

Huatai Mining \$9m tranche received

Highlights

- First \$9 million tranche from Huatai Mining received
 - Second and third tranches of \$9m each due before the end of 2016
 - Browns Range on track for final investment decision in early 2017
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Australian heavy rare earths developer, Northern Minerals Limited (ASX: NTU) is pleased to announce that it has received the first \$9 million tranche as part of a \$30 million equity investment by Huatai Mining, which is part of Chinese coal trader Shandong Taizhong Energy.¹

The second and third tranches of \$9 million each are due before the end of November and December respectively. An initial investment of \$3 million was completed in August.

With the first tranche of funds received, the Company has commenced pre-commitment works for the development of a pilot plant at the Browns Range Project, including mine planning drilling, water supply, engineering design and an extension to the accommodation camp.

Northern Minerals' Managing Director George Bauk said the receipt of funds from Huatai Mining signified the strength of Browns Range as a globally significant dysprosium deposit outside of China.

"With an expectation of a final investment decision in early 2017, our project development team is moving ahead with initial site works to ensure we fulfil our strategy of achieving first production in late 2017," Mr. Bauk said.

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¹ Refer ASX announcement 2 August 2016

ASX ANNOUNCEMENT

About Northern Minerals:

Northern Minerals Limited (ASX: NTU; Northern Minerals or the Company) is focused on the delivery of the heavy rare earth (HRE) element, dysprosium. The Company has a large landholding in Western Australia and the Northern Territory that is highly prospective for this element. Through the development of its flagship project, the Browns Range Project (the Project), Northern Minerals aims to be the first significant world producer of dysprosium outside of China.

The Project is 100% owned by Northern Minerals and has a number of deposits and prospects containing high value dysprosium and other HREs, hosted in xenotime mineralisation. Dysprosium is an essential ingredient in the production of DyNdFeB (dysprosium neodymium iron-boron) magnets used in clean energy and high technology solutions. As a result of increasing global demand for these applications dysprosium supply is critical. The Project's xenotime mineralisation has facilitated the development of a two stage process flowsheet, consisting of a beneficiation and hydrometallurgical plant, to produce a high value, high purity dysprosium rich product.

Exploration continues at Browns Range (WA and NT), and is also underway at the geologically similar John Galt and Boulder Ridge projects. For more information northernminerals.com.au.

