

Further Funding for Browns Range Heavy Rare Earth Pilot Plant

- Underwritten Placement at 13.5c to raise A\$10 million
 - Placement being made to a syndicate of investors
 - Placement underwritten by Hong Kong-based AMC Wanhai Securities Limited
 - Shares to be issued under existing authorities under ASX Listing Rule 7.1
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Australian heavy rare earths developer, Northern Minerals Limited (ASX: NTU) is pleased to announce that it has entered an Underwriting Agreement with a Hong Kong-based fund, for a Placement to raise A\$10 million.

The Placement is being undertaken at 13.5 cents per share, a 4% premium to the last closing share price on 17 March 2017 of 13.0 cents.

Northern Minerals has received strong interest for the Placement and intends to place shares to the underwriter as well as a syndicate of investors.

The Placement of 74,074,074 shares represents less than 10% dilution to the existing shares on issue and will be undertaken utilising existing authorities under ASX Listing Rule 7.1.

The Company has received applications and cleared funds for the first A\$2 million of the Placement and has issued these shares. The remainder of the Placement and any underwriting shortfall will be completed by June.

Mr George Bauk, Northern Minerals' Managing Director and CEO, said *"This new premium funding package continues to highlight the investment appeal of the Browns Range Heavy Rare Earths Project. As we approach the Final Investment Decision for the Browns Range Pilot Plant Project, this funding package is another key milestone towards making Browns Range a reality."*

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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.

