

During the past three years, Mr Hartwig served as a non-executive director of listed company Memphasys Limited, a position he held until 26 April 2022.

DIRECTORS (Continued)

Bin Cai – Executive Director

Mr Cai has more than 24 years' Australian experience in the finance, capital markets and project development areas including across various resource companies and with the Queensland State Government. Mr Cai joined Northern Minerals in 2013 and assists the Company in its investor relation activities, particularly with those investors that have been introduced to the Company from China, Singapore and Hong Kong. Mr Cai is the Managing Director of Conglin International Investment Group Pty Ltd, based in Brisbane. Mr Cai has an outstanding record of successful strategic investments in emerging Australian resource companies. Prior to joining the Conglin Group, Mr Cai had 13 years' experience with The China Investment Bank and the Queensland State Government.

Mr Cai is a member of the Remuneration and Nomination Committee and the Audit and Risk Committee.

Mr Cai is currently a non-executive director of listed company Orion Metals Limited.

Liangbing Yu – Independent Non-executive Director

Mr Yu has more than 20 years' experience in business operation and management and is currently an Executive Partner at Beijing GloryHope Oriental Investment Centre. Mr Yu has a dual Bachelor's degree in Investment Economics and Economic Law.

Mr Yu is a member of the Remuneration and Nomination Committee and the Audit and Risk Committee.

Mr Yu is a director of Luokung Technology Corp (NASDAQ: LKCO).

Nicholas Curtis AM – Executive Chairman (Resigned on 24 May 2024)

Mr Curtis has an extensive background in mining and finance over more than 30 years, with a particular knowledge of the rare earths industry. Mr Curtis joined Northern Minerals as Non-executive Chairman in November 2021 and moved into the role of Executive Chairman in June 2022.

Mr Curtis was awarded an AM (member of the Order of Australia) in 2011 for his services to the community through executive roles supporting medical research and healthcare organisations and also for his work fostering Australia-China relations.

Mr Curtis is a Fellow of the Australian Institute of Company Directors.

During the past three years Mr Curtis has not served as a director of any other listed companies.

COMPANY SECRETARY

Belinda Pearce

Ms Pearce is a Chartered Accountant qualified with the Institute of Chartered Accountants in England and Wales. Ms Pearce has been with Northern Minerals since 2016 and is currently Financial Controller of the Company. Previously Ms Pearce held positions with BDO Australia for six years, including as an Audit Manager, as well as finance positions within the pearling, agriculture and oil and gas industries.

DIRECTOR AND COMMITTEE MEETINGS

The numbers of meetings of the Company's board of directors and of each board committee held during the year ended 30 June 2024, and the number of meetings attended by each director while they were a director was as follows:

Director	Board Meetings		Audit and Risk Committee		Remuneration and Nomination Committee	
	A	B	A	B	A	B
Adam Handley	15	16	2	2	-**	-
Shane Hartwig	16	16	2*	2*	-	-
Bin Cai	15	16	1	2	-**	-
Liangbing Yu	15	16	2	2	-**	-
Nicholas Curtis	14	15	2*	2*	-	-

A - meetings attended

B - meetings held during the time the director held office

* Not a member of the relevant Committee – attended by invitation

** matters related to Remuneration and Nomination were dealt with as part of normal Board meetings as applicable.

DIRECTORS' INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

As at the date of this report, the interests of the directors in the shares and options of the Company were:

Director (direct and indirect holdings)	Ordinary Shares	Performance Rights	Options
Adam Handley	-	-	10,000,000
Shane Hartwig	-	40,000,000	-
Bin Cai	5,600,000	15,000,000	-
Liangbing Yu	-	-	10,000,000

DIVIDENDS

No dividends have been paid or declared by the Company during the financial year or subsequent to the year end.

PRINCIPAL ACTIVITIES

During the year the principal continuing activities of Northern Minerals consisted of progressing the completion of a definitive feasibility study (DFS) for a commercial-scale mining and processing operation at its Brown Range Heavy Rare Earth Project (Browns Range or the Project), maintaining all exploration and mining tenure in good standing, meeting the Company's environmental and other monitoring obligations relevant to the Company's Pilot Plant, and maintaining the Browns Range camp and associated infrastructure. During the year the Company also undertook a resource definition drilling program at the Wolverine Deposit at Browns Range, which the Company hopes will assist it in securing project funding and proceed towards a Final Investment Decision targeted for the first half of the 2025 calendar year, subject to sufficient commitments from potential project debt and equity funding parties being procured.

REVIEW OF OPERATIONS

Operational and commercial activities during the financial year were focused on completing work programs to support the Company to achieve its strategic aim of achieving a Final Investment Decision (FID) for Browns Range.

The work programs included completion of most of the chapters of the Company's DFS, successfully completing the Mineral Resource Definition Drilling Program at the Company's flagship Wolverine deposit (producing exceptionally high-grade assay results), engagement of an Independent Technical Engineer (on behalf of prospective lenders) to complete an Independent Technical Review of the Project, undertook archaeological heritage surveys for project infrastructure development footprint, submitted Ministerial Statement 986, Section 45C variation application for the addition of renewable energy options for the Project, completed an ~7,000-line kilometre airborne geophysical survey over part of the Project and had to initiate essential repair and maintenance programs particularly in response to a record breaking wet season in the Kimberleys.

Commercially, the Company focused on continuing discussions with Northern Australia Infrastructure Facility (NAIF) and Export Finance Australia (EFA) as potential providers of debt funding to the Company's Project funding requirements alongside developing other Project Funding options. In addition, Northern Minerals dealt with various shareholder and related Australian Government regulatory issues and responded to a cyber-attack including containment, stakeholder management, Privacy Act obligations and process and systems improvements.

Definitive Feasibility Study (DFS)

The establishment of the strategic partnership with Iluka Resources Limited (Iluka) in October 2022, including a long-term offtake agreement between Northern Minerals and Iluka, underpinned the commencement of the DFS for the Project in November 2022. By agreeing to produce and sell a xenotime concentrate to Iluka, the Company was required to re-design the Project including a simplification of the process flowsheet. This has negated the need for the more complex hydrometallurgical circuit to produce RE carbonate, inclusion of ore sorting in the process flowsheet and a change in the underground mining method from long-holed, open stoping with paste backfill to longitudinal sub-level caving.

The design criteria for the Project's current DFS leverages off work undertaken in the earlier 2015 Feasibility Study, combined with the experience and knowledge gained from operating the large-scale 10 tph pilot plant at Browns Range from 2018 to 2022 to ensure that material opportunities and lessons learned are included. The DFS outlines the key technical and commercial aspects required to develop the Project.

Browns Range Heavy Rare Earth Project – 2024 Definitive Feasibility Study Chapters	
Project controls and procurement	Surface water and site wide water
Geology and Resource	Groundwater hydrogeology
Resource Estimation	Environment, social and community
Mine design, scheduling and costing	Accommodation village
Geotechnical mining	Access roads
Cave flow modelling	Site wide earthworks
Flowsheet design	Project logistics
Process plant design and utilities	Capital and operating cost
Tailings management and storage	Market analysis
Geotechnical plant and infrastructure	Economic Evaluation

REVIEW OF OPERATIONS (continued)

Progress continued across key workstreams during the reporting period which are central to finalising the update of the Definitive Feasibility Study. During the reporting period, the DFS Team worked on the following aspects of the DFS:

- Completed cave flow modelling to inform underground mine design and schedule.
- Completed assessments on the submissions received from experienced mining contractors for both the open pit request for tender and underground early contractor involvement processes.
- Completed assessment of tenders received from existing market participants to provide an outsourced power solution based on hybrid diesel/solar/wind options.
- Progressed hydrogeological assessment to develop the water management requirements for the mining operation.
- Completed all Non-Process Infrastructure (NPI) packages for inclusion in the DFS.
- Completed the Project Execution Plan.
- Commenced value engineering assessment on several DFS packages.
- Continued clarification process associated with the technical and commercial aspects of the tenders received from GR Engineering Services Ltd (GRES) and MACA Interquip (MIQ) through the early contractor involvement (ECI) process for the lumpsum Engineering Procurement and Construction (EPC) contract for the Process Plant.

During the financial year, the Company completed a draft of its DFS for the development of the Project. The DFS was completed to a draft form as the Company resolved in Q4 2023 to defer releasing the final DFS until such time as the Mineral Resource Definition Drilling Program had been completed (subsequently completed in May 2024) and the subsequent Wolverine Mineral Resource estimate (**MRe**) (emanating from the results of the drill program) is updated and the ensuing mining design and scheduling together with a value engineering program. The MRe is expected to be completed during Q4 2024 with the remaining programs and the final DFS expected be completed by Q1 2025.

The remaining material work programs (currently being worked on) required to enable the DFS to be completed are as follows:

- Update of Wolverine's MRe.
- Undertake mine design and scheduling and cave flow modelling, based on the updated Wolverine MRe.
- Finalise magnetic separation and flotation variability test work.
- Update the pricing of key capital expenditure (CAPEX) and operating expenditure (OPEX) items contained within the DFS, as well undertaking a further value engineering review to identity potential CAPEX and OPEX reductions in the Project.

Resource Definition Drilling Program

The Company successfully completed the Mineral Resource Definition Drilling Program (Program) at its flagship Wolverine deposit during the financial year which has produced exceptionally high-grade assay results. The Program commenced in November 2023 and was completed in May 2024, with subsequent demobilisation of both diamond-core drill rigs.

The Program was partially funded from the grant monies awarded to Northern Minerals as part of the Federal Government's Critical Minerals Development Program.

As previously reported, assay results from the Program have produced excellent results, confirming significant high-grade xenotime mineralisation along strike and down plunge, remaining open at depth. Xenotime mineralisation is a rich source of dysprosium and other heavy rare earths, including terbium, both of which are essential for high-performance permanent magnets used in electric vehicles, wind turbines and specialised defence applications. These valuable minerals are a critical input in clean energy technologies and enabling high-tech industries.

The completed Program comprised a total of 42 drill intersections, with all intercepts announced to date.

During the last quarter of the financial year a revision of the broader structural framework at the Wolverine deposit was undertaken, which incorporated the new drilling data from the Program.

In addition, a refinement of the new deformation intensity spatial model through standardised logging of all historical diamond drill holes within the primary controlling structures was completed. This included the relogging of a total of 12,800 meters. The new model is intended to define geological domains as a control on hydrothermal mineralising fluids and xenotime mineralisation.

Improved understanding of these domains and underlying structural controls will provide crucial information on the distribution of grade within the Wolverine deposit and is intended to inform the MRe update.

The structural association model will also improve exploration targeting across the Browns Range Dome prospective tenements in Western Australia and the Northern Territory.

Northern Minerals is on track to incorporate the assay results from the Program and spatial model into an updated MRe during Q4 CY2024, enabling the Company to finalise the Browns Range Definitive Feasibility Study (DFS), which is targeted for completion in Q1 CY2025. An updated MRe for the Banshee deposit was also initiated during the quarter, which will include results from a resource extension drill program completed in 2021.

Heritage Surveys

During the financial year, the Company worked with the Heritage Survey team to complete extensive heritage baseline surveys. Ethnographic surveys for the development footprint were finalised and archaeological surveys of the expanded footprint were completed with the traditional owners of Browns Range, the Jaru People. In addition, flora, fauna and vegetation surveys were undertaken. These additional environmental baseline surveys are to accommodate footprint changes for road deviations and infrastructure additions. The amendments were captured in a variation submission (Section 45C of the Environmental Protection Act) to the approved Ministerial Statement 986 for the Browns Range Project which was granted in August 2024.

Project Funding

Discussions continued throughout the year with Export Finance Australia (EFA) and the Northern Australian Infrastructure Facility (NAIF) to secure potential debt funding arrangements, with the Company previously fulfilling the strategic assessment phase of NAIF's investment decision process. Additionally, the Company continued working with its strategic partner Iluka Resources in its diligence program to advance potential cornerstone equity funding in preparation of Northern Minerals' Final Investment Decision. As part of the due diligence process, Iluka continued to review relevant technical and other relevant data from the Project.

During the year SRK Consulting (Australasia) Pty Ltd (SRK) were appointed as Independent Technical Engineer (ITE) for the benefit of prospective lenders to the Project. SRK are an independently owned company with a global network of multidisciplinary specialists experienced in undertaking due diligence reviews of mining projects world-wide, typically for international banks, mining companies, and financial institutions.

By the end of the June 2024, all the chapters prepared for the draft DFS were provided to SRK who will be required to produce a Technical Due Diligence Report for the Project, including on environmental and social aspects.

Leadership

Executive Chairman Nicholas Curtis AM announced he would step down from the role as of 24 May 2024. Mr Curtis had served the Company since November 2021 and remains available to Northern Minerals as a strategic advisor. Non-Executive Director Adam Handley was subsequently appointed to the role of Executive Chairman effective 27 May 2024. Mr Handley's core focus will be on stakeholder engagement including with shareholders, State and Federal governments and with Northern Minerals' strategic partner, Iluka.

REVIEW OF OPERATIONS (continued)

As part of these Board changes, Shane Hartwig was appointed Managing Director and CEO as of 27 May 2024, having served as Finance Director since December 2022.

During the financial year, the Company continued to expand its management capability, appointing Angela Glover to the role of Chief Operating Officer and Dale Richards to the role of Head of Geology.

Ms Glover has more than 20 years' experience in resources and industry in Western Australia, the Northern Territory and Queensland, including with companies BCI Minerals, BBI, Atlas Iron, WMC Resources and Alcan Gove. She is also highly experienced in heritage and native title management and social and external affairs management.

Mr Richards has more than 25 years' international experience in the mining industry managing exploration and growth, operational geology and near-mine resource operational readiness. He has extensive experience in underground and open pit mining operations with comprehensive skill sets, including order of magnitude studies, geological interpretation and modelling, Mineral Resource estimation, integration into mine planning, capital project management, systems implementation, and operations reconciliation.

Shareholder Engagement

During the year, Northern Minerals received shareholder nominations for three candidates to be elected to the Board of Directors (Candidates). The resolutions to consider the appointment of these Candidates were to be considered at the 2023 Annual General Meeting (2023 AGM), which was originally convened for 29 November 2023.

As outlined to the ASX at the time, the Northern Minerals Board considered whether one of the candidates' potential appointment as a director would require, or should be subject to, the approval of the Federal Treasurer under the Foreign Acquisitions and Takeovers Act 1975 (Cth). In addition, the Company sought to better understand links between the other two nominated candidates and, separately, examine share buying activities in the Company.

Given these circumstances, the Board considered it appropriate and in the best interests of the Company for the above matters to be referred to Australia's Foreign Investment Review Board (FIRB) for consideration to ensure there were no breaches of a Prohibition Order (in place in relation to one of the Company's Shareholders) or any Australian law.

Subsequent to announcing this, Northern Minerals received a notice in November 2023 from a shareholder, Yuxiao Fund Pte Ltd (Yuxiao Fund), requisitioning the Company to call an Extraordinary General Meeting of Shareholders (EGM) to consider certain resolutions, including the removal of Mr Curtis as Executive Chairman (Section 249D Notice).

Given that FIRB's consideration of the above matters would be unlikely to be completed by 30 November 2023 (being the statutory deadline for the holding of the 2023 AGM), the Company sought from the Australian Securities and Investments Commission (ASIC), and was granted, relief to extend the period by which the Company was to hold its 2023 AGM to 29 February 2024 (the Extension). The Extension provided additional time for appropriate inquiries to be made into the above matters.

Subsequent to this extension and given the Company was still awaiting an outcome from FIRB on its review, the Company sought from ASIC, and was again granted, relief a further three times to extend the period by which the Company was to hold its 2023 AGM to 7 June 2024 (the Extensions).

In addition, the Company announced that the Supreme Court of New South Wales had made orders allowing (among other things) the Company to hold the EGM requisitioned by Yuxiao Fund and the 2023 AGM on the same day.

Following the Company's announcements in May 2024 of the Board restructure, the need for the EGM requisitioned by Yuxiao Fund became redundant and the meeting, scheduled to held before the 2023 AGM on 6 June 2024, was cancelled.

The 2023 AGM was held on 6 June 2024. As per normal course of business, the meeting allowed the Company to reflect on the achievements and significant highlights of the year in review. As was emphasised at the 2023 AGM, a highlight of 2022-23 was the signing of a long-term supply agreement with Iluka to send xenotime concentrate from Browns Range to Iluka's under-construction rare earths refinery at Eneabba, also in Western Australia.

REVIEW OF OPERATIONS (continued)

Resolutions put to shareholders at the 2023 AGM included ones relating to shareholder-nominated candidates to be elected to the Board of the Company. These resolutions were not passed.

The resolution to adopt the Company's Remuneration Report attracted an against-vote of ~37.6%, constituting a 'first strike' under the Corporations Act 2001. The Board has acknowledged the feedback from shareholders and committed, among other matters, to review Northern Minerals' remuneration policies to ensure they align with shareholder expectations and best practices. Further, the Board is committed to ensuring full alignment with Shareholders to enable the execution of Northern Minerals' strategy, which is focused on the safe and successful development of Browns Range.

The Company has provided further commentary on its approach to remuneration in the Remuneration Report, contained within these Annual Financial Statements.

Foreign Acquisitions and Takeovers Orders

On 3 June 2024, the Federal Treasurer, the Honourable Dr Jim Chalmers MP, made an instrument outlining the requirement for five existing shareholders of the Company to divest a total of ~613.6M fully paid ordinary shares in the Company (approximately 10.4% of the issued capital of the Company) by the end of day on 2 September 2024 (the Instrument).

The Order was made by the Federal Treasurer following the Board's referral in October 2023 to FIRB to consider certain share buying activities of the Company's shares, in reference to requirements of the Foreign Acquisitions Takeovers Act 1975 (Cth).

Northern Minerals has been advised that subsequent to the close of business on 2 September 2024, the divestment of the shares under the Order was largely complete, and as at the date of this report ~146.2 million shares remained un-divested as part of this process. As part of this process and other recent shareholder changes the Company welcomes additional significant shareholders whom Management are in the process of meeting.

Cyber Breach

Northern Minerals was made aware in March 2024 that it had become the victim of a cyber security breach. In accordance with governance practices and protocols, the Company immediately notified the Australian Cyber Security Centre and the Office of the Australian Information Commissioner. With consideration to the official government stance, and the specific circumstances of this incident, the Company refused to pay the ransom demanded by the cyber criminals.

Following the identification of the cybercrime event, a cyber response team was activated, consisting of executive leadership team members, a newly appointed Chief Information Officer and a range of third-party cyber security specialists and legal and other consultants. Critical work streams included identification, elimination and remediation activities, analysis and assessment of data that had, or potentially had, been compromised and communications to both key stakeholders and key regulatory bodies in accordance with our obligations.

The exfiltrated data included corporate, operational and financial information and some details relating to current and former personnel and some shareholder information. The breach did not have a material impact on the Company's operations or broader systems. Since the breach, the Company has reviewed its processes and implemented actions to further strengthen its systems.

Northern Minerals recognises the prevalence of cybercrime events and that these events will continue to pose a material risk to the business. Since the cyber breach, Northern Minerals has implemented various enhancements to its cyber security including improvements to internal processes and policies, the engagement of an alternative technology service supplier and uplifting of security settings and service provisions.

Building upon our existing program of work to enhance IT security across our business, the Company will expand its focus to continue to mature its cybersecurity approach through the development of a comprehensive risk-aligned strategy. This strategy will leverage leading frameworks such as the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) and guidance from the Australian Government's Cyber Security Centre.

SUMMARY OF FINANCIAL PERFORMANCE

A summary of key financial indicators for the Group, with prior two-year comparisons, is set out in the following table:

	30 June 2024 $	30 June 2023 $	30 June 2022 $
Total income	5,613,856	1,644,906	9,292,825
Net loss after tax	(31,588,360)	(22,288,780)	(24,356,842)
Basic EPS (cents)	(0.55)	(0.45)	(0.50)
Net cash used in operating activities	(26,119,278)	(14,087,158)	(16,929,326)
Net cash from/(used) in investing activities	(556,780)	699,558	(499,795)
Net cash from financing activities	23,241,390	22,228,468	259,697

The net loss of the Group for the year ended 30 June 2024 of $31.6 million (2023: $22.3 million) was predominately due to the following activities in the year:

Direct drilling costs on the resource definition drilling campaign of $4.6 million were incurred in the year, this drilling programme commenced in November 2023 and was part of the activities funded by the Critical Minerals Development Program (CMDP).

A total of $6.6 million was incurred in the year on the DFS and front-end engineering and design (FEED) activities. Highlights of key work undertaken on the DFS is included within the review of operations. This included money spent on activities eligible for the CMDP including advanced FEED activities – mine design and scheduling, and process plant EPC work undertaken.

Significant expenses were incurred on professional services and consultants as the Company continued to make progress towards defining an optimal funding structure for the Project and progressing its discussions with NAIF and EFA including the ITE reviews undertaken. Costs were incurred in association with the FIRB review, AGM deferrals and the cyber breach that occurred during the year.

The impairment loss relates to the write down of the ore sorter at Browns Range after it was determined that an indication of impairment existed at year end. A subsequent assessment of the recoverable amount determined that this would not exceed $0.8 million and the decision was made to write down the carrying value of this asset.

The Group's cash receipts for the year ended 30 June 2024 were $5.3 million (2023: $6.5 million). This included $3.8 million for the CMDP awarded to the Company in May 2023 bringing the total received to $5.9 million.

Further receipts were received for the R & D refundable tax offset in the year of $0.6 million relating to FY22 and FY23.

Investing cash flows decreased due to the receipt of $0.8 million for the sale of equipment from the Browns Range Pilot Plant in 2023. There were significant asset additions in 2024 including the fit-out of new offices in West Perth, WA as well as equipment purchases for the Browns Range Site and camp accommodation.

During the year ended 30 June 2024 the Company successfully raised $25 million (before costs) via a placement to institutional and sophisticated investors at $0.03 per Northern Minerals share. The Placement comprised the issue of 833,333,334 new fully paid ordinary shares in Northern Minerals at an offer price of $0.03 per new share.

SUMMARY OF FINANCIAL POSITION

	30 June 2024 $	30 June 2023 $	30 June 2022 $
Total assets	13,941,530	17,403,732	12,774,300
Debt (current and non - current)	15,402,882	13,360,772	247,019
Other liabilities	12,544,788	10,509,832	6,945,051
Shareholder funds/net assets/(net liabilities)	(14,006,140)	(6,466,872)	5,582,230
Number of shares on issue (million)	5,915	5,082	4,864
Share price at reporting date (cents)	3.3	3.3	3.9

The Group's cash as at 30 June 2024 totalled $8.3 million compared to $11.7 million as at 30 June 2023. The $25.0 million share placement proceeds were offset by higher expenditure in the year on the work programmes outlined in the Review of Operations.

The Group's receivables at 30 June 2024 include $0.2 million in relation to the R&D claim by the Company for FY24, compared to $0.58 million in FY23.

The Group's interest-bearing liabilities includes $15 million (plus accrued interest to 30 June 2024) of the Iluka Convertible Note valued in accordance with applicable accounting standards. In addition, this year the Group entered into 2 new leases for office premises in Sydney, NSW and West Perth, WA with an additional lease liability of $0.9 million. These leases are for a period of 3 and 4 years respectively with the West Perth lease having an option to extend for 2 years and 6 months.

The Group also entered into a hire purchase agreement for 3 years for the purchase of an excavator for Browns Range site totalling $0.18 million.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the year other than as disclosed elsewhere in this report.

FUNDING AND LIQUIDITY

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group reported a net loss for the year of $31.6 million (2023: $22.3 million) and a cash outflow from operating activities of $26.1 million (2023: $14.1 million). The Group had a net working capital deficit of $13.0 million (2023: $7.3 million surplus) including cash and term deposit balances of $8.3 million as at 30 June 2024 (June 2023: $11.7 million). The working capital deficit includes the Iluka Convertible Note (current liability) of $14.4 million which has a maturity date of 31 December 2024. The Company is in discussions with Iluka regarding options to amend the terms of the Iluka Convertible Note, including a potential extension to the maturity date. An agreement to extend the maturity date may not be reached on terms satisfactory to Northern Minerals, and if the Iluka Convertible Note is redeemed the Company would need to seek external funding.

The loss mainly reflects the Company continuing its strategy of focussing on completing the feasibility study for its Brown Range Project and associated costs. The Group announced a share placement after the reporting date totalling $43 million (before costs), of which $26.1 million (before costs) is subject to shareholder approval at a general meeting expected to be held in early November 2024.

FUNDING AND LIQUIDITY (continued)

Based on the Group's cash balance of $8.3 million as at 30 June 2024, assuming the completion of the capital raising post the reporting date, the Group's committed expenditure profile and the ability to defer or avoid certain discretionary expenditure for the next twelve months from the date of this report, the Directors are satisfied that the Group will have access to sufficient cash to fund its forecast expenditure for a period of at least twelve months from the date of signing this report. Accordingly, the Directors consider that the going concern basis of preparation to be appropriate.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company proposes to continue with its development of the Browns Range Heavy Rare Earths Project as detailed in the Review of Operations in the Annual Report.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The exploration and mining activities of the Company are subject to environmental regulations imposed by various regulatory authorities, particularly those relating to ground disturbance and the protection of rare and endangered flora and fauna. The Company has complied with all material environmental requirements up to the date of this report. The Directors believe that the Company has adequate systems in place for the management of its environmental responsibilities and are not aware of any breaches of the regulations during the period covered by this report.

RISK MANAGEMENT

The Group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and opportunities are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

Northern Minerals' risk management framework is aligned with ISO 31000, the international standard for risk management, providing a structured and consistent approach to the assessment, management, and reporting of strategic, operational, financial, environmental, social, governance, and other business risks across the organisation. The framework is underpinned by strong oversight from the Board, which possesses a deep understanding of the critical risks inherent in our industry and the specific jurisdictions in which we operate.

This year, our focus has been on a comprehensive review of the risk profiles across our various operational teams. The objective was to ensure that all identified risks are thoroughly reviewed and managed at the operational level. Additionally, we provided risk management training to our workforce to enhance their understanding of the framework and strengthen our overall risk management capability.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management, and management are required to regularly report back to the Board through the Audit and Risk Committee. This involves the tabling of a risk register which is monitored and updated by management periodically. The Executive Chair is responsible for ensuring the maintenance of, and compliance with, appropriate systems. The Board adopts practices to identify significant areas of risk and to effectively manage those risks in accordance with the Group's risk profile. Where appropriate the Board draws on the expertise of appropriate external consultants to assist in dealing with or mitigating risk.

MATERIAL BUSINESS RISKS

Northern Minerals is subject to a variety of risk factors. Some of these are specific to its business activities, while others are of a more general nature. Individually, or in combination, these risk factors may adversely affect the operating and financial performance or position of Northern Minerals.

MATERIAL BUSINESS RISKS (continued)

Key risks are identified below:

Volatility of the price of rare earth elements

Northern Minerals' future revenue will be affected by market fluctuations in rare earth prices. This is because a pricing component of the Group's products under the Supply Agreement with Iluka is calculated by pricing formula that references published market prices of various rare earths materials. Furthermore, the Group may in the future supply products outside this arrangement in the spot market or to other customers under contracts with similar provisions. The market prices of rare earths have been volatile in the past because they are influenced by numerous factors and events that are beyond the control of Northern Minerals. These include:

- Supply side factors: Supply side factors are a significant influence on price volatility for rare earth materials. Supply of rare earth materials is dominated by Chinese producers. The Chinese Central Government regulates production via quotas and environmental standards. Over the past few years, there has been significant restructuring of the Chinese market in line with China Central Government policy. However, periods of over supply or speculative trading of rare earths can lead to significant fluctuations in rare earth pricing.
- Demand side factors: Demand side factors are also a significant influence on price volatility for rare earth materials. Demand for end products that utilise the Group's rare earths including internal combustion vehicles, hybrid vehicles, electric vehicles and electronic devices fluctuates due to factors including global economic trends, regulatory developments and consumer trends. Adverse changes in such factors could reduce demand for the Group's rare earths which could lead to a fall in rare earth pricing.
- Geopolitical factors: Recently rare earths have been the focus of significant attention, including as a result of the recent trade tensions between the US and China.

Changes in rare earth prices may have a positive or negative impact on the Group's operation and production plans and its ability to fund those plans, including securing project funding for pre-production costs (all capital required to construct and commission the Browns Range Heavy Rare Earth Project).

Funding arrangements

Northern Minerals is reliant on receipt of further debt and equity funding to develop the mine and commercial scale beneficiation and commence production. Northern Minerals has commenced the process of seeking project funding to build and commission Browns Range including with potential debt and equity providers.

Part of this funding requirement may be provided by the issue of new shares under the previously announced and approved Iluka Tranche 2A Placement and Tranche 2B Put Option which are subject to several conditions, some of which are not within the control of Northern Minerals or its Directors, including completion of due diligence by Iluka and pre-production funding having been secured for Browns Range. If the conditions are not satisfied or waived, this could also result in the Company not raising a significant portion of the expected equity funding to develop the mine and commercial scale beneficiation and commence production.

Failure to raise the expected funds means that Northern Minerals would need to seek alternative sources of financing, which may only be available on unfavourable terms or may not be available at all. Failure to secure funds or securing funds on unfavourable terms could hinder the Group's ability to execute its operational and development plans and have a material adverse effect on the Group's financial performance.

On 28 October 2022, Northern Minerals issued the Iluka Convertible Note (refer Note 8(f)) Iluka may elect to redeem the Iluka Convertible Note in certain circumstances, including where an event of default or change in control event in respect of the Company occurs. The Group may not have sufficient cash to meet its repayment obligations if the Iluka Convertible Note is redeemed and will need to seek external funding.

MATERIAL BUSINESS RISKS (continued)

Additional funding for Browns Range or to make a redemption payment may not be available or may only be available on onerous terms. Any additional equity financing may dilute existing shareholders and debt financing may involve restrictions on the Group's financing and operating activities. Failure to obtain funding or obtaining funding on onerous terms could have a material adverse effect on the Company's ability to achieve its goals.

Exploration, production and project development

The future financial performance and position of Northern Minerals is directly related to the results of exploration, development and production activities undertaken by the Group, and in particular its ability to successfully commercialise Browns Range. Exploration, project development and production involve significant risk, and it may cost more or take longer than anticipated or fail to occur for a number of reasons. Funds spent on exploration may not result in rare earths and other minerals in commercial quantities being discovered or in projects that will be commercially viable.

In relation to Browns Range reaching commercial production, it is dependent on a number of steps including successful completion of the DFS, a positive FID, receipt of sufficient funding, receipt of necessary regulatory approvals and construction of the mine and commercial-scale beneficiation plant.

Furthermore, development of and production from rare earths projects is subject to many risks, including low side reserve outcomes, cost overruns, and production delays, decreases or stoppages, which may be the result of construction delays, commissioning delays, facility shutdowns, inclement weather conditions, mechanical or technical failure, scheduling disruptions, shortages, volatility in the price of consumables and other unforeseen events.

The Group's rare earths and other products may fail to meet product quality requirements and material specifications required by buyers (including Iluka under the Supply Agreement), which may result in the Group needing to sell such products on less favourable terms and/or re-supply product to the contract specification, which could have a material adverse effect on the Group's financial performance and position.

Reserves and resource estimates

No assurance can be given that the anticipated tonnages and grades of ore will be achieved during production or that the anticipated level of recovery will be realised. Mineral resource and ore reserve estimates are based upon estimates made by Northern Minerals' personnel and independent consultants.

Further, the grade of mineralisation which may ultimately be mined may differ materially from what is estimated. The quantity and resulting valuation of ore reserves and mineral resources may also vary depending on, amongst others, metal prices, cut off grades and estimates of future operating costs. Production can be affected by many factors. Any material change in the quantity of ore resources, mineral reserves, grade, or stripping ratio may affect the economic viability of any project undertaken by Northern Minerals.

ESG risks

The current global supply chain for heavy rare earths is exposed to considerable ESG risks which may adversely affect the Group, its customers or the supply chain generally. Northern Minerals could be adversely affected if there are material changes to legal or regulatory requirements around ESG issues. Evolving community attitudes towards, and increasing regulation and disclosure in relation to, ESG issues (the integrity and traceability of supply chains) may also affect the operation of the Group's business.

Increased expectations, and in particular the failure to meet those expectations, with respect to ESG matters may impact the profitability or value of the Group's business, restrict Northern Minerals' ability to attract financing or investment, result in heightened compliance costs associated with meeting prevailing regulatory and disclosure standards or adversely impact the reputation of Northern Minerals, any of which may have an adverse effect on Northern Minerals' business, financial position and prospects.

MATERIAL BUSINESS RISKS (continued)

Environmental

The Group's exploration, development and production activities are subject to environmental laws, regulations and social responsibility commitments. The legal framework governing this area is complex and constantly developing. There is a risk that the environmental laws and regulations may become more onerous, making the Group's operations more expensive or causing delays. Non-compliance with these laws and regulations may potentially result in fines, restrictions on activities or requests for improvement actions from the regulator (which may be costly) or could result in reputational harm. The Group may also become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past activities for which it was not responsible.

Undertaking the Browns Range Project will require a number of primary and secondary environmental approvals. There is no guarantee that those approvals will be granted. Similarly there is no guarantee that those approvals will be granted on conditions or for a term that would be economic. Failure to obtain necessary approvals on desirable terms when anticipated may prevent or delay the Group from developing the Browns Range Project.

Climate change risks

The main climate change risks are associated with changes in the frequency, intensity, spatial extent, duration, and timing of weather and climate events and conditions. Potential effects, such as those related to flooding, droughts, forest fires, insect outbreaks, erosion, landslides and others, may pose risks to operations and their safety, environmental, social and financial performance. Potential adverse effects may occur in terms of geotechnical stability, water supply systems and water balance, working conditions (humidity, heat stress), construction schedules, site access, reclamation as well as supply chain disruptions (e.g. access to inputs, shipping of products), among others. Economic implications of climate change may pose additional risks through reduced global demand for products and increased costs of inputs, among others. The nature and intensity of potential adverse impacts of climate change cannot be precisely ascertained.

Supply agreement

Northern Minerals has entered into the Supply Agreement with Iluka in respect of rare earths product from the Browns Range Project. The Supply Agreement is subject to a number of conditions including completion of the DFS in relation to Browns Range by Northern Minerals, Northern Minerals making a positive FID in relation to the Browns Range Project, and both parties achieving financial close and first draw-down under financing arrangements (in the case of Iluka, in relation to funding for its Eneabba refinery). Failure to satisfy any conditions precedent may result in one or both of Northern Minerals and Iluka being entitled to terminate the Supply Agreement. Iluka has a right of first refusal to purchase rare earths product from the Brown Range Project for a two-year period from the date of the agreement if terminated due to failure to satisfy a condition.

The Supply Agreement contains additional termination provisions including where the Browns Range Project does not achieve specified performance milestones by 30 June 2028, or if a force majeure event prevents the whole or part of the Supply Agreement from being performed for a period exceeding 6 months. If the Supply Agreement is terminated and Iluka does not exercise any right of first refusal to purchase the product, or if the agreement remains on foot but Iluka fails to take the expected quantities under the Supply Agreement, there is no certainty that Northern Minerals will be able to enter into additional offtake agreements, which could adversely impact Northern Minerals' ability to develop or sustain the Browns Range Project.

The Supply Agreement is structured on the basis that Northern Minerals must sell and deliver, and Iluka must purchase and take, 100% of the product produced at the Browns Range Project, up to a maximum annual quantity. Northern Minerals also has an obligation to supply and sell a minimum annual quantity. Both the minimum and maximum annual quantities are calculated by reference to a production forecast which will be updated bi-annually by Northern Minerals, and subject to Iluka's approval. A failure of Northern Minerals to supply the minimum annual quantities of product, or to supply product that meets the specification, may also adversely affect the revenue to be derived from the Browns Range Project.

MATERIAL BUSINESS RISKS (continued)

Similarly, a failure of Iluka to take the contemplated quantities of product on the agreed terms or otherwise, whether or not in breach of the Supply Agreement, may adversely affect the revenue to be derived from the Browns Range Project.

Iluka can exercise step-in rights in certain circumstances involving a breach of the agreement by Northern Minerals for the purposes of remedying such default. During the exercise of the step-in right, Northern Minerals must indemnify Iluka for all costs, loss and liability suffered in the exercise or enforcement of Iluka's step-in rights. The Group's financial performance may be adversely impacted if Iluka exercises the step-in right, particularly if it makes a claim under the indemnity. In addition, if a default occurs under the Supply Agreement, Iluka will have the right to exercise its enforcement rights under the general security agreement and mining mortgage to recover any secured moneys owing to Iluka, and ensure performance of the obligations owing to Iluka, under the Supply Agreement. Exercise of the security agreement may have a material adverse effect on Northern Minerals' asset holdings.

Nature of mining

Mineral mining involves risks, which even with a combination of experience, knowledge and careful evaluation may not be able to be fully mitigated. Mining operations are subject to hazards normally encountered in exploration and mining. These include unexpected geological formations, rock falls, flooding, dam wall failure and other incidents or conditions which could result in damage to plant or equipment, which may cause a material adverse impact on Northern Minerals' operations and its financial results. Projects may not proceed to plan with potential for delay in the timing of targeted output, and Northern Minerals may not achieve the level of targeted mining output. Mining output levels may also be affected by factors beyond Northern Minerals' control.

Native Title

The Group has entered into a native title agreement with the Jaru People in respect of the Browns Range Project. Under the native title agreement, the Group has agreed to certain financial and non-financial commitments to the Jaru People in return for being permitted to undertake operations on the Browns Range Project site. Compliance with the terms of the native title agreement are pre-requisites to continued access to the Browns Range Project site.

It is possible that areas containing sacred sites or sites of significance to Aboriginal people in accordance with their tradition that are protected under the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (Cth) exist on Northern Mineral's mining tenements. However, it is not possible to know definitively that all relevant native title claims that may be made in relation to an area (such as the tenements underlying the Project) have been made, as Aboriginal peoples claiming native title over an area may do so at any time. As a result, land within the tenements may be subject to restrictions on exploration, mining or other uses and/or significant approval hurdles may apply.

There is a risk that the Group's operations require heritage survey work to be undertaken or engagement and/or agreement with affected Aboriginal people, which may increase the timeframe and cost of commercialising the Browns Range Project.

The Group is also subject to legislative and social responsibility commitments in relation to native title. Changes in these may impact the Group's operations and financial performance.

Economic conditions and other global or national issues

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, current exchange controls and rates, national and international political circumstances (including wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemic and pandemics, may have an adverse effect on the Group's operations.

MATERIAL BUSINESS RISKS (continued)

Data and information technology

The Group's computer systems are subject to the risks of unauthorised access, computer hackers, computer viruses, malicious code, organised cyber-attacks and other security problems and system disruptions, including possible unauthorised access to proprietary or classified information. Any of these events could damage the Group's reputation and have a material adverse effect on its business, reputation, results of operations and financial condition.

OPTIONS AND PERFORMANCE RIGHTS

As at the date of this report, there were the following unissued ordinary shares for which options and performance rights were outstanding:

	Number of options/rights	Exercise price (cents)	Expiry date
Unlisted options	20,000,000	$0.06	22 June 2025
Unlisted performance rights*	127,666,666	Nil	Based on performance conditions
Option over Ordinary Shares	1	Subject to conditions	31 December 2025
Total	**147,666,667**		

* Included in these performance rights are rights granted as remuneration to the Directors and the five most highly remunerated officers during the previous year. Details of performance rights granted to key management personnel are disclosed in the Remuneration Report. In addition, there were no performance rights granted to officers who are among the five highest remunerated officers of the Company and the Group but are not key management personnel and hence not disclosed in the Remuneration Report.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any other entity.

No performance rights were granted to the Directors or any of the five highest remunerated officers of the Company since the end of the financial year to the date of this report.

No ordinary shares were issued during the year ended 30 June 2024 on the exercise of performance rights issued as remuneration to the Directors, key management personnel and employees of the Company (no amounts are unpaid on any of the shares).

There were no ordinary shares issued after the year ended 30 June 2024 on the exercise of performance rights issued as remuneration to the Directors, key management personnel and employees of the Company.

No options were exercised in the year. No ordinary shares were issued since the end of the financial year, as a result of the exercise of options.

INDEMNIFICATION AND INSURANCE OF DIRECTORS

During the financial year, the Company has paid premiums to insure the directors and secretary against liabilities incurred in the conduct of the business of the Company and has provided right of access to Company records. In accordance with common commercial practice, the insurance policy prohibits disclosure of the amount of the premium and the nature of the liability insured against. The amount of the premium is included as part of the directors' remuneration in the Remuneration Report.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

REMUNERATION REPORT (Audited)

This Remuneration Report for the year ended 30 June 2024 outlines the remuneration arrangements of the Company in accordance with the requirements of the Corporations Act 2001 and its Regulations. This information has been audited as required by section 308(3C) of the Act.

This Remuneration Report details the remuneration arrangements for key management personnel (KMP), who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly.

Response to the 2023 AGM Remuneration Report 'First Strike'

At the 2023 AGM held on 6 June 2024, Northern Minerals received a vote of more than 25% against the resolution to adopt the Remuneration Report for 2022-23. The against-vote of 37.6% constituted a 'first strike' under the Corporations Act 2001. In these circumstances, the Act requires the Company to include in this year's Remuneration Report an explanation of the Board's proposed action in response to that 'first strike' or, if the Board does not propose any action, the Board's reason for that.

As outlined in the Directors' Report, the 2023 AGM was deferred a number of times until it was finally held on 6 June 2024. These deferrals were undertaken as the Directors considered it appropriate, and in the best interests of the Company, for certain matters (including Director Nominations and share buying activities that had been referred to FIRB for consideration) to be resolved and for there to be no breaches of any Prohibition Order or of any Australian foreign investment law. On 3 June 2024, the Federal Treasurer, the Hon. Dr Jim Chalmers MP, issued an instrument requiring five existing shareholders (Divestment Shareholders) to divest a total of ~613.6 million fully paid ordinary shares. The Company notes that four of the five Divestment Shareholders along with another shareholder, whose information had been referred to FIRB, voted against the Remuneration Report at the 2023 AGM. These votes, in total, represented more than half of the total votes cast against the Remuneration Report resolution and thereby increased the aggregate 'no' vote from ~22.9% (or below the 25% 'strike' hurdle) to 37.6%.

Northern Minerals respects the diversity of Shareholders' views and welcomed their high level of engagement at the 2023 AGM. The Company – and particularly the Board – takes the feedback expressed by Shareholders at the 2023 AGM seriously and is committed to engaging with, and listening to, Shareholders on all matters pertaining to the Company, including the structure of the Remuneration Report.

Given the 2023 AGM was only held on 6 June 2024, the Company has had limited time (in relation to the publication of these Annual Financial Statements) to implement and report on the progress of its plan to address its response to the Remuneration Report 'first strike'.

Since the conclusion of the 2023 AGM, Northern Minerals has commenced the process of meeting with major shareholders, the Board has also resolved to appoint an independent remuneration consultant to undertake a benchmarking exercise of the Company's Remuneration Policy, structure and compensation levels. In addition, and in recognition of the 'first strike', the Board has resolved that members of the Senior Leadership Team will be awarded only up to 50% of their calculated STIP entitlement for the financial year to 30 June 2024, with the payment of the balance being deferred until such time as the Company achieves a positive FID on Browns Range.

Northern Minerals operates in a highly competitive and strategically important section of Australia's resources sector. As part of its Remuneration Policy, Northern Minerals undertakes an annual salary benchmarking exercise of all executive positions using industry leading reports to ensure the Company's remuneration structure and levels are in line with industry standards. This benchmarking also incorporates the Company's primary focus on developing Browns Range, which is a globally significant heavy rare earths project that can become an important player in Australia's emerging rare earths industry.

The Company will provide further updates to feedback from its meeting with major shareholders and the work carried out by the independent remuneration consultant as and when appropriate. The Company also notes the Board restructure announced in and effective from May 2024, which triggered one-off contractual obligations under the terms of employment of the former Executive Chairman and also included a rebasing of the remuneration level for the incoming Executive Chairman.

REMUNERATION REPORT (Audited) (continued)

The Board is committed to appropriate, market-based Remuneration Policy, structure and compensation levels that reflect the level of complexity of a company like Northern Minerals and have at their core full alignment with shareholder value creation.

The Company seeks Shareholder support for this Remuneration Report at the Company's 2024 Annual General Meeting, to be held in November 2024.

Details of directors and key management personnel

Non-executive and Executive Directors of Northern Minerals Limited during the year were:

- Adam Handley - Executive Chairman (appointed 27 May 2024); Non-executive Director 1 July 2023 - 26 May 2024
- Shane Hartwig – Managing Director/CEO (appointed 27 May 2024); Executive Director - Finance 1 July 2023 - 26 May 2024
- Bin Cai - Executive Director
- Liangbing Yu – Non-executive Director
- Nicholas Curtis AM – Executive Chairman (Resigned 24 May 2024)

Other key management personnel during the year were:

- Robin Jones – Head of Projects
- Angela Glover – Chief Operating Officer (appointed on 25 August 2023); Head of External Relations 1 July 2023 - 24 August 2023
- Hayley Patton – Head of People and Culture
- Dale Richards – Head of Geology (appointed 9 October 2023)
- Simon Pooley – Head of Exploration (resigned 24 August 2023)

1. Remuneration Policy

The Remuneration and Nomination Committee of the Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and executives. The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team.

Remuneration levels for Directors and executives are competitively set to attract and retain the most qualified and experienced candidates, taking into account prevailing market conditions and individual's experience and qualifications.

Remuneration packages contain the following key elements:

1. Short-term benefits – salary/fees and non-monetary benefits including the provision of motor vehicles;
2. Post-employment benefits – including superannuation; and
3. Share-based payments – including participation in option and share plans (refer to note 17 for more information).

Remuneration is not linked to profit performance. The Company's remuneration policy seeks to encourage alignment between the performance of the Company and total shareholder returns, and the remuneration of executives. Short term and, in particular, long term 'at risk' incentives only vest when predetermined Company performance objectives are achieved. These performance objectives are operational in nature (production outcomes) but are linked to financial performance and Company value indirectly.

Element	Purpose	Performance metrics	Potential value
Fixed remuneration	Competitively market salary including superannuation and non-monetary benefits	Nil	Competitively set to attract and retain the most qualified and experienced candidates
Short-and long-term incentives	Reward for performance and retention Alignment to long-term shareholder value	Link to short- and long-term production outcomes. Reward for individuals performance. Link to business performance targets – completion of DFS and positive final investment decision from NTU Board with successfully securing funding for the development of the full scale operation at Browns Range. Non-financial metrics including maintaining employee retention and completion of audit of safety , environmental and social systems, with performance assessed against relevant legislation and set objectives.	Cash bonuses set at up to 5% of fixed remuneration for each tranche for executives under the 2021 existing plan. Executives entitled to short term incentives of a maximum of 30% of gross base salary including superannuation determined by references to KPI's. Performance rights dependent on share price.

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

The Company does not currently have a policy pertaining to Directors hedging their exposure to risks associated with the Company's securities they receive as compensation.

Other than the use of third-party salary benchmarking reports, the Company has not used any remuneration consultants in the year.

2. Non-executive Director Remuneration

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Each of the Non-executive Directors receive a fixed fee for their services as a director. There is no direct link between cash remuneration paid to any of the directors and corporate performance such as bonus payments for achievement of certain key performance indicators.

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-executive Directors must be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination was on 22 July 2021 when shareholders approved an aggregate remuneration of $800,000 per year. Annual Non-executive Chairman and Non-executive Directors' base fees are presently $85,000 and $65,000 respectively, inclusive of superannuation, with $5,000 per annum paid for representation on each board committee.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers the fees paid to Non-executive Directors of comparable companies when undertaking the annual review process.

All Non-executive Directors enter into a service agreement with the Company in the form of a letter of appointment. This letter summarises the Board policies and terms, including remuneration, relevant to the office of director.

3. Executive Remuneration

Executives receive a fixed remuneration set to provide a base level commensurate with their position and responsibilities within the Company and so as to align the interests of executives with those of shareholders and ensure total remuneration is competitive by market standards.

Remuneration levels are reviewed annually by reviewing Company performance, personal performance, market trends, industry comparisons, employment market conditions and, where appropriate, external advice.

In addition, executives are entitled to participate in equity-based remuneration plans to recognise ability and effort, provide incentive to improve Company performance, attract appropriate persons and promote loyalty.

Short and long-term incentives

Legacy Plan

The Company had previously issued incentive securities to certain employees based on certain performance metrics being achieved. The majority of these performance metrics have not been achieved and therefore the majority of the securities have not vested, with only one incentive left potentially being able to be met.

The structure of the incentive plan for the following executives – Mr Robin Jones and Ms Hayley Patton (under the terms of existing employee incentive plans) is set out below.

Performance metrics for other key management personnel (excluding Executive directors)

Performance Metric	Original Number Issued	Date to be Satisfied By For a 100% Payment	Date to be Satisfied By For a 50% Payment	Number Vested	Number Unvested
Completion of testing of 5,000 tonnes of crushed ore through the Company's ore sorter at Browns Range.	2,000,000	31-Dec-21	30-Jun-22	2,000,000	Nil
Successful development and implementation of the Integrated Management System.	2,000,000	30-Jun-22	30-Jun-23	2,000,000 forfeited as conditions not met	Nil
Completion of the feasibility study for full scale beneficiation plant.	2,000,000	31-Dec-22	31-Dec-23	2,000,000 forfeited as conditions not met	Nil
Board final investment decision on decision to invest in full scale beneficiation plant.	2,000,000	30-Jun-23	30-Jun-24	2,000,000 forfeited as conditions not met	Nil
Completion of the feasibility study for full scale beneficiation plant.	2,000,000	30-Jun-24	30-Jun-25	1,000,000 forfeited as conditions not met	1,000,000

Vesting periods for these performance metrics range from 31 December 2021 to 30 June 2025, with between 100% and 0% vesting between nominated dates. Maximum cash bonuses of 5% of base salary payable on each tranche with between 5% and 0% payable.

Delivery of incentives

Maximum specified cash bonuses vest on satisfaction of the above vesting conditions. The payment of the cash bonus for each tranche will be made after the vesting date for each relevant tranche and subject to conditions of continued service of the employee.

Performance rights vest on satisfaction of the vesting conditions. Each tranche of performance rights will expire 12 months from the vesting date of each relevant tranche. Performance rights lapse if conditions are not met.

All performance rights have a $nil exercise price.

A new short-term incentive plan (STIP) was implemented and effective for the period 1 July 2023 to 30th June 2024.

The STIP provides employees (including executives) with an opportunity to earn variable remuneration to reward both business and individual performance in line with Northern Minerals values and behaviours.

The STIP is designed to:

- Recognise and reward behaviours that uphold the Company's value.
- Recognise an employee's performance for the previous year.
- Drive a collaborative culture against the Company's strategic objectives.
- Align remuneration with both individual and business performance.
- Highlight the importance of not just WHAT we can do, but HOW we do it.

The STIP award is based on two components:

- Business Performance Targets (60% weighting)
- Individual Objectives (40% weighting)

The business performance targets combine a set of individually weighted strategic business outcomes.

These targets are approved and set by the Northern Minerals Board prior to the commencement of the review period and in conjunction with the annual budgeting and business planning cycle.

The STIP approach encourages employees and the Company to work together for collective success.

All employees must have in place three agreed individual performance objectives. Achievement of these three objectives must be in alignment with a fourth objective based on Company values and behaviours.

Performance metrics for Executive Directors

The Performance Rights issued to date under the incentive plan for Executive directors is set out below:

Performance Rights (Rights) have the following performance hurdles:

(i) **First Tranche:** Subject to the Company's Shares achieving a 60-day volume-weighted average price (VWAP) of at least $0.06 on or before 22 June 2025.

(ii) **Second Tranche:** Subject to the Company's Shares achieving a 60-day VWAP of at least $0.08 on or before 22 June 2025.

(iii) **Third Tranche:** Subject to the occurrence of the Board making a final investment decision to proceed with the development of a mining and concentration operation at Browns Range in Western Australia and the Company's Shares achieving a 60-day VWAP of at least $0.08, both conditions being satisfied on or before 22 June 2025.

(iv) **Fourth Tranche:** Subject to the Company commencing first production of Xenotime concentrate and delivering it to Iluka Rare Earths Pty Ltd (Iluka) pursuant to the terms of the Xenotime Concentrate Sale and Purchase Agreement (Supply Agreement) between the Company and Iluka (dated on or around 26 October 2022) on or before 31 December 2026.

Calculation of the performance hurdles and achievement against the performance hurdles will be determined by the Board in its absolute discretion, having regard to any matters that it considers relevant (including any adjustments for unusual or non-recurring items that the Board considers appropriate).

Delivery of incentives

Each Right is entitled to receive one Share in the Company on satisfaction of the relevant vesting conditions. The Board retains a discretion to give cash in lieu of an allocation of Shares. The Rights have a $nil exercise price on vesting.

The Performance Rights will vest upon notification from the Company to the holder of the Performance Rights. Following vesting, the Company will allocate Shares to the holder of Performance Rights. Any Rights that do not vest by the relevant sunset date for the relevant tranche will lapse.

The Rights are subject to conditions of continued service of the Executive directors (subject to the discretion of the Board)

Non-executive Directors

Granting Director Options to the Non-executive Directors supports Non-executive Directors in building their shareholding in the Company and continues to enhance the alignment of interests between Non-Executive Directors and shareholders generally.

The Company notes that governance bodies are supportive of non-executive directors holding a meaningful shareholding in the companies on which they serve, and the proposed grant of Director Options will help facilitate this for the Company's Non-executive Directors.

Director Options granted to Non-executive Directors under the Plan will not be subject to performance conditions which could result in potential forfeiture. This is in line with best practice governance standards which recommend that non-executive directors generally should not receive equity with performance hurdles attached as it may lead to bias in their decision-making and compromise their objectivity.

The Director Options are subject to conditions of continued service of the Non-executive Directors.

Director Options will be issued at no cost to the Non-executive Directors. Director Options do not carry any dividend or voting rights prior to vesting and exercise.

Each Director Option entitles the holder to one fully paid ordinary share in the Company, subject to the satisfaction of the conditions and payment of the exercise price. The exercise price per Director Option currently issued is $0.06. Any Director Options that have not been exercised by 22 June 2025 will immediately lapse.

The Board has discretion to determine that the Director Options will be exercised through a cashless exercise mechanism.

The Board retains a discretion to make a cash equivalent payment in lieu of an allocation of shares.

4. Contractual arrangement with executive KMP's

Key Management Personnel	Fixed Remuneration (exclusive of Superannuation) $	Contract Duration	Notice by the individual / company
Adam Handley	575,000	Ongoing, subject to termination or resignation	3 months
Shane Hartwig	575,000	Ongoing, subject to termination or resignation	3 months
Bin Cai	285,000	Ongoing, subject to termination or resignation	3 months
Nicholas Curtis[1]	720,000	Ongoing, subject to termination or resignation	3 months
Robin Jones	395,234	Ongoing, subject to termination or resignation	3 months
Angela Glover	344,000	Ongoing, subject to termination or resignation	3 months
Hayley Patton	290,000	Ongoing, subject to termination or resignation	3 months
Dale Richards	385,000	Ongoing, subject to termination or resignation	3 months
Simon Pooley[2]	310,000	Ongoing, subject to termination or resignation	3 months

1 Nicholas Curtis resigned as Executive Chairman from the Company on 24 May 2024.

2 Simon Pooley resigned from the Company on 24 August 2023.

Different contractual terms apply to the following individuals:

- In addition to the above Nicholas Curtis total remuneration package also included a discretionary annual performance-based payment - the target for such performance-based payment if all objectives and KPIs had been achieved was $300,000. Noting given Mr Curtis's resignation in May 2024, this payment for the 2024 Financial Year was not made nor accrued for.
- All executive KMPs (except for Nicholas Curtis, Bin Cai) are entitled to short-term incentives of a maximum of 30% of gross base salary including superannuation determined by references to KPI's.
- All executive KMP's are entitled to long-term incentives pursuant to a long-term incentive package being established by the Company. Whether the Executive is eligible to receive a LTIP and the quantum of any LTIP in any financial year will be determined by the Employer by reference to the LTIP key performance indicators as agreed by the Board and the Remuneration and Nomination Committee.

5. Details of Remuneration for the Year Ended 30 June 2024

	Short-term			Post-Employment			Share-based Payments			
	Salary & Fees $	Other Benefits $	Cash Bonus $	Superannuation Benefits $	Long Service Leave $	Termination Benefits $	Options/ Performance Rights[7] $	Total $	Fixed remuneration %	Remuneration linked to performance %
Directors										
Adam Handley[1]	123,387	17,596	-	2,283	-	-	41,636	184,902	100.00%	0.00%
Shane Hartwig[2]	462,097	17,596	68,972	27,399	-	-	196,438	772,502	65.64%	34.36%
Bin Cai	278,558	17,596	-	6,442	-	-	73,664	376,260	80.42%	19.58%
Liangbing Yu	75,417	17,596	-	-	-	-	41,636	134,649	100.00%	0.00%
Nicholas Curtis[3]	646,452	15,957	210,000	-	-	-	343,766	1,216,175	54.47%	45.53%
Key Management Personnel										
Robin Jones	395,234	-	63,453	27,399	7,799	-	(24,910)	468,975	91.78%	8.22%
Angela Glover[4]	336,016	-	-	27,399	-	-	-	363,415	100.0%	0.00%
Hayley Patton	290,000	-	48,285	27,399	22,288	-	(24,910)	363,062	93.56%	6.44%
Dale Richards[5]	280,470	-	-	27,399			-	307,869	100.00%	0.00%
Simon Pooley[6]	85,904	-	-	13,545	-	77,500	(24,910)	152,039	100.00%	0.00%
TOTAL	**2,973,535**	**86,341**	**390,710**	**159,265**	**30,087**	**77,500**	**622,410**	**4,339,848**	**74.87%**	**23.34%**

Notes:

1. Appointed Executive Chairman on 27 May 2024 – 1 July 2023-26 May 2024 - Non-executive Director.
2. Appointed Managing Director/CEO on 27 May 2024 – 1 July 2023-26 May 2024 – Executive Director-Finance.
3. Resigned from the Company on 24 May 2024 as Executive Chairman. Service agreement as a Strategic Advisor for 12 months has been entered into effective from 25 May 2024. The Board approved the retention of the performance rights on resignation and these will vest over the period of his service agreement as strategic advisor.
4. Appointed Chief Operating Officer on 25 August 2023 -1 July 2023-24 August 2023 - Head of External Relations. This position is 0.8 full time equivalent.
5. Appointed as Head of Geology on 9 October 2023.
6. Resigned from the Company on 24 August 2023.
7. Relates to value of performance rights and options issued in prior years.

Details of Remuneration for the Year Ended 30 June 2023

	Short-term			Post-Employment			Share-based Payments			
	Salary & Fees $	Other Benefits $	Cash Bonus $	Superannuation Benefits $	Long Service Leave $	Termination Benefits $	Options/ Performance Rights[7] $	Total $	Fixed remuneration %	Remuneration linked to performance %
Directors										
Nicholas Curtis	720,000	16,147	-	-	-	-	251,461	987,608	74.54%	25.46%
Bin Cai	283,456	16,147	-	1,545	-	-	53,885	355,033	84.82%	15.18%
Shane Hartwig[1]	261,290	9,316	-	25,292	-	-	143,692	439,590	67.31%	32.69%
Liangbing Yu	67,083	16,147	-	-	-	-	22,752	105,982	100.0%	0.00%
Adam Handley	75,000	16,147	-	-	-	-	22,752	113,899	100.0%	0.00%
Ming Lu[2]	29,558	7,142	-	3,104	-	-	-	39,804	100.0%	0.00%
Key Management Personnel										
Mark Tory[3]	297,431	6,743	-	23,149	(6,422)	247,078	53,312	621,291	91.42%	8.58%
Robin Jones	383,722	-	-	26,529	12,574	-	5,137	427,962	98.80%	1.20%
Simon Pooley	266,795	-	-	27,148	-	-	5,137	299,080	98.28%	1.72%
Angela Glover[4]	50,750	-	-	4,215	-	-	-	54,965	100.0%	0.00%
Hayley Patton[5]	245,149	-	-	23,592	-	-	5,137	273,878	98.12%	1.88%
TOTAL	**2,680,234**	**87,789**	**-**	**134,574**	**6,152**	**247,078**	**563,265**	**3,719,092**	**78.21%**	**15.15%**

Notes:

1. Appointed Executive Director – Finance on 2 December 2022.
2. Resigned on 9 December 2022.
3. Left the Company on 30 November 2022.
4. Appointed on 28 April 2023.
5. Designated as a KMP for the first time in 2023.

6. Employee share/performance rights plan

6.1 Options/Performance Rights and Shares granted as compensation to key management personnel

Terms and conditions of share-based payment arrangements affecting remuneration of key management personnel in the current financial year or future financial years:

Options/ Performance Rights

Grant date	Vesting and exercise date	Expiry date	Value per performance right/option at grant date	Performance achieved	% vested
12-Dec-2022	22 June 2025 and 31 December 2026	22 June 2025 and 31 December 2026	$0.0183-$0.0400	To be determined.	Nil
12-Dec-2022	22-Jun-2025	22-Jun-2025	$0.0105	N/A (no performance hurdles)	Nil
16-Aug-2021	30-Jun-2025	30-Jun-2026	$0.041	To be determined.	Nil

When exercisable, each performance right or option is convertible into one ordinary share of NTU. The exercise price of the performance rights is $nil and that of the options $0.06 per share.

There have been no alterations of the terms and conditions of the above share-based payment arrangements since the grant date.

Share-based payments granted as compensation to key management personnel during the 2024 financial year are shown in Note 5 of the Remuneration Report. The performance rights and options carry no dividend or voting rights.

During the 2024 financial year, no key management personnel exercised their rights that were granted to them as part of their compensation. A number of performance rights were also forfeited due to performance conditions not being met. The number of performance rights and options exercised and forfeited are shown in Notes 6.2 and 6.3, the value of performance rights exercised and forfeited are shown below in Note 6.1.

The table below shows for each key management personnel how much of their cash bonus was awarded and how much was forfeited.

6.1 Options/Performance Rights and Shares granted as compensation to key management personnel (continued)

30 June 2024	Total STI Total cash bonus Total opportunity $	Awarded %	Forfeited %	Total LTI Performance rights and options Value of options/ performance rights granted during the year* $	Value of options/ performance rights exercised during the year $	Value of options/ performance rights forfeited during the year $
Directors						
Shane Hartwig	86,215	80%	20%	-	-	-
Nicholas Curtis	300,000	70%	30%	-	-	-
Key Management Personnel						
Robin Jones	163,906	39%	61%	-	-	61,500
Hayley Patton	118,570	41%	59%	-	-	61,500
Simon Pooley	139,230	0%	100%	-	-	82,000
TOTAL	**807,921**			**-**	**-**	**205,000**

* The value at grant date calculated in accordance with AASB 2 Share-based Payments of performance rights granted during the year as part of remuneration.

The issue of performance rights and options to Directors was approved by shareholders under Listing Rule 10.14 at the General Meeting held on 12 December 2022.

6.2 Performance Rights Holdings of Key Management Personnel for 2024

	Held at Beginning of Year	Granted as Compensation	Exercise of Options/ Performance Rights	Lapsed/Forfeited	Other Changes[1]	Held at 30 June 2024	Vested	Unvested
Directors								
Adam Handley	-	-	-	-	-	-	-	-
Shane Hartwig	40,000,000	-	-	-	-	40,000,000	-	40,000,000
Bin Cai	15,000,000	-	-	-	-	15,000,000	-	15,000,000
Liangbing Yu	-	-	-	-	-	-	-	-
Nicholas Curtis	70,000,000	-	-	-	(70,000,000)	-	-	-
Key Management Personnel								
Robin Jones	2,000,000	-	-	(1,500,000)	--	500,000	-	500,000
Angela Glover	-	-	-	-	-	-	-	-
Hayley Patton	2,000,000	-	-	(1,500,000)	-	500,000	-	500,000
Simon Pooley	2,000,000	-	-	-	(2,000,000)	-	-	-
Dale Richards	-	-	-	-	-	-	-	-
TOTAL	**131,000,000**	**-**	**-**	**(3,000,000)**	**(72,000,000)**	**56,000,000**	**-**	**56,000,000**

1. Other changes include movements on performance rights held at resignation or commencement of being a KMP in the year.

Performance Rights Holdings of Key Management Personnel for 2023

	Held at Beginning of Year	Granted as Compensation	Exercise of Options/ Performance Rights[1]	Lapsed/Forfeited	Other Changes[2]	Held at 30 June 2023	Vested	Unvested
Directors								
Nicholas Curtis	-	70,000,000	-	-	-	70,000,000	-	70,000,000
Bin Cai	-	15,000,000	-	-	-	15,000,000	-	15,000,000
Shane Hartwig	-	40,000,000	-	-	-	40,000,000	-	40,000,000
Liangbing Yu	-	-	-	-	-	-	-	-
Adam Handley	-	-	-	-	-	-	-	-
Ming Lu	-	-	-	-	-	-	-	-
Key Management Personnel								
Mark Tory	7,316,665	-	(650,000)	-	(6,666,665)	-	-	-
Robin Jones	3,500,000	-	-	(1,500,000)	-	2,000,000	-	2,000,000
Simon Pooley	3,500,000	-	-	(1,500,000)	-	2,000,000	-	2,000,000
Angela Glover	-	-	-	-	-	-	-	-
Hayley Patton	-	-	-	-	2,000,000	2,000,000	-	2,000,000
TOTAL	**14,316,665**	**125,000,000**	**(650,000)**	**(3,000,000)**	**(4,666,665)**	**131,000,000**	**-**	**131,000,000**

1. The amounts paid per ordinary share on the exercise of performance rights was nil.
2. Other changes include movements on performance rights held at resignation or commencement of being a KMP in the year.

6.3 Option Holdings of Key Management Personnel for 2024

	Held at Beginning of Year	Granted as Compensation	Exercise of Options	Lapsed/Forfeited	Other Changes	Held at 30 June 2024	Vested	Unvested
Directors								
Adam Handley	10,000,000	-	-	-	-	10,000,000	-	10,000,000
Shane Hartwig	-	-	-	-	-	-	-	-
Bin Cai	-	-	-	-	-	-	-	-
Liangbing Yu	10,000,000	-	-	-	-	10,000,000	-	10,000,000
Nicholas Curtis	-	-	-	-	-	-	-	-
Key Management Personnel								
Robin Jones	-	-	-	-	-	-	-	-
Angela Glover	-	-	-	-	-	-	-	-
Hayley Patton	-	-	-	-	-	-	-	-
Simon Pooley	-	-	-	-	-	-	-	-
Dale Richards	-	-	-	-	-	-	-	-
TOTAL	**20,000,000**	**-**	**-**	**-**	**-**	**20,000,000**	**-**	**20,000,000**

Option Holdings of Key Management Personnel for 2023

	Held at Beginning of Year	Granted as Compensation	Exercise of Options	Lapsed/Forfeited	Other Changes	Held at 30 June 2024	Vested	Unvested
Directors								
Nicholas Curtis	-	-	-	-	-	-	-	-
Bin Cai	-	-	-	-	-	-	-	-
Shane Hartwig	-	-	-	-	-	-	-	-
Liangbing Yu	-	10,000,000	-	-	-	10,000,000	-	10,000,000
Adam Handley	-	10,000,000	-	-	-	10,000,000	-	10,000,000
Ming Lu	-	-	-	-	-	-	-	-
Key Management Personnel								
Mark Tory	-	-	-	-	-	-	-	-
Robin Jones	-	-	-	-	-	-	-	-
Simon Pooley	-	-	-	-	-	-	-	-
Angela Glover	-	-	-	-	-	-	-	-
Hayley Patton	-	-	-	-	-	-	-	-
TOTAL	**-**	**20,000,000**	**-**	**-**	**-**	**20,000,000**	**-**	**20,000,000**

All equity transactions with Key Management Personnel other than those arising from the exercise of options granted as compensation have been entered into under terms and conditions no more favourable than those the Company would have adopted if dealing at arm's length

6.4 Shareholdings of Key Management Personnel for 2024

	Held at Beginning of Year	Granted as Compensation	Exercise of Options/ Performance Rights	Other Changes[1]	Held at 30 June 2024	Vested	Not Vested
Directors							
Adam Handley	-	-	-	-	-	-	-
Shane Hartwig	-	-	-	-	-	-	-
Bin Cai	5,600,000	-	-	-	5,600,000	5,600,000	-
Liangbing Yu	-	-	-	-	-	-	-
Nicholas Curtis[1,3]	106,600	-	-	(106,600)	-	-	-
Key Management Personnel							
Robin Jones	1,612,154	-	-	-	1,612,154	1,612,154	-
Angela Glover	-	-	-	-	-	-	-
Hayley Patton	300,000	-	-	-	300,000	300,000	-
Simon Pooley[1]	-	-	-	-	-	-	-
Dale Richards[2]	-	-	-	-	-	-	-
TOTAL	**7,618,754**	**-**	**-**	**(106,600)**	**7,512,154**	**7,512,154**	**-**

1. Ceased officeholding during the year – their shares on resignation are shown as movements in other changes.
2. Appointed or designated a KMP during the year – shares held prior to appointment are shown as movements in other changes. Other changes also includes sales and purchases on and off market.
3. Wilkes Holdings Pty Ltd (an entity in which Nicholas Curtis is a shareholder) had acquired a relevant interest in 200,000,000 ordinary shares in Northern Minerals. Hui Yun Chen, the registered holder of ordinary shares in Northern Minerals Limited had granted Wilkes Holdings Pty Ltd an option over 107,692,308 ordinary shares in Northern Minerals Limited pursuant to a Call Option Deed dated 22 December 2021. Under the deed, Wilkes Holdings Pty Ltd had an option to acquire 107,692,308 ordinary shares at an exercise price of $0.10. The expiry date of the option was 30 November 2023. Yun Zhen Ma, the registered holder of ordinary shares in Northern Minerals Limited had granted Wilkes Holdings Pty Ltd an option over 92,307,692 ordinary shares in Northern Minerals Limited pursuant to a Call Option Deed dated 22 December 2021. Under the deed, Wilkes Holdings Pty Ltd had an option to acquire 92,307,692 ordinary shares at an exercise price of $0.10. The expiry date of the option was 30 November 2023 and no options were exercised.

Shareholdings of Key Management Personnel for 2023

	Held at Beginning of Year	Granted as Compensation	Exercise of Options/ Performance Rights	Other Changes[1]	Held at 30 June 2023	Vested	Not Vested
Directors							
Nicholas Curtis[3]	106,600	-	-	-	106,600	106,600	-
Bin Cai	5,600,000	-	-	-	5,600,000	5,600,000	-
Shane Hartwig[1]	-	-	-	-	-	-	-
Liangbing Yu	-	-	-	-	-	-	-
Adam Handley	-	-	-	-	-	-	-
Ming Lu[2]	-	-	-	-	-	-	-
Key Management Personnel							
Mark Tory[2]	2,685,847	-	650,000	(3,335,847)[2]	-	-	-
Robin Jones	1,612,154	-	-	-	1,612,154	1,612,154	-
Simon Pooley	1,000,000	-	-	(1,000,000)	-	-	-
Angela Glover[1]	-	-	-	-	-	-	-
Hayley Patton[1]	-	-	-	300,000	300,000	300,000	-
TOTAL	**11,004,601**	**-**	**650,000**	**(4,035,847)**	**7,618,754**	**7,618,754**	**-**

1. Appointed or designated a KMP during the year – shares held prior to appointment are shown as movements in other changes. Other changes also includes sales and purchases on and off market.
2. Ceased officeholding during the year – their shares on resignation are shown as movements in other changes
3. Wilkes Holdings Pty Ltd (an entity in which Nicholas Curtis is a shareholder) has acquired a relevant interest in 200,000,000 ordinary shares in Northern Minerals. Hui Yun Chen, the registered holder of ordinary shares in Northern Minerals Limited has granted Wilkes Holdings Pty Ltd an option over 107,692,308 ordinary shares in Northern Minerals Limited pursuant to a Call Option Deed dated 22 December 2021. Under the deed, Wilkes Holdings Pty Ltd has an option to acquire 107,692,308 ordinary shares at an exercise price of $0.10. The expiry date of the option is 30 November 2023. Yun Zhen Ma, the registered holder of ordinary shares in Northern Minerals Limited has granted Wilkes Holdings Pty Ltd an option over 92,307,692 ordinary shares in Northern Minerals Limited pursuant to a Call Option Deed dated 22 December 2021. Under the deed, Wilkes Holdings Pty Ltd has an option to acquire 92,307,692 ordinary shares at an exercise price of $0.10. The expiry date of the option is 30 November 2023.

All equity transactions with Key Management Personnel other than those arising from the exercise of options granted as compensation have been entered into under terms and conditions no more favourable than those the Company would have adopted if dealing at arm's length.

REMUNERATION REPORT (Audited) (continued)

6.5 Other transactions with key management personnel

A Director, Mr Adam Handley is a partner in the firm of HFW. During the year Mr Handley was also a partner of MinterEllison. HFW and MinterEllison has provided legal services to the Company on normal commercial terms and conditions.

	2024 $	2023 $
Amounts recognised as expense		
Legal fees	439,411	136,187
Amounts recognised in assets and liabilities		
Current liabilities (Trade payables)	171,130	-

There have been no other transactions with key management personnel in the reporting period.

***** End of Remuneration Report *****

CORPORATE GOVERNANCE STATEMENT

The Board of Northern Minerals Limited is committed to achieving and demonstrating the highest standards of corporate governance. The Board is responsible to its shareholders for the performance of the Company and seeks to communicate extensively with shareholders. The Board believes that sound corporate governance practices will assist in the creation of shareholder wealth and provide accountability.

In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its corporate governance policies and its compliance with them on its website, rather than in the Annual Report. Accordingly, information about the Company's corporate governance practices is set out on the Company's website at www.northernminerals.com.au.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 143.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for audit and non-audit services during the year are disclosed in Note 18. There were no non-audit services carried out in the year ended 30 June 2024.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On 27 July 2024 51,020,408 options with an exercise price of $0.074 expired without being exercised.

In July 2024 the Company entered into an insurance premium funding agreement with a facility amount of $343,330 repayable over 10 months commencing in July 2024 with an interest rate of 3.67%.

On 16 September 2024 the Company announced it had received binding commitments from existing and new institutional and sophisticated investors to raise $43 million (before costs) via a two-tranche Placement of approximately 2,263,157,895 New Shares, issued at an offer price of $0.019 per New Share, which represents a discount of:

- 20.8% to the last closing price of $0.024 per share on 11 September 2024; and
- 22.4% to the volume weighted average price of Northern Minerals' shares over the five consecutive trading days on the ASX up to and including 11 September 2024

The Placement is not underwritten and will take place in two tranches:

- Tranche One will be completed under the Company's existing placement capacity pursuant to ASX Listing Rules 7.1 raising approximately $17 million via the issue of 887,299,896 New Shares (Tranche One); and
- Tranche Two of the Placement will be completed, subject to shareholder approval at an upcoming general meeting of the Company expected to be held on or around 6 November 2024 (Meeting), to raise the balance of approximately $26 million via the issue of 1,375,857,999 New Shares (Tranche Two)

New Shares issued under the Placement will rank equally with existing Northern Minerals fully paid ordinary shares on issue.

The Company will offer eligible existing shareholders on the Company's share register with a registered address in Australia or New Zealand who were holders as at 5.00pm (AWST) on Friday, 13 September 2024 (the Record Date) (Eligible Shareholders), the opportunity to apply for New Shares via a non-underwritten SPP. The Company may raise up to $5 million at the same price as the Placement, being $0.019 per share.

The Company has applied to the ASX for waivers from ASX Listing Rules 7.11 and 10.11 to permit the Company to issue New Shares under the SPP, without shareholder approval, at an issue price of $0.019 per New Share to Eligible Shareholders (Waivers). In the event that the Waivers are not granted, the Company intends to seek shareholder approval to issue the New Shares under the SPP. Accordingly, the issue of New Shares under the SPP is conditional on receipt of the Waivers or, if the Waivers are not granted, shareholder approval.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD (continued)

Eligible Shareholders will have the opportunity to apply for up to $30,000 of New Shares without incurring any brokerage costs or other transaction costs. New Shares issued under the SPP will rank equally with existing ordinary shares and New Shares issued under the Placement.

The SPP is not underwritten and there is no guarantee that the Company will raise the targeted amount. In the event that the Company receives valid applications under the SPP in excess of the targeted amount, the Company may, in its absolute discretion, raise more than the target or may scale back the number of New Shares issued under the SPP.

Signed in accordance with a resolution of the directors.

Adam Handley

Executive Chairman

26 September 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $	2023 $
Revenue from continuing operations			
Revenue from contracts with customers	5	-	6,538
Interest	6	735,855	297,985
Research and development rebate	5	260,811	349,343
Other income	5	4,617,190	991,040
Total revenue		**5,613,856**	**1,644,906**
Corporate expenses			
Administration expenses		1,033,409	701,598
Depreciation expense	10(a)	687,931	644,947
Share-based payments expense	17	576,674	558,167
Legal and professional expenses		3,546,483	1,304,309
Occupancy expenses		184,751	104,619
Employee benefits expense		4,965,245	3,899,565
Other corporate expenditure		174,734	179,739
Royalty expense		-	61,552
Impairment loss		875,000	245,779
Total corporate expenses		**12,044,227**	**7,700,275**
Exploration and evaluation expenditure			
Exploration costs	4	11,115,786	6,093,594
Project evaluation and pre-feasibility	4	11,721,590	8,759,017
Total exploration and evaluation expenditures		22,837,376	14,852,611
Total expenses		34,881,603	22,552,886
Operating loss for the year		(29,267,747)	(20,907,980)
Finance costs	6	2,320,613	1,380,800
Loss before income tax for the year		(31,588,360)	(22,288,780)
Income tax expense	7	-	-
Loss for the year		(31,588,360)	(22,288,780)
Other comprehensive income		-	-
Total comprehensive loss for the year attributable to members of the entity		(31,588,360)	(22,288,780)
Loss per share attributable to ordinary equity holders of the company: Basic and diluted loss per share (cents per share)	19	(0.55)	(0.45)

The above consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	2024 $	2023 $
Current assets			
Cash and cash equivalents	8 (a)	8,253,482	11,688,161
Trade and other receivables	8 (b)	1,347,858	1,340,523
Inventories	10(b)	73,945	160,980
Other financial assets	8 (c)	-	59,525
Total Current Assets		9,675,285	13,249,189
Non-current assets			
Other financial assets	8 (c)	239,699	-
Derivative financial assets	8 (d)	-	-
Property, plant and equipment	10 (a)	4,026,546	4,154,543
Total Non-Current Assets		4,266,245	4,154,543
Total assets		13,941,530	17,403,732
Current liabilities			
Trade and other payables	8 (e)	5,632,687	3,102,084
Interest bearing liabilities	8 (f)	14,744,818	14,427
Deferred revenue	8 (g)	1,441,631	2,068,607
Provisions	10 (c)	881,275	784,181
Total Current Liabilities		22,700,411	5,969,299
Non-current liabilities			
Interest bearing liabilities	8 (f)	658,064	13,346,345
Derivative financial liabilities	8 (d)	-	-
Provisions	10 (c)	4,589,195	4,554,960
Total Non-Current Liabilities		5,247,259	17,901,305
Total liabilities		27,947,670	23,870,604
Net liabilities		(14,006,140)	(6,466,872)
Equity			
Issued Capital	11 (a)	301,457,645	277,985,227
Reserves	11 (g)	4,035,980	4,136,430
Accumulated losses		(319,499,765)	(288,588,529)
Total equity		(14,006,140)	(6,466,872)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2024

	Note	ISSUED CAPITAL $	ACCUMULATED LOSSES $	PERFORMANCE RIGHTS AND OPTIONS RESERVE $	OTHER RESERVES $	TOTAL $
Consolidated Entity Balance at 1 July 2022		**270,487,071**	**(266,299,749)**	**1,394,908**	**-**	**5,582,230**
Loss for the financial year		-	(22,288,780)	-	-	(22,288,780)
Total comprehensive loss for the financial year		-	(22,288,780)	-	-	(22,288,780)
Transactions with owners in their capacity as owners:						
Shares issued net of transaction costs	11(a)	7,498,156	-	-	-	7,498,156
Shares/options issued		-	-	558,167	-	558,167
Convertible notes issued	8(f)	-	-	-	2,183,355	2,183,355
Balance at 30 June 2023		277,985,227	(288,588,529)	1,953,075	2,183,355	(6,466,872)
Balance at 1 July 2023		**277,985,227**	**(288,588,529)**	**1,953,075**	**2,183,355**	**(6,466,872)**
Loss for the financial year		-	(31,588,360)	-	-	(31,588,360)
Total comprehensive loss for the financial year		-	(31,588,360)	-	-	(31,588,360)
Transactions with owners in their capacity as owners:						
Shares issued net of transaction costs	11(a)	23,472,418	-	-	-	23,472,418
Shares/options issued		-	-	576,674	-	576,674
Transfer of reserves to accumulated losses		-	677,124	(677,124)	-	-
Balance at 30 June 2024		**301,457,645**	**(319,499,765)**	**1,852,625**	**2,183,355**	**(14,006,140)**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers		-	180,906
Payments to suppliers and employees		(31,431,356)	(20,621,824)
Interest received		707,610	274,168
Research & development rebate and other government grants		4,455,954	5,977,290
Other income received		148,514	102,302
Net cash outflow from operating activities	12(a)	(26,119,278)	(14,087,158)
Cash flows from investing activities			
Payments for property, plant and equipment		(376,606)	(115,084)
Proceeds from the sale of property, plant and equipment		-	800,000
(Increase)/decrease in security deposits		(180,174)	14,642
Net cash (outflow) /inflow from investing activities		(556,780)	699,558
Cash flows from financing activities			
Proceeds from issues of shares		25,000,000	8,660,184
Proceeds from issue of convertible notes		-	15,000,000
Share and convertible note issue costs		(1,527,582)	(1,368,954)
Proceeds from borrowings		350,306	216,257
Repayment of borrowings		(382,876)	(217,657)
Payments for lease liabilities		(198,458)	(61,362)
Net cash inflow from financing activities		23,241,390	22,228,468
Net (decrease)/ increase in cash and cash equivalents		(3,434,668)	8,840,868
Cash and cash equivalents at beginning of the financial year		11,688,161	2,857,574
Effects of exchange rate changes on cash and cash equivalents		(11)	(10,281)
Cash and cash equivalents at the end of the financial year	8(a)	8,253,482	11,688,161

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

This section sets out the material accounting policies that relate to the financial statements of Northern Minerals Limited ("the Company") and its subsidiaries ("the Group"). Where an accounting policy, critical accounting estimate, assumption and judgement is specific to a note, these are described within the note to which they relate. These policies have been consistently applied to all periods presented, except as described in Note 23 New standards and Interpretations.

The consolidated financial statements of "the Company" and "the Group" for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 26 September 2024. The directors have the power to amend and reissue the financial statements.

1. Reporting Entity

Northern Minerals Limited is a company limited by shares incorporated and domiciled in Australia where its shares are publicly traded on the Australian Securities Exchange (ASX). Its registered office and principal place of business is 40 Kings Park Road, West Perth, WA 6005.

The nature of the operations and principal activities of the Company are described in the Directors' Report, which is not part of the financial statements.

2. Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis, except for derivative financial instruments and certain other financial assets and liabilities, which are required to be measured at fair value.

The financial report complies with Australian Accounting Standards, as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial report is presented in Australian dollars which is the Group's functional and presentation currency and all values are rounded to the nearest dollar.

The Group has, where applicable, adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the year ended 30 June 2024. Refer to Note 23 New Standards and Interpretations for further details. The Group did not early adopt any Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

a) Funding and liquidity

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group reported a net loss for the year of $31.6 million (2023: $22.3 million) and a cash outflow from operating activities of $26.1 million (2023: $14.1 million). The Group had a net working capital deficit of $13.0 million (2023: $7.3 million surplus) including cash and term deposit balances of $8.3 million as at 30 June 2024 (June 2023: $11.7 million). The working capital deficit includes the Iluka Convertible Note (current liability) of $14.4 million which has a maturity date of 31 December 2024. The Company is in discussions with Iluka regarding options to amend the terms of the Iluka Convertible Note, including a potential extension to the maturity date. An agreement to extend the maturity date may not be reached on terms satisfactory to Northern Minerals, and if the Iluka Convertible Note is redeemed the Company would need to seek external funding.

2. Basis of Preparation (continued)

The loss mainly reflects the Company continuing its strategy of focussing on completing the feasibility study for its Brown Range Project and associated costs. The Group announced a share placement after the reporting date totalling $43 million (before costs), of which $26.1 million (before costs) is subject to shareholder approval at a general meeting expected to be held in early November 2024.

Based on the Group's cash balance of $8.3 million as at 30 June 2024, assuming the completion of the capital raising post the reporting date, the Group's committed expenditure profile and the ability to defer or avoid certain discretionary expenditure for the next twelve months from the date of this report, the Directors are satisfied that the Group will have access to sufficient cash to fund its forecast expenditure for a period of at least twelve months from the date of signing this report. Accordingly, the Directors consider that the going concern basis of preparation to be appropriate.

b) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Northern Minerals Limited and its subsidiaries as at and for the year ended 30 June 2024. A list of controlled entities at year end is contained within Note 13.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

3. Critical Accounting Judgements, Estimates, Assumptions and Errors

(a) Significant estimates and judgements

In applying the Group's accounting policies management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the Directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the Directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the directors' best estimate, in respect of R & D.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees, vendors and suppliers by reference to the fair value of the equity instruments at the date at which they are granted. Details of valuation techniques used for share-based payments in the year, including model inputs are detailed in Note 17.

Rehabilitation provision

The recognition of closure and rehabilitation provisions require significant estimates and assumptions such as requirements of the relevant legal and regulatory framework and the timing, extent and costs of required closure and rehabilitation activity. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Refer to Note 10 (c).

Convertible note

The convertible note is a hybrid financial instrument with an equity and derivative liability component. The derivative liability is initially measured at fair value. For further details refer to Note 8 (f).

3. Critical Accounting Judgements, Estimates, Assumptions and Errors (continued)

Lease terms

In determining the lease terms for right-of-use-assets, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For leases of offices, the following factors are normally the most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- If there are significant penalty payments to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee.

4. Exploration and evaluation expenditure

The Group's accounting policy for exploration expenditure is to expense costs as incurred in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*. The Group has determined that expenditure in relation to the pilot plant can still be accounted for under AASB 6, given the main activity of the Group relates to evaluating the technical feasibility and commercial viability of extracting the mineral resource. Items of plant and equipment purchased as part of the pilot plant are capitalised.

	2024 $	2023 $
Exploration costs	11,115,786	6,093,594
Project evaluation and pre-feasibility	11,721,590	8,759,017
Total exploration and evaluation expenditure	22,837,376	14,852,611

5. Revenue

The Group derives the following types of revenue:

	2024 $	2023 $
Revenue from contracts with customers	-	6,538
R&D rebate on eligible expenditure	260,811	349,343
Net gain on disposal of property, plant and equipment	-	806,923
Gain on lease modification	-	59,306
Other	148,514	124,810
Critical Minerals Development Grant	4,468,676	-
Total revenue from continuing operations	4,878,001	1,346,920

5. Revenue (continued)

Revenue Recognition

R&D rebates and government grants

The Company's accounting policy for R&D rebates and government grants is to recognise these when there is reasonable assurance that:

- The expenditure incurred during the financial period complies with relevant legislation and activities; and
- The rebates claimed will be received.

Rebates and grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

For details of unfulfilled conditions or other contingencies attaching to these grants see Note 14.

A government grant is not recognised until there is reasonable assurance that the entity will comply with the conditions attaching to it, and that the grant will be received. Receipt of a grant does not of itself provide conclusive evidence that the conditions attaching to the grant have been or will be fulfilled.

6. Finance Income and Costs

	2024 $	2023 $
Finance income		
Interest income	735,855	297,985
Total finance income	735,855	297,985
Finance costs		
Interest and finance charges payable for financial liabilities not at fair value through profit or loss	2,258,488	1,466,495
Provisions: unwinding of discount	(29,032)	(115,785)
Right of use assets interest	90,402	29,540
Financing transactions and costs	755	550
Total finance costs	2,320,613	1,380,800
Amount capitalised	-	-
Finance costs expensed	2,320,613	1,380,800
Net finance cost	1,584,758	1,082,815

Interest income

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income on financial assets at amortised cost is recognised in the statement of profit or loss as other income.

Interest cost

Finance costs include costs of interest-bearing liabilities held at amortised cost. Refer to Note 8(f).

Other borrowing costs are expensed in the period in which they are incurred.

7. Income Tax Expense

(a) Income tax expense

Reconciliation of income tax expense to prima facie tax payable:	2024 $	2023 $
Loss from continuing operations before income tax expense	(31,588,360)	(22,288,780)
Tax calculated at 25% (2023: 25%) on loss before income tax	(7,897,090)	(5,572,195)
Add tax effect of:		
Share-based payments	144,168	139,542
Non-deductible expenses	1,421	4,297
Unused tax losses and temporary differences not recognised	7,862,869	5,341,019
R & D adjustments	(111,368)	87,336
Income tax expense/(benefit)	-	-

(b) Unrecognised deferred tax balances

The balance comprises temporary differences attributable to:

Deferred tax assets		
Unused tax losses	53,311,600	49,122,767
Unused capital losses	9,802	159,692
Property, plant & equipment	5,697,661	1,718,283
Other deductible temporary differences	3,225,983	3,247,056
Total unrecognised deferred tax assets	62,245,046	54,247,798
Deferred tax liabilities		
Taxable temporary differences - other	(343,901)	(419,167)
Total unrecognised deferred tax liabilities	(343,901)	(419,167)
Net unrecognised deferred tax balances	61,901,145	53,828,631

The net deferred tax balances are not recognised since it is not probable at the reporting date that future taxable profits will be available to utilise deductible temporary differences and losses.

(c) Income tax expense/(benefit)

The income tax expense/(benefit) for the period is the tax payable on the current period's taxable income/(loss) based on the applicable income tax rate adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current tax is calculated using the tax rates enacted or substantively enacted at period end and includes any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for the tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax assessment or deduction purposes.

7. Income Tax Expense (continued)

The tax effect of certain temporary differences is not recognised, principally with respect to:

- Temporary differences arising on the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.
- Temporary differences relating to investments and undistributed earnings in subsidiaries, to the extent that the company is able to control its reversal and it is probable that it will not reverse in the foreseeable future.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each balance date and amended to the extent it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Based on the disclosure in note 3, the current income tax position represents the Directors' best estimate, in respect of R&D.

8. Financial Assets and Financial Liabilities and other receivables and liabilities

(a) Cash and cash equivalents

Current	2024 $	2023 $
Cash at bank and on hand	3,024,640	3,619,554
Deposits at call	5,228,842	8,068,607
	8,253,482	11,688,161

Cash in the statement of financial position comprises cash at bank and in hand and short-term deposits, with an original maturity of three months or less, that are readily convertible to known amounts of cash, and that are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

8. Financial Assets and Financial Liabilities and other receivables and liabilities (continued)

(b) Trade and other receivables

Current	2024 $	2023 $
GST receivable	59,354	-
Prepayments	1,041,443	714,218
Other receivables	269,240	295,040
R&D rebate receivable	223,600	577,044
Loss allowance (see note 9 (b))	(245,779)	(245,779)
	1,347,858	1,340,523

(i) Other receivables

Other receivables are amounts that generally arise from transactions outside the usual operating activities of the Group. They are recognised at amortised cost, less any allowance for expected credit losses.

(ii) Research and development rebate receivable

The research and development rebate receivable recognises the estimate of the R & D rebate for the financial year at amortised cost.

(iii) Fair values of trade and other receivables

Due to their short-term nature, their carrying amount is approximate to their fair value. Information about the methods and assumptions used in determining fair value is provided in note 8(h). Information about the impairment of trade and other receivables, their credit quality and the Group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 9.

(c) Other financial assets

Current	2024 $	2023 $
Security deposits – rent and performance bonds	-	59,525
	-	59,525
Non-Current		
Security deposits – rent and performance bonds	239,699	-
	239,699	-

Other financial assets are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

8. Financial Assets and Financial Liabilities and other receivables and liabilities (continued)

(i) Fair values of other financial assets

Due to their short-term nature, the financial assets carrying amount is approximate to their fair value. Information about the methods and assumptions used in determining fair value is provided in note 8(h). Information about the impairment of other financial assets, their credit quality and the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 9.

(d) Derivative financial instruments

During the year ended 30 June 2023 the Group entered into a call option / put option arrangement pursuant to which Iluka will (subject to satisfaction or waiver of certain conditions) be issued up to an additional 653.3 million shares.

The shares will be issued at the lower price per Share of:

- the lowest subscription price applicable to any Additional Browns Range Equity Fundraising; and
- $0.06 per Share (being a 50% premium to the Iluka Tranche 1 placement price of $0.04 per share in October 2022).

The issue and grant of the call option and the put option was conditional on Northern Minerals shareholder approval which was received at the General Meeting on 12 December 2022.

The call option can be exercised by Iluka at any time up until 31 December 2025.

The exercise of the put option by Northern Minerals is conditional on:

- NTU making a positive FID in relation to the Browns Range Project and the Project is reasonably likely to be capable of producing xenotime concentrate in sufficient quantities to substantially meet NTU's obligations under the Iluka Supply Agreement; and
- NTU having sufficient funds to fully fund the pre-production costs of the Browns Range Project; and
- ILU completing due diligence in respect of NTU's DFS to ILU's satisfaction (acting in good faith); and
- The Iluka Supply Agreement having not been terminated.

Once those conditions are satisfied, Northern Minerals may exercise the put option at any time up until 31 December 2025.

If NTU proposes to undertake Additional Browns Range Equity Fundraising after the Iluka Convertible Note has been converted, the Company must use reasonable endeavours to:

- Negotiate Iluka's participation in such fundraising on the same terms as other professional investors; and
- Maximise Ilukas participation (subject to it not exceeding 19.9% of the Company).

NTU must give Iluka a reasonable opportunity to participate in certain other equity raisings for up to 3 years following NTU making a positive FID in relation to the Browns Range Project, provided Iluka maintains a 10% shareholding in NTU or the earlier of 31 March 2025.

The option contracts are financial instruments which have been classified as at fair value through profit or loss. As the derivative is closely related to the host instrument the derivative asset and liability are measured together at fair value and initially recognised as $nil, with fair values determined by Level 1 valuation techniques. As at reporting date, the option contracts have a fair value of $nil and therefore no fair value remeasurements have been recognised.

8. Financial Assets and Financial Liabilities and other receivables and liabilities (continued)

(e) Trade and other payables

Current	2024 $	2023 $
Trade payables	2,643,364	1,173,155
Other payables	2,989,323	1,928,929
	5,632,687	3,102,084

Trade and other payables are classified as loans and are carried at amortised cost. They are non-interest bearing and represent liabilities for goods and services provided to the Group prior to the end of the financial year. They are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition. These are included in current liabilities. Liabilities where payment is not due within 12 months from the reporting date, which are classified as non-current liabilities.

(i) Fair values of trade and other payables

Due to their short-term nature, current trade and other payables carrying amounts are approximate to their fair value. Information about the methods and assumptions used in determining fair value is provided in note 8(h). Information about the group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 9. Details of the fair values of non-current trade and other payables can be found in note 8(h).

(f) Interest Bearing Liabilities

At Amortised Cost

Current	Interest Rate	2024 $	2023 $
Equipment finance (Secured)	5.05%	54,761	-
Right of use asset lease liability (Refer to note 10)	11.8%	243,281	14,427
Convertible note – Iluka (Secured)	7%	14,446,776	-
		14,744,818	14,427
Non-Current			
Equipment finance (Secured)	5.05%	90,856	-
Right of use asset lease liability (Refer to note 10)	11.8%	567,208	-
Convertible note – Iluka (Secured)	7%	-	13,346,345
		658,064	13,346,345
Total Interest Bearing Liabilities			
Current		14,744,818	14,427
Non-Current		658,064	13,346,345
		15,402,882	13,360,772

8. Financial Assets and Financial Liabilities and other receivables and liabilities (continued)

(f) Interest Bearing Liabilities (continued)

Commitments in relation to hire purchase leases are payable as follows:

	2024 $	2023 $
Within one year	64,133	-
Later than one year but not later than five years	90,856	-
Minimum lease payments	154,989	-
Future finance charges	(9,373)	-
Total lease liabilities	145,616	-

The present value of hire purchase lease liabilities is as follows:

Within one year	54,760	-
Later than one year but not later than five years	90,856	-
Minimum lease payments	145,616	-

Convertible Note – Iluka Resources Limited (Iluka)

On 28 October 2022, Northern Minerals issued to Iluka a convertible note totalling $15.0 million, convertible into up to 365.6 million shares at $0.048 per share (including assumed capitalised interest, and subject to various adjustment events). Details of the Iluka Convertible Note are as follows:

Conversion Price:	$0.048 per share, subject to various adjustment events.
Interest Rate:	7% per annum. Accrued interest is capitalised quarterly.
Face Value:	$15.0 million
Maturity Date:	31 December 2024
Convertibility:	Convertible by: • ILU – at any time before the maturity date; and • NTU – at any time after completion of both the Iluka Tranche 2A Placement and exercise of either the Iluka Tranche 2B Call Option or Put Option.
Redeemability:	Redeemable at the maturity date or by: • ILU – following an event of default; and • NTU – at any time before the maturity date.
Security:	NTU has entered into a combination security agreement under which it agrees to grant security over all of its present and after acquired property (including certain NTU mining tenements) to Iluka to secure the obligations of NTU under the Iluka Convertible Note. If an event of default occurs, Iluka may enforce the security granted under the combination security agreement. Further, if requested by NTU, Iluka and NTU will use their respective reasonable endeavours to enter into a priority and subordination deed with NTU and its project debt financiers under which the security granted under the combination security agreement will rank behind any security granted in favour of the project debt financiers and the obligations under the Iluka Convertible Note will be subordinated to the project debt finance.

8. Financial Assets and Financial Liabilities and other receivables and liabilities (continued)

The convertible note is a hybrid financial instrument with an equity and derivative liability component. The derivative liability is initially measured at fair value. The derivative liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the convertible note. The remainder of the proceeds is allocated to the conversion option and recognised in shareholders equity in other reserves and is not subsequently remeasured.

The convertible note is presented in the balance sheet as follows:

	2024 $	2023 $
Face value of notes issued	15,000,000	15,000,000
Value of conversion rights	(2,183,355)	(2,183,355)
Transaction costs	(206,926)	(143,156)
Interest expense	1,837,057	672,856
Liability	14,446,776	13,346,345

Aside from amounts disclosed above as measured at fair value, borrowings are classified as loans and are initially recognised at fair value net of transaction costs incurred. Subsequent to initial recognition, interest bearing liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the liabilities using the effective interest rate method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised.

Interest bearing liabilities are classified as current liabilities, except when the Group has an unconditional right to defer settlement for at least 12 months after the reporting date in which case the liabilities are classified as non-current.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. The fee is capitalised as a prepayment and amortised over the remaining period of the facility to which it relates once it is drawn down.

Financial liabilities designated at fair value through profit or loss are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

The amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon de-recognition of the financial liability.

Leases, which transfer to the Group, substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

8. Financial Assets and Financial Liabilities and other receivables and liabilities (continued)

Equipment Finance

These loans are secured by a first charge over the equipment under finance and are for a period of 36 months.

Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Current	2024 $	2023 $
Fixed Charge		
Cash and cash equivalents	8,253,482	11,688,161
Receivables	305,187	604,635
Inventory	73,945	160,980
Total current assets pledged as security	8,632,614	12,453,776
Non-Current		
Fixed charge		
Property, plant and equipment	4,026,546	4,154,543
Total non-current assets pledged as security	4,026,546	4,154,543
Total assets pledged as security	12,659,160	16,608,319

(g) Deferred revenue

Current	2024 $	2023 $
Deferred revenue	1,441,631	2,068,607

Refer to note 5 for the accounting policy in relation to R&D rebates and government grants.

(h) Accounting classification and fair value

Financial assets

A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cashflows which arise on specified dates and that are solely principal and interest.

A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to hold both assets in order to collect contractual cashflows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets with be either:

- held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or
- designated as such upon initial recognition where permitted.

8. Financial Assets and Financial Liabilities and other receivables and liabilities (continued)

A gain or loss on the financial assets at fair value through the profit and loss that are subsequently remeasured are recognised in the profit or loss as other income in the period in which it arises.

Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instruments credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12- month expected credit loss allowance is estimated. This represents a portion of the assets lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the assets lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Financial liabilities

Financial liabilities other than derivatives are initially recognised at fair value of consideration received net of transaction costs as appropriate and are subsequently carried at amortised cost. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The amortisation is included in finance costs in the statement of profit or loss.

Derivatives, including those embedded in contractual arrangements but separated for accounting purposes because they are not clearly and closely related to the host contract, are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured at their fair value. Fair value changes are recognised immediately in the profit and loss.

For the interest-bearing liabilities, the fair values are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

Fair value Measurements

There have been no transfers between fair value levels during the reporting period.

8. Financial Assets and Financial Liabilities and other receivables and liabilities (continued)

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Specific valuation techniques used to value financial instruments include:

- Put and Call Option – Hoadley Trading and Investment Tools ESO2 binomial valuation model undertaken by an external, independent and qualified expert.
- Convertible note – valuation undertaken by an external, independent and qualified expert.

All financial instruments measured at fair value use Level 1 valuation techniques.

9. Financial Risk Management

The Group's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash that derive directly from its operations.

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board. The Board provides policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and other price risk.

Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange risk arising from currency exposures with respect to changes in USD/AUD exchange rates.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated or linked to a currency that is not the entity's functional currency. The Group did not enter into any FX hedging agreements in relation to its transactions.

Certain operating and capital expenditure is linked to currencies other than the Company's functional currency.

9. Financial Risk Management (continued)

The financial assets and liabilities that are exposed to foreign exchange risk at the end of the reporting period, expressed in Australian dollars, are:

	2024 $	2023 $
Cash and cash equivalents - USD	1,257	1,905
	1,257	1,905

As shown in the table above, the Group has limited exposure to changes in USD/AUD exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from US-dollar denominated financial instruments.

The impact of a material movement of +/- 10% in the AUD/USD exchange rate will not have a material impact on revenue and therefore shareholder equity.

Amounts recognised in the statement of profit or loss

During the year the following foreign exchange related amounts were recognised in the statement of profit or loss:

	2024 $	2023 $
Net foreign exchange gain included in other income	70	-
Foreign exchange gain/(loss) in administration expenses	(539)	25,359
Net foreign exchange gain/(loss)	(469)	25,359

Cash flow and fair value interest rate risk

Interest rate risk in relation to the fair value or future cash flow may arise from interest rate fluctuations. The Group's exposure to interest rate risk and the effective weighted average interest rate for classes is set out below:

30 June 2024	Weighted average interest rate %	Floating Interest Rate $	Fixed Interest $	Non-Interest Bearing $	Total $
Financial Assets					
Cash and cash equivalents	2.81%	2,496,596	5,228,843	528,043	8,253,482
Trade and other receivables	-	-	-	282,954	282,954
Other financial assets	5.05%	-	239,699	-	239,699
Total financial assets		2,496,596	5,468,542	810,997	8,776,135
Financial Liabilities					
Trade and other payables	-	-	-	2,690,522	2,690,522
Interest bearing liabilities	7.00%	-	16,451,472	-	16,451,472
Total financial liabilities		-	16,451,472	2,690,522	19,141,994

9. Financial Risk Management (continued)

30 June 2023	Weighted average interest rate %	Floating Interest Rate $	Fixed Interest $	Non-Interest Bearing $	Total $
Financial Assets					
Cash and cash equivalents	2.94%	1,816,925	8,068,607	1,803,258	11,688,790
Trade and other receivables	-	-	-	591,735	591,735
Other financial assets	3.00%	-	59,525	-	59,525
Total financial assets		1,816,925	8,128,132	2,394,993	12,340,050
Financial Liabilities					
Trade and other payables	-	-	-	1,237,352	1,237,352
Interest bearing liabilities	7.00%	-	15,719,502	-	15,719,502
Total financial liabilities		-	15,719,502	1,237,352	16,956,854

Financial assets are subject to underlying interbank cash rate movements as determined by the Reserve Bank of Australia.

The impact of a material movement of +/- 0.25% in the underlying cash rate will have an impact on revenue and therefore shareholder equity of $22,461. The assumed movement in basis point volatility for the interest rate sensitivity analysis is based on the observable market movements in interest rates in the recent past.

b) Credit Risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure relating to outstanding receivables and committed transactions. The Group has minimal credit risk with regards to its bank held deposits which are all held with reputable institutions. The Group has minimal credit risk in relation to its receivables.

The maximum exposure to credit risk at the reporting date is the carrying amount of the receivables. Collateral is not held as security. There are no significant concentrations of credit risk within the Group.

A loss allowance as at 30 June 2024 was determined for both trade and other receivables. A loss allowance was calculated for other receivables on a balance due from a third party at 100% based on indicators that there was little reasonable expectation of recovery, however negotiations were still on going for payment.

c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Group management aims at maintaining flexibility in funding by keeping committed credit lines available.

Management monitors rolling forecasts of the Group's liquidity reserve and cash and cash equivalents. In addition, the Group's liquidity policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these and monitoring debt financing plans.

The Company:

- continuously monitors forecasts and actual cash flows and the maturity profiles of financial assets and liabilities to manage its liquidity risk;
- manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are invested in short-term bank deposits.

9. Financial Risk Management (continued)

Financing arrangements

The Group has no access to undrawn borrowing facilities at the end of the financial year.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 6 months $	6-12 months $	Between 1 and 2 years $	Between 2-5 years $	Total contractual cash flows $	Carrying amount $
As at 30 June 2024						
Non-derivatives						
Trade payables	2,690,522	-	-	-	2,690,522	2,690,522
Interest bearing liabilities	32,067	17,494,879	64,133	26,722	17,617,801	16,451,472
Lease liabilities	120,813	122,468	256,464	603,661	1,103,406	810,489
Total non-derivatives	**2,843,402**	**17,617,347**	**320,597**	**630,383**	**21,411,729**	**19,952,483**

Contractual maturities of financial liabilities	Less than 6 months $	6-12 months $	Between 1 and 2 years $	Between 2-5 years $	Total contractual cash flows $	Carrying amount $
As at 30 June 2023						
Non-derivatives						
Trade payables	1,237,352	-	-	-	1,237,352	1,237,352
Interest bearing liabilities	-	-	17,462,812	-	17,462,812	14,065,847
Lease liabilities	15,509	-	-	-	15,509	14,427
Total non-derivatives	**1,252,861**	**-**	**17,462,812**	**-**	**18,715,673**	**15,317,626**

10. Non-financial Assets and Liabilities

(a) Property, plant and equipment

2024	Plant and Equipment $	Bulk earthworks $	Browns Range Buildings $	Right of Use Assets – Office lease $	Total $
Cost					
At beginning of the financial year	11,056,969	2,108,973	4,196,397	23,344	17,385,683
Additions	510,665	-	-	924,270	1,434,935
Transfers	-	-	-	-	-
Disposals	(4,802)	-	-	(23,344)	(28,146)
Impairment loss	(875,000)	-	-	-	(875,000)
At the end of the financial year	**10,687,832**	**2,108,973**	**4,196,397**	**924,270**	**17,917,472**
Accumulated Depreciation					
At beginning of year	8,506,849	2,108,973	2,603,646	11,672	13,231,140
Depreciation charge for the year	305,924	-	194,626	187,381	687,931
Disposals	(4,802)	-	-	(23,343)	(28,145)
Accumulated depreciation at end of year	**8,807,971**	**2,108,973**	**2,798,272**	**175,710**	**13,890,926**
Carrying amount at end of the year	**1,879,861**	**-**	**1,398,125**	**748,560**	**4,026,546**

2023	Plant and Equipment $	Bulk earthworks $	Browns Range Buildings $	Right of Use Assets – Office lease $	Total $
Cost					
At beginning of the financial year	11,727,359	2,108,973	4,196,397	280,121	18,312,850
Additions	144,898	-	-	-	144,898
Transfers	-	-	-	-	-
Disposals	(815,288)	-	-	(256,777)	(1,072,065)
At the end of the financial year	**11,056,969**	**2,108,973**	**4,196,397**	**23,344**	**17,385,683**
Accumulated Depreciation					
At beginning of year	8,831,881	2,026,657	2,384,883	81,701	13,325,122
Depreciation charge for the year	297,181	82,316	218,763	46,687	644,947
Disposals	(622,213)	-	-	(116,716)	(738,929)
Accumulated depreciation at end of year	**8,506,849**	**2,108,973**	**2,603,646**	**11,672**	**13,231,140**
Carrying amount at end of the year	**2,550,120**	**-**	**1,592,751**	**11,672**	**4,154,543**

10. Non-financial Assets and Liabilities (continued)

Plant and equipment is stated at cost less accumulated depreciation and impairment charges. Cost is the fair value of consideration given to acquire the asset at the time of its acquisition or construction and includes the direct cost of bringing the asset to the location and condition necessary for operation and its estimated future cost of closure and rehabilitation.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. All other repairs and maintenance are charged to the statement of profit or loss during the reporting period in which they are incurred.

Any item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognising of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the year the asset is derecognised.

Depreciation and amortisation

The carrying amounts of property, plant and equipment are depreciated to their estimated residual value over the estimated useful lives of the specific assets concerned, or the estimated life of the associated project, if shorter. Estimates of residual values and useful lives are reassessed annually and any change in estimate is taken into account in the determination of remaining depreciation charges. Depreciation commences on the date the asset is ready and available for use. The major categories of property, plant and equipment are depreciated on a straight-line basis using estimated lives indicated below:

Pilot plant in construction – based on life of pilot plant project – 3 years from being available for use

Office Equipment – 3 years

Fixtures and Fittings – 4 years

Exploration Equipment – 3 years

Vehicles – 4 years

Leasehold Improvements – 3-10 years

Buildings – 3-15 years for fixtures and fittings and portable building structures

Browns Range Site Equipment - 3-10 years and 20 years for mobile equipment

Site Plant Bulk Earthworks – 3-4 years based on life of pilot plant depending on commencement as available for use

Ore sorter based on period of use and had been depreciated to its estimated residual value in 2022.

Impairment Losses

The impairment loss relates to the write down of the ore sorter at Browns Range after it was determined that an indication of impairment existed at year end. A subsequent assessment of the recoverable amount determined that this would not exceed $825,000 and the decision was made to write down the carrying value of this asset to $825,000.

Assets under construction

All assets included in assets under construction are reclassified to other categories in property, plant and equipment when the asset is available and ready for use in the location and condition necessary for it to be capable of operating in the manner intended.

Non-current assets pledged as security

Refer to note 8 (f) for information on non-current assets pledged as security by the Group.

10. Non-financial Assets and Liabilities (continued)

Leases

The Company has purchased items of plant and equipment under hire purchase lease agreements. These are presented as part of property, plant and equipment in the statement of financial position.

Plant and equipment under lease

	2024 $	2023 $
Plant and equipment – hire purchase	189,145	-
Less: Accumulated depreciation	(29,305)	-
	159,840	-

Lease liability

Current lease liability	54,761	-
Non-current lease liability	90,856	-
	145,617	-

Interest charged on hire purchase lease liabilities during the year was $4,840 (2023: $6). The average interest rate charged is 5.05% (2023:2.90%).

Right of Use Assets

The Company leases office space in West Perth, Western Australia and Sydney, NSW, under non-cancellable leases which expire on 27 August 2027 and has an option to extend for a further 2 years and 6 months for the West Perth lease and expire on 31 July 2026 for the Sydney lease. The lease agreements do not impose any covenants.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in- substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

10. Non-financial Assets and Liabilities (continued)

To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing; and
- Makes adjustments specific to the lease, e.g.; term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which is not included in the lease liability until they take effect. When adjustments to lease

payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the assets useful life and the lease term on a straight line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

The statement of profit or loss shows the following amounts relating to leases:

	2024 $	2023 $
Interest expense (included in finance costs)	90,402	29,540
Expense relating to short term leases (included in occupancy costs)	-	-
Expense relating to variable lease payments not included in lease liabilities (included in occupancy costs)	120,281	37,370

Income of $nil (2023: $8,806) has been recognised for sub-leasing of the office premises.

The total cash outflow for leases in 2024 was $218,509 (2023: $61,589).

(b) Inventories

Current	2024 $	2023 $
Diesel fuel and consumables	73,945	160,980

Inventories are valued at the lower of cost and net realisable value. Cost is determined using weighted average costs.

10. Non-financial Assets and Liabilities (continued)

(c) Provisions

Current	2024 $	2023 $
Employee benefits	881,275	784,181

Non-Current	2024 $	2023 $
Employee benefits	33,779	24,853
Rehabilitation	4,555,416	4,530,107
	4,589,195	4,554,960

(i) Movements in provisions

2024	*Employee benefits* $	*Rehabilitation* $	*Total* $
Balance at the beginning of year	809,034	4,530,107	5,339,141
Additional amounts recognised for the year	538,090	54,341	592,431
Unwinding of discount	-	(29,032)	(29,032)
Amounts used during the year	(432,070)	-	(432,070)
Balance at the end of year	**915,054**	**4,555,416**	**5,470,470**

Employee benefits

Current entitlements to annual leave accrued for services up to the reporting date are recognised in the provision for employee benefits and are measured at the amounts expected to be paid. Entitlements to non-accumulating sick leave are recognised when the leave is taken.

The current liability for long service leave (for which settlement within 12 months of the reporting date cannot be deferred) is recognised in the current provision for employee benefits and is measured in accordance with annual leave described above. The non-current liability for long service leave is recognised in the non-current provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to current wage and salary levels to match as closely as possible, the estimated future cash outflows.

Rehabilitation

The mining, exploration and construction activities of the Group give rise to obligations for site closure and rehabilitation. Closure and rehabilitation works can include facility decommissioning and dismantling, removal of waste materials, site and land rehabilitation.

Provisions for the cost of each closure and rehabilitation programme are recognised at the time the environmental disturbance occurs. When the extent of disturbance increases over the life of an operation, the provision is increased accordingly. Costs included in the provision encompass all closure and rehabilitation activity expected to occur progressively over the life of the operation and at, or after, the time of closure, for disturbance existing at the reporting date. Routine operating costs that may impact the ultimate closure and rehabilitation activities, are not included in the provision.

10. Non-financial Assets and Liabilities (continued)

Costs arising from unforeseen circumstances, are recognised as an expense and liability when the event gives rise to an obligation which is probable and capable of reliable estimation.

The timing of the actual closure and rehabilitation expenditure is dependent upon a number of factors such as the life and nature of the asset, the operating licence conditions and the environment in which they operate. Expenditure may occur before and after closure and can continue for an extended period of time dependent on closure and rehabilitation requirements.

Closure and rehabilitation provisions are measured at the expected value of future cash flows, discounted to their present value. Significant judgements and estimates are involved in forming expectations of future activities and the amount and timing of associated cash flows.

When provisions for closure and rehabilitation are initially recognised, the corresponding cost is capitalised as an asset, representing part of the cost of acquiring the future economic benefits of the operation, to the extent that the activity in which the provision is related to is capitalised. The capitalised cost of rehabilitation and closure activities is recognised in property, plant and equipment accordingly. The value of the provision is progressively increased over time due to the effect of discounting unwinding creating an expense recognised in finance expenses. Where the activity in which the provision relates is expensed in accordance with the exploration and evaluation expenditure, the provision expense is also expensed.

Closure and rehabilitation provisions are also adjusted for changes in costs and estimates. Those adjustments are accounted for as a change in the corresponding capitalised cost, except where a reduction in the provision is greater than the undepreciated capitalised cost of the related assets, in which case the capitalised cost is reduced to nil and the remaining adjustment is recognised first against other items in property, plant and equipment and subsequently to the consolidated statement of profit or loss.

Changes to the capitalised cost result in an adjustment to future depreciation.

Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence in light of significant judgements and estimates involved.

11. Equity

(a) Ordinary Shares

		2024		2023
Share Capital	Number	$	Number	$
Ordinary Shares	5,915,332,642	301,457,645	5,081,999,308	277,985,227
Movement in Ordinary Share Capital				
Balance at the beginning of year	5,081,999,308	277,985,227	4,864,364,699	270,487,071
Issue of shares -Placement at $0.03	833,333,334	25,000,000	-	-
Conversion of Performance Rights	-	-	480,000	-
Issue of Shares to Iluka Tranche 1 at $0.04	-	-	125,000,000	5,000,000
Conversion of Performance Rights	-	-	650,000	-
Issue of Shares under Share Purchase Plan at $0.04	-	-	91,504,609	3,660,184
	5,915,332,642	302,985,227	5,081,999,308	279,147,255
Less: costs of issue	-	(1,527,582)	-	(1,162,028)
	5,915,332,642	301,457,645	5,081,999,308	277,985,227

11. Equity (continued)

(i) Ordinary shares

Issued capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Share Purchase Plan shares not taken up on termination are dealt with in accordance with the Share Plan rules. For further details on the nature of these shares, refer to note 17.

(b) Share Purchase Plan Shares

Included in ordinary shares are shares issued pursuant to the Share Purchase Plan as follows:

	2024 $	2023 $
Balance at beginning of year	4,353,400	4,353,400
Shares reverted to Company and reissued during the year	-	-
Balance at end of year	4,353,400	4,353,400

(c) Performance Rights over ordinary shares

Performance rights with conditions* with Nil exercise price vesting and exercisable upon a number of conditions (Unquoted)

	2024 $	2023 $
Balance at beginning of year	11,816,666	22,016,665
Issued during the year	-	-
Forfeited/lapsed during the year	(9,150,000)	(9,069,999)
Exercised during the year	-	(1,130,000)
Balance at end of year	2,666,666	11,816,666

Performance rights with conditions** with Nil exercise price vesting and exercisable upon a number of conditions (Unquoted)

Balance at beginning of year	125,000,000	-
Issued during the year	-	125,000,000
Forfeited/lapsed during the year	-	-
Exercised during the year	-	-
Balance at end of year	125,000,000	125,000,000

11. Equity (continued)

* *Performance conditions*

The Performance Rights Plan was approved by shareholders at the 22 July 2021 General Meeting. Under the plan, participants are granted performance rights which only vest if certain performance conditions are met.

Rights are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each right is convertible into one ordinary share and can be exercised at any time from and including the vesting date up to and including the date of expiry. The performance rights will expire if not exercised 12 months after they have vested.

The performance rights have been split across numerous tranches and performance conditions:

- *Completion of testing of 5,000 tonnes of crushed ore through the Company's ore sorter at Browns Range.*
- *Successful development and implementation of the Integrated Management System.*
- *Production of 40 tonnes of rare earth carbonate.*
- *Processing ore stockpiles through the beneficiation plant to produce 2,000 tonnes of xenotime concentrate.*
- *Exploration resource upgrade to support a 10-year life of mine.*
- *Completion of the feasibility study for full scale beneficiation plant.*
- *Board final investment decision on decision to invest in full scale beneficiation plant.*
- *Practical completion of the full-scale beneficiation plant.*

Vesting periods range from 31 December 2021 to 30 June 2025, with between 100% and 0% vesting between nominated dates.

Included in the total performance rights, a total of 3,000,000 performance rights were issued with the following conditions with 1,000,000 performance rights in each tranche:

Relative Total Shareholder Returns (TSR) for the 12 months to 31 December 2021, 1 January 2022 to 31 December 2022, and 1 January 2023 to 31 December 2023 compared to peers. Rights vesting range from 100% with TSR at or above the 75th percentile to 0% for less than the 25th percentile.

** *Performance conditions*

The Performance Rights were approved by shareholders at the 12 December 2022 General Meeting. Under the plan, participants are granted performance rights which only vest if certain performance conditions are met. The amount of rights that will vest depends on the following conditions.

Rights are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each right is convertible into one ordinary share and can be exercised at any time from and including the vesting date up to and including the date of expiry. The Performance Rights will vest upon notification from the Company to the holder of the Performance Rights. Following vesting, the Company will allocate Shares to the holder of Performance Rights. Any Rights that do not vest by the relevant sunset date for the relevant tranche will lapse.

The performance rights have been split across numerous tranches and performance conditions:

- **First Tranche:** *31.25 million Performance Rights are subject to the Company's shares achieving a 60- day volume-weighted average price (VWAP) of at least $0.06 on or before 22 June 2025.*
- **Second Tranche:** *31.25 million Performance Rights are subject to the Company's shares achieving a 60-day VWAP of at least $0.08 on or before 22 June 2025.*
- **Third Tranche:** *31.25 million Performance Rights are subject to the occurrence of the Board making a final investment decision to proceed with the development of a mining and concentration operation at Browns Range in Western Australia and the Company's shares achieving a 60-day VWAP of at least $0.08, both conditions being satisfied on or before 22 June 2025.*
- **Fourth Tranche:** *31.25 million Performance Rights subject to the Company commencing first production of Xenotime concentrate and delivery pursuant to the terms of the Iluka Supply Agreement between the Company and Iluka Rare Earths Pty Ltd on or before 31 December 2026.*

(d) Options over ordinary shares

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry date	Exercise price	Share options 30 June 2024	Share options 30 June 2023
2 March 2020	2 March 2024	$0.045	-	26,500,000
22 February 2021	22 February 2024	$0.074	-	153,061,226
22 February 2021	27 July 2024	$0.074	51,020,408	51,020,408
12 December 2022	22 June 2025	$0.060	20,000,000	20,000,000
Total			71,020,408	250,581,634
Weighted average remaining contractual life of options outstanding at end of period.			0.33 years	0.85 years

The following options expired unexercised during the year ending 30 June 2024, 26,500,000 options expired on 2 March 2024, exercisable at $0.045 and 153,061,226 options expired on 22 February 2024 exercisable at $0.074.

No options expired in the year ending 30 June 2023.

(e) Capital management

When managing capital, the Board's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

The Board may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market.

Management monitors capital by reviewing the level of cash on hand, future revenue streams and assessing the impact of possible future commitments in respect of the potential capital structure that would be required to meet those potential commitments.

11. Equity (continued)

(f) Dividends

No dividends were paid or declared by the Company since the incorporation of the Company.

(g) Nature and purpose of other reserves

The share option reserve is used to recognise the value of options or performance rights issued in lieu of cash payments, issued to employees and Key Management Personnel as remuneration, and to recognise the proceeds received on issue of options and performance rights.

The share-based payments reserve is used to recognise the value of shares issued in lieu of cash payments and is allocated the vested portion of the employee share purchase plan over the vesting period.

The other reserve covers the equity component of the issued convertible notes. The liability component is reflected in financial liabilities. For the year ended 30 June 2024 the equity component of convertible notes issued was $2,183,355 (2023: $2,183,355).

12. Cash Flow Information

(a) Reconciliation of loss after income tax to net cash outflow from operating activities

	2024 $	2023 $
Net Loss after tax	(31,588,360)	(22,288,780)
Adjustments		
Depreciation expense	687,931	644,947
Amortisation of borrowing costs	1,100,431	736,627
Gain/(loss) on disposal of assets	-	(806,923)
Share-based payments (refer note 17)	576,674	558,167
Unrealised foreign exchange	11	10,706
Impairment of receivables	-	245,779
Impairment of non-current assets	875,000	-
Change in assets and liabilities		
Decrease /(increase) in other receivables	(44,288)	3,029,957
(Increase) / decrease in inventory	87,035	(70,563)
Increase in trade and other payables	2,681,936	1,827,265
(Decrease)/ increase in deferred revenue	(626,976)	2,068,607
Decrease / (increase) in provisions	131,328	(42,947)
Net cash flows used in operating activities	(26,119,278)	(14,087,158)

(b) Non-cash investing and financing activities

Acquisition of property, plant and equipment by means of finance leases	178,188	-

12. Cash Flow Information (continued)

(c) Reconciliation of liabilities arising from financing activities

2024	Opening balance 2023 $	Cash flows* $	Non-cash changes: Foreign exchange movements $	Non-cash changes: Conversion of debt to equity $	Non-cash changes: Other non-cash movements $	Closing balance 2024 $
Equipment finance	-	(32,570)	-	-	178,186	145,616
Convertible Note	13,346,345	-	-	-	1,100,431	14,446,776
Total liabilities from financing activities	**13,346,345**	**(32,570)**	**-**	**-**	**1,278,617**	**14,592,392**

2023	Opening balance 2023 $	Cash flows* $	Non-cash changes: Foreign exchange movements $	Non-cash changes: Conversion of debt to equity $	Non-cash changes: Other non-cash movements $	Closing balance 2024 $
Equipment finance	1,401	(1,401)	-	-	-	-
Convertible Note	-	15,000,000	-	-	(1,653,655)	13,346,345
Total liabilities from financing activities	**1,401**	**14,998,599**	**-**	**-**	**(1,653,655)**	**13,346,345**

* Interest paid on liabilities has been included in the cash flows above, however, is shown as operating cash flows in the Statement of Cash Flows.

13. Subsidiaries

The following were wholly owned subsidiaries of the Company in 2024 and 2023:

- Northern Uranium Pty Ltd
- Northern Commodities Pty Ltd
- Northern P2O5 Pty Ltd
- Northern Rare Earth Metals Pty Ltd; and
- Northern Xenotime Pty Ltd.

Subsidiaries are entities controlled by the parent entity. Control exists where the parent entity is exposed, or has rights to, variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. A parent entity has power over the subsidiary, when it has existing rights to direct the relevant activities of the subsidiary which are those which significantly affect the subsidiary returns.

14. Contingent Liabilities

Co-Existence Agreement

Under the terms of the Browns Range Co-existence Agreement announced to ASX on 16 June 2014, the Company has an obligation to make certain payments as well as maximising local employment. The majority of payments are subject to the commencement of commercial production at the Company's Browns Range Project and cannot be reliably measured at this time.

During the Pilot Plant Phase, the payment obligations do not apply and are substituted with alternative payment obligations.

14. Contingent Liabilities (continued)

Guarantees

The Group has guarantees in the form of security deposits for rent and performance bonds of $239,699 (2023: $59,525).

Government Grants

On 7 August 2017, as part of a consortium led by the Wunan Foundation, Northern Minerals announced that funding has been awarded under the Federal Government's Building Better Regions Fund (BBRF) to develop an Aboriginal training-to-work (T2W) program at the Browns Range Pilot Plant Project.

The Company has received $5,910,307 under the Federal Governments Critical Minerals Development Grant in 2023 and 2024.

If the Company does not comply with an obligation under the agreements and the Commonwealth believes that the non-compliance is incapable of remedy, or if the Company has failed to comply with a notice to remedy, the Commonwealth may by written notice reduce the scope of the Agreements. This can include return of any part of the Grant to the Commonwealth.

15. Commitments

(i) Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State governments. These obligations can be reduced by selective relinquishment of exploration tenure or renegotiation. Due to the nature of the Company's operations in exploring and evaluating areas of interest, exploration expenditure commitments beyond twelve months cannot be reliably determined. It is anticipated that expenditure commitments in subsequent years will be similar to that for the forthcoming twelve months. These obligations are not provided for in the financial report and are payable:

Exploration Tenements

	2024 $	2023 $
Within one year	1,320,100	1,412,600

16. Related Party Transactions

(a) Key management personnel compensation

The aggregate compensation made to directors and other key management personnel of the Group is set out below:

	2024 $	2023 $
Short-term employee benefits	3,450,586	2,768,023
Post-employment benefits	159,265	134,574
Other long-term benefits	30,087	6,152
Termination payments	77,500	247,078
Share-based payments	622,410	563,265
Total compensation	4,339,848	3,719,092

16. Related Party Transactions (continued)

Detailed remuneration disclosures are provided in the Remuneration Report.

A Director, Mr Adam Handley is a partner in the firm of HFW. During the year Mr Handley was also a partner of MinterEllison. HFW and MinterEllison has provided legal services to the Company on normal commercial terms and conditions.

Amounts recognised as expense

	2024 $	2023 $
Legal fees	439,411	136,187
Amounts recognised in assets and liabilities		
Current liabilities (Trade payables)	171,130	-

There have been no other transactions with key management personnel in the reporting period.

17. Share-based Payments

Total expenses arising from share-based payment transactions recognised in share-based payments expense during the year:

	2024 $	2023 $
Performance rights and options – refer to (i)	576,674	558,167
Share purchase plan shares – refer to (ii)	-	-
	576,674	**558,167**

Share-based payments

Share-based compensation benefits are provided to employees via the Performance Rights Plan and the Equity Incentive Plan.

The fair value of performance rights granted under the above plans is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the performance rights granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g.
- remaining an employee over a specified time period)
- including the impact of any non-vesting conditions (e.g. the requirement for employees to hold shares for a specific period)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of performance rights that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(i) Options and Performance Rights

125,000,000 performance rights were granted to employees and directors and 20,000,000 options were granted to employees and directors during the year ended 30 June 2023. No performance rights or options were granted in the year ended 30 June 2024. Details on the performance rights and options issued are included in note 11(c) and 11(d). Details on the performance rights issues to key management personnel are included in the Remuneration Report section of the Directors' Report.

17. Share-based Payments (continued)

The number and weighted average exercise price of performance rights granted are as follows:

	2024 Number	Weighted average exercise price	2023 Number	Weighted average exercise price
Outstanding at the beginning of the year	136,816,666	$ nil	22,016,665	$ nil
Performance rights issued during the year	-	$ nil	125,000,000	$ nil
Performance rights forfeited / lapsed during the year	(9,150,000)	$ nil	(9,069,999)	$ nil
Performance rights exercised during the year	-	$ nil	(1,130,000)	$ nil
Outstanding at the end of the year	127,666,666	$ nil	136,816,666	$ nil
Vested and exercisable at the end of the year	-		-	

The outstanding balance as at 30 June is represented by:

Grant date	Expiry date	Exercise price	Performance rights as at 30 June 2024	Performance rights as at 30 June 2023
16 August 2021	31 December 2023	$ nil	-	4,216,667
22 April 2022	31 December 2023	$ nil	-	25,000
16 August 2021	30 June 2024	$ nil	-	4,333,333
16 August 2021	31 December 2024	$ nil	975,000	1,050,000
22 April 2022	31 December 2024	$ nil	25,000	25,000
16 August 2021	30 June 2025	$ nil	1,666,666	2,166,666
12 December 2022	22 June 2025	$ nil	62,500,000	62,500,000
12 December 2022	22 June 2025	$ nil	31,250,000	31,250,000
12 December 2022	31 December 2026	$ nil	31,250,000	31,250,000
			127,666,666	**136,816,666**

The weighted average remaining contractual life for the performance rights outstanding as at 30 June 2024 is 1.35 years (2023: 2.46 years).

The number and weighted average exercise price of options granted are as follows:

	2024 Number	Weighted average exercise price	2023 Number	Weighted average exercise price
Outstanding at the beginning of the year	20,000,000	$ nil	-	$ nil
Options issued during the year	-	$ 0.06	20,000,000	$0.06
Options forfeited / lapsed during the year	-	$ nil	-	$ nil
Options exercised during the year	-	$ nil	-	$ nil
Outstanding at the end of the year	20,000,000	$ 0.06	20,000,000	$0.06
Vested and exercisable at the end of the year	-		-	

The weighted average remaining contractual life for the options outstanding as at 30 June 2024 is 0.98 years. (2023:1.98 years)

17. Share-based Payments (continued)

(ii) Share Plan Shares

The following shares were issued under the Northern Minerals Share Purchase Plan.

	2024 $	2023 $
Opening Balance	4,353,400	4,353,400
Issued during the year	-	-
Shares for which loan has been repaid	-	-
Shares reverted back to the Company reissued in accordance with the Share Plan rules	-	-
Closing Balance	4,353,400	4,353,400

4,353,400 shares have reverted to the Company under the terms of the share plan. The shares are available to be issued by the Company as at 30 June 2024.

(iii) Valuation of Options and Performance Rights

The fair value of the equity-settled share options granted to third parties is estimated as at the date of grant using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options and shares were granted.

The initial undiscounted value of the performance rights issued under the Employee Performance Rights Plan is the value of an underlying share in the Company as traded on ASX at the date of deemed date of grant of the performance right. As the performance conditions are not market based performance conditions, no discount is applied.

The assessed fair value at grant date of the performance rights issued on 21 December 2021 was independently determined using an adjusted form of the Black-Scholes Model which includes a Monte Carlo simulation model that takes into account the exercise price, the vesting period, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the right and the correlations and volatilities of the peer group companies.

The assessed fair value at grant date of the performance rights issued on 16 December 2022 was independently determined using the Hoadley Trading and Investment Tools Barrier 1 valuation model for Tranches 1,2 and 3 and detailed in Note 11(c).

For Tranche 4 as detailed in Note 11(c) and the options issued on 16 December 2022 the Hoadley Trading and Investment Tools ESO2 binomial valuation model has been used in the determining the value. The models take into account the exercise price, the vesting period, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the right and the correlations and volatilities of the peer group companies.

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

The following tables list the inputs to the models used for the years ended 30 June 2023, and relates to the unlisted options and performance rights issued during the year ended 30 June 2023.

No unlisted options or performance rights were issued during the year ended 30 June 2024.

17. Share-based Payments (continued)

Issue Date	Vesting Date	Number Issued	Grant Date	Stock price at Grant Date	Issue Price – at date of issue	Risk Free Rate	Volatility	Value Per Option/ Right
16/12/2022	22/06/2025	20,000,000	12/12/2022	$0.040	$0.06	3.18%	60%	$0.0105
16/12/2022	22/06/2025-31/12/2026	125,000,000	12/12/2022	$0.040	Nil	3.02%-3.18%	60%	$0.0183-$0.040

18. Auditor's Remuneration

Nexia Perth Audit Services Pty Ltd

During the year the following fees were paid or payable for services provided by the auditor:

Audit and Other Assurance Services

	2024 $	2023 $
Audit and review of financial reports under the *Corporations Act 2001*	100,010	84,000
Other assurance services - audit of DEMIRS reporting	1,000	-
Total remuneration of auditors	101,010	84,000

19. Earnings per share

	2024 Cents per share	2023 Cents per share
a) Basic loss per share		
From continuing operations attributable to the ordinary equity holders of the Company	(0.55)	(0.45)
b) Loss used in calculating loss per share		
Loss attributable to ordinary equity holders of the Company for basic and diluted earnings per share	(31,588,360)	(22,288,780)
	Number	**Number**
c) Weighted average number of shares used as the denominator		
The weighted average number of ordinary shares on issue during the financial year used in the calculation of basic loss per share	5,762,364,605	5,002,396,629

As the Company has incurred a loss, any exercise of options would be antidilutive, therefore the diluted and basic earnings per share are equal.

Basic earnings / (loss) per share is calculated as net profit/(loss) attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

19. Earnings per share (continued)

Diluted earnings/(loss) per share is calculated as net profit/(loss) attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares; and
- dilutive potential ordinary shares, adjusted for any bonus element.

20. Parent Entity Information

Summary financial information

The individual financial statements for the parent entity, Northern Minerals Limited, show the following aggregate amounts:

Statement of financial position	2024 $	2023 $
Current assets	9,675,285	13,249,189
Total assets	13,941,530	17,403,732
Current liabilities	22,700,411	5,969,298
Total liabilities	27,947,670	23,870,603
Shareholder's equity		
Share capital	301,457,645	277,985,227
Reserves	4,035,980	4,136,430
Accumulated losses	(319,499,765)	(288,588,529)
	(14,006,140)	(6,466,872)
Net Loss for the year	(31,588,360)	(22,288,780)
Contingent liabilities	Refer to note 14	

The Parent entity had no guarantees and commitments other than detailed in Notes 14 and 15.

21. Segment Information

The Company operates in only one business and geographical segment, being the mineral exploration industry in Australia.

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker (the Board of Directors) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

22. Events Occurring After the Reporting Period

On 27 July 2024 51,020,408 options with an exercise price of $0.074 expired without being exercised.

In July 2024 the Company entered into an insurance premium funding agreement with a facility amount of $343,330 repayable over 10 months commencing in July 2024 with an interest rate of 3.67%.

On 16 September 2024 the Company announced it had received binding commitments from existing and new institutional and sophisticated investors to raise $43 million (before costs) via a two-tranche Placement of approximately 2,263,157,895 New Shares, issued at an offer price of $0.019 per New Share, which represents a discount of:

- 20.8% to the last closing price of $0.024 per share on 11 September 2024; and
- 22.4% to the volume weighted average price of Northern Minerals' shares over the five consecutive trading days on the ASX up to and including 11 September 2024

The Placement is not underwritten and will take place in two tranches:

- Tranche One will be completed under the Company's existing placement capacity pursuant to ASX Listing Rules 7.1 raising approximately $17 million via the issue of 887,299,896 New Shares (Tranche One); and
- Tranche Two of the Placement will be completed, subject to shareholder approval at an upcoming general meeting of the Company expected to be held on or around 6 November 2024 (Meeting), to raise the balance of approximately $26 million via the issue of 1,375,857,999 New Shares (Tranche Two)

New Shares issued under the Placement will rank equally with existing Northern Minerals fully paid ordinary shares on issue.

The Company will offer eligible existing shareholders on the Company's share register with a registered address in Australia or New Zealand who were holders as at 5.00pm (AWST) on Friday, 13 September 2024 (the Record Date) (Eligible Shareholders), the opportunity to apply for New Shares via a non-underwritten SPP. The Company may raise up to $5 million at the same price as the Placement, being $0.019 per share.

The Company has applied to the ASX for waivers from ASX Listing Rules 7.11 and 10.11 to permit the Company to issue New Shares under the SPP, without shareholder approval, at an issue price of $0.019 per New Share to Eligible Shareholders (Waivers). In the event that the Waivers are not granted, the Company intends to seek shareholder approval to issue the New Shares under the SPP. Accordingly, the issue of New Shares under the SPP is conditional on receipt of the Waivers or, if the Waivers are not granted, shareholder approval.

Eligible Shareholders will have the opportunity to apply for up to $30,000 of New Shares without incurring any brokerage costs or other transaction costs. New Shares issued under the SPP will rank equally with existing ordinary shares and New Shares issued under the Placement.

The SPP is not underwritten and there is no guarantee that the Company will raise the targeted amount. In the event that the Company receives valid applications under the SPP in excess of the targeted amount, the Company may, in its absolute discretion, raise more than the target or may scale back the number of New Shares issued under the SPP.

23. New Accounting Standards and Interpretations

The Group has where applicable, adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the year ended 30 June 2024.

The adoption of these amendments did not have any impact on the current period or any prior period and is not likely to affect future periods.

As at the date of the authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective and have not been adopted by the Group for the annual reporting year ending 30 June 2024:

Standard	Effective date for annual reporting periods beginning on or after	Application date for the Company
AASB 2020-1 and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants	1 January 2024	1 July 2024
AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback	1 January 2024	1 July 2024
AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements	1 January 2024	1 July 2024
AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangability	1 January 2025	1 July 2025
AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to AASB 10 and AASB 128)	1 January 2025	1 July 2025
AASB 18 – Presentation and Disclosure in Financial Statements	1 January 2027	1 July 2027

The Company has decided not to early adopt any of the new and amended pronouncements. Of the above new and amended Standards and Interpretations the Company's assessment of those new and amended pronouncements that are relevant to the Company but applicable in future reporting periods is set out below. The Group has not yet determined the impact of these pronouncements on its financial statements.

AASB 2020-1 and AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*

The amendments to AASB 101 specify that conditions (covenants) to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, an entity discloses information about these conditions in the notes to the financial statements.

AASB 2023-5 *Amendments to Australian Accounting Standards – Lack of Exchangability*

The Standard amends AASB 121 and AASB 1 to require entities to apply a consistent approach to determining whether a currency is exchangeable into another currency and the spot exchange rate to use when it is not exchangeable.

23. New Accounting Standards and Interpretations (continued)

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 will replace AASB 101 *Presentation of Financial Statements*. AASB 18 will:

a) better align the presentation of the statement of profit or loss to the categories in the statement of cash flows by introducing two new defined subtotals — operating profit and profit before financing and income taxes (EBIT).

b) require disclosure of management-defined performance measures — subtotals of income and expenses not specified by IFRS Accounting Standards that are used in public communications to communicate management's view of an aspect of a company's financial performance (such as funds from operations, cash profit, etc.); and

c) enhance the requirements for aggregation and disaggregation to help a company to provide useful information.

Management is currently assessing the effects of applying the new standards on the Group's financial statements. The Group will make more detailed assessments over the next 12 months.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

Entity name	Entity type	% of share capital held	Place of incorporation	Tax residency
Northern Minerals Ltd	Body Corporate	N/A	Australia	Australia
Northern Uranium Pty Ltd	Body Corporate	100	Australia	Australia
Northern Commodities Pty Ltd	Body Corporate	100	Australia	Australia
Northern P2O5 Pty Ltd	Body Corporate	100	Australia	Australia
Northern Rare Earth Metals Pty Ltd	Body Corporate	100	Australia	Australia
Northern Xenotime Pty Ltd	Body Corporate	100	Australia	Australia

Northern Minerals Limited (the ‘head entity’) and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

DIRECTORS DECLARATION

In accordance with a resolution of the directors of Northern Minerals Limited I state that:

1. In the opinion of the directors

   (a) The financial statements and notes of Northern Minerals Limited for the financial year ended 30 June 2024 are in accordance with the Corporations Act 2001, including:

      (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of their performance for the year then ended; and

      (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable having regard to the matters disclosed in note 2(a); and

   (c) The consolidated entity disclosure statement on page 141 is true and correct; and

   (d) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2024.

On behalf of the Board

Adam Handley

26 September 2024

AUDITOR'S INDEPENDENCE DECLARATION

Nexia Australia

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To the Board of Directors of Northern Minerals Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the audit of the financial statements of Northern Minerals Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the review.

Yours sincerely

N.P.A.S.
Nexia Perth Audit Services Pty Ltd

Muranda Janse Van Nieuwenhuizen
Director

Perth, Western Australia
26 September 2024

Advisory. Tax. Audit.

Nexia Australia

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Independent Auditor's Report to the Members of Northern Minerals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements, of Northern Mineral Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial statements of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibility for the audit of the financial statements section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Funding and liquidity *(Refer to note 2(a) in the financial statements.)* Northern Minerals owns 100% of the Browns Range Project in northern Western Australia, with tenements uniquely rich in the heavy rare earth elements dysprosium (Dy) and terbium (Tb). The Group is reliant on funding from external sources such as capital raisings, to support its operations and definitive feasibility study to bring the Wolverine project, the Group's flagship deposit, into production. We focused on whether the Group had sufficient cash resources and access to funding to allow the Group to continue as a going concern. The adequacy of funding and liquidity as well as the relevant impact on the going concern assessment is a key audit matter due to the inherent uncertainties associated with the future development of the Group's projects and the level of funding required to support that development.	We evaluated the Group's funding and liquidity position at 30 June 2024 and its ability to repay its debts as and when they fall due for a minimum of 12 months from the date of signing the financial statements. Our procedures included, amongst others: • Assessing the Group's working capital position as at 30 June 2024; • Vouching the cash and cash equivalents to supporting documentation; • Vouching funding received subsequent to year-end to supporting documentation; • Obtaining an understanding of management's cashflow forecast and evaluated the sensitivity of assumptions made by management; • Checking the mathematical accuracy of the cash flow forecast prepared by management; • Evaluating the reliability and completeness of management's assumptions by comparing them to our understanding of the Group's future plans and operating conditions; • Considering events subsequent to year-end to determine whether any additional facts or information have become available since the date on which management made its assessment; and • Checking the accuracy of the disclosures of funding and liquidity in the financial statements.
Rehabilitation Provision *(Refer to note 10(c) in the financial statements.)* As a consequence of its operations, the Group has an obligation to rehabilitate and restore the disturbances to the environment arising from the construction of the Pilot Plant and other disturbances to date. The nature of the rehabilitation activities that will be required are governed by local legislative requirements. This is a key audit matter because estimating the costs associated with these future rehabilitation activities requires judgement and estimation for factors such as the timing of when the rehabilitation works will take place, the extent of the rehabilitation and restoration activities that will be required and inflation rates and discount rates pertinent to the rehabilitation provision calculation.	Our procedures included, amongst others: • Assessing the competency, objectivity and experience of management's internal expert who prepared the rehabilitation provision; • Reconciling the expert's calculations to the basis of the rehabilitation provision in the financial statements; • Assessing the reasonableness of the costs used in the Group's rehabilitation estimates against external sources; • Agreeing the expected timing of the rehabilitation works in the cash flow model to the expected timing of the rehabilitation work; • Testing the mathematical accuracy of management's cash flow model; and • Checking the accuracy of disclosures of the rehabilitation provision in the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Northern Minerals Limited's annual report for the year ended 30 June 2024 but does not include the financial statements and the auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation of:

a) the financial statements (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial (other than the consolidated entity disclosure statement) report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

A further description of our responsibilities for the audit of the financial statements is located at The Australian Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

Nexia Australia

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 81 to 98 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Northern Minerals Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

N.P.A.S.

Nexia Perth Audit Services Pty Ltd

Muranda Janse Van Nieuwenhuizen
Director

Perth, Western Australia
26 September 2024

SHAREHOLDER INFORMATION

As at 29 September 2024

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows.

1. Ordinary Shares (NTU)

a) Distribution of shares

The number of shareholders by size of holding are:

Category (size of holding)	Number of holders	% Issued Share Capital
1-1,000	292	0.00%
1,001-5,000	509	0.03%
5,001-10,000	1,019	0.13%
10,001-100,000	5,573	3.41%
100,001-and over	2,750	96.44%
Total	**10,143**	**100.00%**

The number of shareholdings held in less than marketable parcels is 4,191.

b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

	Name of Holder	Number of shares held	% Holding
1	Vastness Investment Group Limited	646,250,091	9.50%
2	Hong Kong Ying Tak Limited	520,924,231	7.66%
3	Qogir Trading & Service Co Limited	500,000,000	7.35%
4	Citicorp Nominees Pty Limited	343,900,152	5.06%
5	Mr Yongquan He	250,000,000	3.68%
6	Ms Yuzhen Ma	225,000,000	3.31%
7	Real International Resources Limited	198,009,860	2.91%
8	Mr Chuanyou Cong	159,652,251	2.35%
9	Australia Conglin International Investment Group Pty Ltd	156,833,095	2.31%
10	Mr Lin Zhongxiong	151,379,472	2.23%
11	Ms Jing Liu	150,000,000	2.21%
12	Ms Jing Tian	146,237,226	2.15%
13	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	137,409,154	2.02%
14	Iluka WA Investments Pty Ltd	125,000,000	1.84%
15	Mr Xue Congyan	107,692,308	1.58%
16	Mr Chen Hui Yun	107,692,308	1.58%
17	HSBC Custody Nominees (Australia) Limited	85,880,547	1.26%
18	RHE Investment Pty Ltd <RHE Investment A/C>	81,927,548	1.20%
19	RE Mining Investment Co Limited	80,000,000	1.18%
20	Tri Global Resources Limited	78,947,368	1.16%
Total		**4,252,735,611**	**62.52%**

As at 29 September 2024 the issued capital comprised 6,798,279,138 ordinary fully paid quoted shares.

2. Substantial Holders of Equity Securities

The names of substantial shareholders (NTU) are as follows:

Holder	Number of shares
Qogir Trading & Service Co Limited	500,000,000
Hong Kong Ying Tak Limited	494,871,598*
Vastness Investment Group Limited	375,000,000*

*As per last substantial shareholder notice

3. Voting Rights

The voting rights attaching to each class of equity securities are set out below:

a) Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

b) Options

No voting rights.

4. Stock Exchange Listing

Listing has been granted for ordinary shares (NTU) of the company on all Member Exchanges of the Australian Stock Exchange Limited.

5. Unquoted Securities

	Number	Number of holders
Performance rights	127,666,666	20
Options expiring 22 June 2025 at $0.06.	20,000,000	2
Convertible Notes held by Iluka WA Investments Pty Ltd.	1	1
Option expiring 31 December 2025 at $0.06 to Iluka WA Investments Pty Ltd.	1	1

6. Restricted Securities

As at 29 September 2024 there were 4,353,400 restricted securities on issue.

7. On-Market Buyback

The Company is not performing an on-market buyback at the time of this report.

CORPORATE DIRECTORY

Directors

Adam Handley
Executive Chair

Shane Hartwig
Managing Director/CEO

Bin Cai
Executive Director

Liangbing Yu
Non-executive Director

Company Secretary

Belinda Pearce

Principal Place of Business and Registered Office

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Solicitor

Herbert Smith Freehills

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Auditor

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Bankers

National Australia Bank

Share Registry

Automic Group

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ASX Share Code

NTU

ASX:NTU

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