

NORTHERN MINERALS LIMITED
ABN 61 119 966 353

**NOTICE OF GENERAL MEETING
OF SHAREHOLDERS**

AND

EXPLANATORY MEMORANDUM

AND

PROXY FORM

10.00am (PERTH TIME), 27 June 2017

AT

**LEVEL 1
675 MURRAY STREET
WEST PERTH
WESTERN AUSTRALIA 6005**

**Please read the Notice and Explanatory Memorandum carefully.
If you are unable to attend the meeting please complete and return the
enclosed Proxy Form in accordance with the specified instructions.**

Notice is hereby given that a general meeting of shareholders of Northern Minerals Limited ABN 61 119 966 353 ("**Northern Minerals**" or "**Company**") will be held at Level 1, 675 Murray Street, West Perth, Western Australia 6005 at 10.00am (Perth time) on 27 June 2017.

AGENDA

RESOLUTION 1 – APPROVAL OF GRANT OF 2,500,000 PERFORMANCE RIGHTS TO MR NAN YANG

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 200B, 200E and Chapter 2E of the Corporations Act and Listing Rule 10.11 and for all other purposes, Shareholders approve the granting of 2,500,000 Performance Rights for no consideration to Mr Nan Yang or his nominee, and the issue of Shares under the Performance Rights, in the manner outlined in the Explanatory Memorandum.”

Voting Exclusion: Under section 224(1) of the Corporations Act the Company will disregard any votes cast on the Resolution by Mr Nan Yang or any of his associates. However, section 224(1) of the Corporations Act does not prevent the casting of a vote if it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of Mr Nan Yang or any of his associates.

RESOLUTION 2 – RATIFICATION OF PREVIOUS ISSUE OF SHARES TO LIND

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue of 9,550,990 Shares to Lind Asset Management III, LLC, for the purpose and on the terms set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this by any person who participated in the issue of the Shares and any of associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 3 – RATIFICATION OF PREVIOUS ISSUE OF SHARES UNDER BROWNS RANGE CO-EXISTENCE AGREEMENT AMENDMENT DEED

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue of 5,000,000 Shares to Kimberley Sustainable Development Pty Ltd as trustee for the Kimberley Sustainable Development Charitable Trust ABN 31 768 204 834 under the Co-Existence Agreement Amendment Deed, for the purpose and on the terms set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this by any person who participated in the issue of the Shares and any of associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 4 – ISSUE OF SHARES TO LIANYUGANG ZEYU NEW MATERIALS SALES CO., LTD

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 14,000,000 Shares to Lianyugang Zeyu New Materials Sales Co., Ltd (or its nominee), for the purpose and on the terms set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed and any associates of those persons (as defined in the Listing Rules).

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 5 – ISSUE OF SHARES UNDER FULLY UNDERWRITTEN PLACEMENT

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.1, Listing Rule 7.4 and for all other purposes, Shareholders:

- (a) ratify the issue of 14,814,814 Shares to investors who do not require disclosure under section 708 of the Corporations Act which were issued before the date of this Notice;***
- (b) ratify the issue of up to 59,259,260 Shares to investors who do not require disclosure under section 708 of the Corporations Act to the extent that such Shares are issued between the date of the Notice and the date of the Meeting; and***
- (c) approve the issue of up to 59,259,260 Shares to investors who do not require disclosure under section 708 of the Corporations Act to the extent that such Shares are issued after the date of the Meeting,***
under the Company’s fully underwritten placement as described in the Explanatory Memorandum which provides for the issue of a total of 74,074,074 Shares.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed and any associates of those persons (as defined in the Listing Rules). The Company will also disregard any votes cast on this by any person who participated in the issue of the Shares and any of associates (as defined in the Listing Rules) of those persons.

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

OTHER BUSINESS

To transact any other business that may be legally brought before the Meeting.

CHAIRMAN AND CHAIRMAN'S VOTING INTENTIONS FOR UNDIRECTED PROXIES

It is proposed that the Chairman of the Meeting be the Chairman of the Board, Mr Colin McCavana. It is the Chairman's intention as Chairman of the Meeting to vote undirected proxies (i.e. open proxies) which he holds as proxy in favour of all Resolutions (to the extent permitted by law). Section 224 of the Corporations Act prevents the Chairman from voting undirected proxies in favour of Resolution 1.

SNAPSHOT DATE

It has been determined that in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the date to determine who are the Shareholders in the Company for the purposes of the Meeting is at **10:00am WST on 25 June 2017**. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Holders of options issued by the Company who are not Shareholders but who wish to vote as Shareholders at the Meeting are required to lodge valid exercise notices with the Company no later than 1 week before the Meeting to allow sufficient time for the Shares to be issued by the Company.

PROXIES

In accordance with Section 249L(d) of the Corporations Act, Shareholders are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company;
- a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified then in accordance with section 249X(3) of the Corporations Act each proxy may exercise one half of the votes.

In accordance with Section 250BA of the Corporations Act, the Company specifies the following for the purposes of receipt of proxy appointments:

Share Registry (Security Transfer Australia Pty Ltd):	PO BOX 52, Collins Street West VIC 8007 OR Suite 913, Exchange Tower 530 Little Collins Street MELBOURNE VIC 3000
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Facsimile Number:	+61 8 9315 2233
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Company's Registered Office:	LEVEL 1 675 MURRAY STREET WEST PERTH WA 6005
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Facsimile Number:	+61 8 9481 5929
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The instrument appointing the proxy must be received by the Company as provided in its constitution no later than 48 hours prior to the time of the commencement of the Meeting. This Proxy Form may be sent by facsimile transmission to the number identified on the Proxy Form.

CORPORATE REPRESENTATIVE

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with section 250D of the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when

registering as a corporate representative. An appointment of corporate representative form is enclosed if required.

IMPORTANT INFORMATION IN RESPECT OF PROXY VOTING ON RESOLUTION 1

Due to the voting exclusions that apply to Resolution 1, if you appoint a person as your proxy (including the Chairman) they will not be able to vote your proxy on Resolution 1 unless you have directed them how to vote.

OTHER

Words which are defined in the Explanatory Memorandum have the same meaning when used in this Notice of Meeting unless the context requires otherwise. For assistance in considering the Notice of Meeting and the Explanatory Memorandum, please refer to the Glossary on page 6.

Dated 24 May 2017

By order of the Board



Mark Tory
Company Secretary

GLOSSARY

ASX is ASX Limited ACN 008 624 691 or the securities exchange operated by it, as the context requires.

Board is the Board of Directors of the Company.

Closely Related Party has the meaning given to that term in section 9 of the Corporations Act.

Co-Existence Agreement is defined in the Explanatory Memorandum for Resolution 4.

Company or **Northern Minerals** is Northern Minerals Limited ABN 61 119 966 353.

Corporations Act is the Corporations Act 2001 (Cth).

Director is a director of the Company.

Equity Security is as defined in the Listing Rules, being a share, unit, right to a share or unit or option, a convertible security, any security that ASX decides is an equity security but not a security ASX decides to classify as a debt security.

Exempt Investors is defined in the Explanatory Memorandum for Resolution 2.

Explanatory Memorandum is the Explanatory Memorandum accompanying the Notice of Meeting.

Financing Agreement is defined in the Explanatory Memorandum for Resolution 2.

Key Management Personnel is a member of the key management personnel as disclosed in the remuneration report of the Company contained in the annual Directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Lind is defined in the Explanatory Memorandum for Resolution 2.

Listing Rules is the Listing Rules of the ASX.

Meeting is the meeting of the Shareholders convened for the purposes of considering the Resolutions contained in the Notice.

Notice of Meeting or **Notice** is this Notice of Meeting.

Placement Shares is defined in the Explanatory Memorandum for Resolution 2.

Proposed Performance Rights is defined in the Explanatory Memorandum for Resolution 1.

Proxy Form is the form of proxy accompanying this Notice of Meeting.

Resolution is a resolution proposed to be passed at the Meeting and contained in the Notice of Meeting.

Share is a fully paid ordinary share in the capital of the Company.

Shareholder is a person entered in the Company's register of members as a holder of a Share.

T1 Performance Rights is defined in the Explanatory Memorandum for Resolution 1.

T2 Performance Rights is defined in the Explanatory Memorandum for Resolution 1.

T3 Performance Rights is defined in the Explanatory Memorandum for Resolution 1.

T4 Performance Rights is defined in the Explanatory Memorandum for Resolution 1.

EXPLANATORY MEMORANDUM TO SHAREHOLDERS

NORTHERN MINERALS LIMITED

ABN 61 119 966 353

This Explanatory Memorandum sets out information about the business to be considered by the Shareholders at the Meeting. A short explanation of the business to be considered by the Shareholders is set out below.

RESOLUTION 1 – APPROVAL OF GRANT OF 2,500,000 PERFORMANCE RIGHTS TO MR NAN YANG

Introduction

The Company seeks to grant four tranches of Performance Rights to Mr Nan Yang in line with Performance Rights approved for the other Directors. Mr Nan Yang was appointed as a Director in accordance with the constitution of the Company, as announced to the market on 18 November 2016. The Company proposes to grant the Performance Rights to Mr Nan Yang as the performance conditions attaching to the Performance Rights reflect the Company's current business plan and will align Mr Yang's interests with those of Shareholders.

The first tranche of Performance Rights will vest and be exercisable by Mr Nan Yang upon the 1st delivery of equipment and materials from Sinosteel arriving at an Australian port under the Company's EPC contract with Sinosteel for the construction of the Browns Range Pilot Plant. **(T1 Performance Rights)**.

The second tranche of Performance Rights will vest and be exercisable by Mr Nan Yang upon practical completion being achieved under a contract for the construction of the Browns Range Pilot Plant **(T2 Performance Rights)**.

The third tranche of Performance Rights will vest and be exercisable by Mr Nan Yang upon the first accumulated 100 tonnes of mixed rare earth carbonate being produced and sold from the Browns Range Pilot Plant **(T3 Performance Rights)**.

The fourth tranche of Performance Rights will vest and be exercisable by Mr Nan Yang upon the Browns Range Pilot Plant achieving production of mixed rare earth carbonate of at least 260 tonnes within a period of 90 consecutive days **(T4 Performance Rights)**.

The following table sets out the number of Performance Rights that is proposed to be issued to Mr Nan Yang (being the **Proposed Performance Rights**):

Number of Performance Rights
500,000 T1 Performance Rights
500,000 T2 Performance Rights
500,000 T3 Performance Rights
1,000,000 T4 Performance Rights

The full terms of grant of the Proposed Performance Rights are set out in Annexure 1. Key conditions of the terms of grant include:

- (a) The Performance rights will be granted for free.
- (b) Upon exercise of each Proposed Performance Right by Mr Nan Yang, the Company will allot and issue one Share to Mr Nan Yang or his nominee.
- (c) Mr Nan Yang has 12 months from the date of vesting of the Performance Rights to exercise the Performance Rights in parcels of 1,000 Performance Rights up to the full amount of Performance Rights held.
- (d) The Performance Rights will not vest and the underlying Shares will not be issued unless the applicable performance condition has been satisfied.

- (e) Should Mr Nan Yang resign, Performance Rights not yet vested will automatically lapse.
- (f) If Mr Nan Yang is terminated, then all the Performance Rights vest immediately upon the date of termination.

In the Company's present circumstances, the Board considers that the incentive to Mr Nan Yang that will be represented by the grant of the Proposed Performance Rights are a cost effective and efficient reward for the Company to make to appropriately incentivise the continued performance of Mr Nan Yang and are consistent with the strategic goals and targets of the Company.

The Board considers that the grant of the Proposed Performance Rights to Mr Nan Yang will align his interests with the interests of Shareholders. It is also usual that junior exploration companies remunerate their directors by way of securities incentive plans in order to preserve cash and maximise exploration activities.

Approvals required

Shareholder approval is sought for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.11 for the Company to grant the Proposed Performance Rights to Mr Nan Yang or his nominee and to issue to Mr Nan Yang or his nominee the number of Shares that Mr Nan Yang is entitled to upon exercise of his Proposed Performance Rights.

Listing Rule 10.11

Listing Rule 10.11 provides that the Company must not issue Equity Securities to a related party unless one of a number of exceptions applies, or Shareholder approval is obtained. Further, Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue, or agree to issue, during any 12 month period any Equity Securities (or other securities with rights to conversion to equity), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period. The Performance Rights proposed to be granted under Resolution 1 would fall within an exception. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

One of the effects of Resolution 1 will be to allow the Company to grant the Proposed Performance Rights without using the Company's 15% placement capacity.

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in respect of the grant of the Proposed Performance Rights:

- (a) The number of Performance Rights to be granted to Mr Nan Yang or his nominee, is 500,000 T1 Performance Rights, 500,000 T2 Performance Rights, 500,000 T3 Performance Rights and 1,000,000 T4 Performance Rights.
- (b) The Performance Rights will be granted to Mr Nan Yang or his nominee no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) The issue price for the Performance Rights will be nil, and the issue price for the issue of the Shares under the Performance Rights will be nil.
- (d) The Performance Rights will be issued to Mr Nan Yang or his nominee.
- (e) The Performance Rights will be granted on the terms of issue set out in Annexure 1, and the Shares issued upon vesting and exercise will be fully paid ordinary shares in the capital of the Company issued on the same terms as the Company's existing Shares.
- (f) No funds will be raised by the grant of the Performance Rights or the issue of the Shares upon their vesting and exercise.
- (g) A voting exclusion statement for Resolution 1 is included in the Notice.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision by a public company of a "financial benefit" to a "related party". Section 208 of the Corporations Act prohibits:

- (a) a public company giving a financial benefit to a related party; or
- (b) a company which is controlled by the public company giving a financial benefit to a related party, unless one of a number of exceptions applies, or shareholder approval is obtained.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a company issuing shares and granting options.

A “related party” includes:

- (a) a Director; and
- (b) an entity over which a Director has control; and
- (c) an entity which believes, or has reasonable grounds to believe, that it is likely to become a related party in the future.

For the purposes of Chapter 2E of the Corporations Act, Mr Nan Yang is a related party of the Company (as he is a Director).

Accordingly, Shareholder approval is required to grant the Proposed Performance Rights to Mr Nan Yang or his nominee.

Information requirements

The following information is provided to Shareholders in accordance with the requirements of section 219 of the Corporations Act:

The related party

The related party in relation to Resolution 1 is Mr Nan Yang or his nominee.

Proposed financial benefit

The nature of the financial benefit to be given to Mr Nan Yang is the grant to him or his nominee of 500,000 T1 Performance Rights, 500,000 T2 Performance Rights, 500,000 T3 Performance Rights and 1,000,000 T4 Performance Rights each with a nil issue price.

No funds will be raised by the grant of the Proposed Performance Rights.

Reasons for the specific number of the Proposed Performance Rights

The Company proposes to grant the Proposed Performance Rights to Mr Nan Yang as the performance conditions attaching to the Proposed Performance Rights reflect the Company's business plan.

The Company is a small listed company. The Company has limited funds, most of which are allocated to specific development activities. As a result, the Board has chosen to grant the relevant number of Proposed Performance Rights to Mr Nan Yang as a key component of the incentive portion of his remuneration in order to retain his services and to provide incentive linked to the performance of the Company. The Board considers that Mr Nan Yang has experience that will greatly assist the development of the Company. As such, the Board believes that the relevant number of Proposed Performance Rights proposed to be granted to Mr Nan Yang is commensurate with his value to the Company.

The grant of the Proposed Performance Rights to Mr Nan Yang is a more cost effective incentive for the Company as opposed to the payment of additional cash compensation to Mr Nan Yang. Alternative choices such as providing higher director fees, cash payments or cash bonuses to Mr Nan Yang were considered however these choices were considered inappropriate because they would reduce the Company's cash position at a time when the Company wishes to minimise cash expenditure because the Company is presently in the process of constructing a pilot plant for its Browns Range project, which requires significant expenditure.

Recommendation of each Northern Minerals Director

Mr Nan Yang has an interest in Resolution 1 and therefore believes it inappropriate to make a recommendation. The other Directors each recommend the grant of 500,000 T1 Performance Rights, 500,000 T2 Performance Rights, 500,000 T3 Performance Rights and 500,000 T4 Performance Rights to Mr Nan Yang for the reasons set out above.

Existing relevant interest

The Directors other than Mr Nan Yang do not have an interest in the outcome of Resolution 1. Mr Nan Yang has an interest in the outcome of Resolution 1 and will (or his nominee will) receive 500,000 T1 Performance Rights, 500,000 T2 Performance Rights, 500,000 T3 Performance Rights and 500,000 T4 Performance Rights if Resolution 1 is passed.

The interests that each Director holds in the Company as at the date of the Notice of Meeting are as follows:

Director	Shares	Performance Rights
Mr George Bauk	8,025,238	7,000,000
Mr Colin McCavana	4,200,000	3,500,000
Mr Adrian Griffin	3,579,150	3,500,000
Ms Yanchun Wang	145,630,731	3,500,000
Mr Bin Cai	3,100,000	3,500,000
Mr Nan Yang	nil	nil

Total remuneration package

The total remuneration package (excluding the grant of the Proposed Performance Rights) for Mr Nan Yang for the financial year ending 30 June 2017 is expected to be:

Salary and Fees	Other Benefits	Super - annuation	Long Service Leave	Share-based Payments	Total
\$49,775	Nil	\$5,225	Nil	Nil	\$55,000

Dilution effect if Performance Rights are granted

As at the date of the Notice of Meeting, the capital structure of the Company is as follows:

Capital	Number
Quoted Ordinary Shares	693,784,229
Unquoted Ordinary Shares	9,128,400
Quoted Options	Nil
Unquoted Options	15,312,470
Quoted Performance Rights	Nil
Unquoted Performance Rights	32,900,000

If Resolution 1 is approved by Shareholders, the capital structure of the Company would be as follows:

Capital	Number
Ordinary Shares	693,784,229
Unquoted Ordinary Shares	9,128,400
Quoted Options	Nil
Unquoted Options	15,312,470
Quoted Performance Rights	Nil
Unquoted Performance Rights	35,400,000

Dilution of existing Shareholders will occur if the Proposed Performance Rights granted to Mr Nan Yang vest and Shares are issued.

If all of the Proposed Performance Rights granted to Mr Nan Yang vest and the Shares are issued, the effect will be to dilute the shareholding of existing Shareholders. The dilution effect will be marginal. As at the date of the Notice of Meeting, the total number of Shares on issue is 693,784,229. The issue of 2,500,000 Shares is approximately 0.36% of the total amount of Shares on issue in the Company (based on the total number of Shares on issue as at the date of the Notice of Meeting).

Trading history

The highest and lowest market sale prices of the Company's Shares on the ASX during the 12 months immediately preceding the date of the Notice of Meeting and the respective dates of those sales were:

Highest: \$0.175 on 26 October 2016.

Lowest: \$0.068 on 27 July 2016.

The latest available market sale price of the Company's Shares on the ASX immediately prior to the date of the Notice of Meeting was \$0.125 on 17 May 2017.

Valuation of Performance Rights

The initial undiscounted value of a Performance Right is the value of an underlying share in the Company as traded on ASX at the date of deemed grant of the Performance Right. As the performance conditions are not market based performance conditions, under International Financial Reporting Standards (IFRS), no discount is applied.

An indicative valuation for the T1 Performance Rights, T2 Performance Rights, T3 Performance Rights and T4 Performance Rights as at 27 April 2017 has been calculated in accordance with the principles of AASB 2 and based on certain assumptions and has been determined to be as follows:

Performance Right	Value per Performance Right
T1 Performance Right	\$0.125
T2 Performance Right	\$0.125
T3 Performance Right	\$0.125
T4 Performance Right	\$0.125

The valuation took into account the following matters:

- (a) The valuation of Performance Rights assumes that the exercise of a right does not affect the value of the underlying asset.

- (b) Under AASB 2 'Share Based Payments' and option valuation theory, no discount is made to the fundamental value for unlisted rights over listed Shares.
- (c) The performance conditions determine the number of Performance Rights to be issued; they do not have an effect on the value of each Performance Right.
- (d) Given that the Performance Rights are to be issued for no consideration, the value of the Performance Rights is reflected in the underlying Share price of \$0.125 at the valuation date (27 April 2017).

Based on the above valuation, the total value of the Proposed Performance Rights to be granted to Mr Nan Yang is \$312,500.

Other

There are no taxation consequences for the Company resulting solely from the grant of the Proposed Performance Rights or the issue of the Shares if they vest, including no fringe benefits tax.

The Board does not consider that there are any opportunity costs to the Company, or benefits forgone by the Company, as a result of granting the Proposed Performance Rights or issuing the Shares if they vest.

Listing Rules 7.1 and 7.2 and 15% restriction

If Shareholder approval is given under Listing Rule 10.11 then the Listing Rules provide that Shareholder approval will not be required for the purposes of the 15% restriction in Listing Rule 7.1 as that Listing Rule applies to the issue of Shares.

RESOLUTION 2 – RATIFICATION OF PREVIOUS ISSUE OF SHARES TO LIND

The Company has issued a total of 9,550,990 Shares to Lind Asset Management III, LLC (**Lind**) in accordance with the medium term financing agreement with The Australian Special Opportunity Fund, LP that was announced to the market on 2 November 2016 (**Financing Agreement**). The Company issued 9,550,990 of the Placement Shares to Lind for the purposes of the repayment of the funding made available to the Company under the Financing Agreement.

Listing Rule 7.1 restricts the number of Equity Securities a company may issue (or agree to issue) in any 12 month period without shareholder approval to 15% of the number of ordinary securities on issue at the commencement of that 12 month period (subject to specified exceptions).

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under this Resolution, the Company seeks from Shareholders approval for, and ratification of, the issue of Shares to Lind under Listing Rule 7.1 so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities by the Company in the next 12 months.

Listing Rule 7.5 requires the following specific information to be provided to Shareholders in relation to this Resolution:

- (a) 9,550,990 Shares were issued in total.
- (b) The issue prices for the 9,550,990 Shares issued to Lind were as follows:
 - (i) 1,819,662 Shares were issued at 10.7 cents;
 - (ii) 1,784,585 Shares were issued at 11.1 cents;
 - (iii) 1,997,059 Shares were issued at 10.2 cents; and
 - (iv) 3,949,684 Shares were issued at 10.2 cents.
- (c) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares.
- (d) 9,550,990 Shares were issued to Lind.
- (e) The Company did not raise any funds through the issue of the 9,550,990 Shares to Lind as those Shares were issued for the purposes of repaying loans made to the Company under the Financing Agreement. The Company has kept the market informed about its drawdowns and repayments under that agreement. These loans have now been repaid in full.

The Board unanimously recommends that Shareholders vote in favour of Resolution 2.

A voting exclusion applies to Resolution 2 in the terms set out in the Notice of Meeting.

RESOLUTION 3 – RATIFICATION OF PREVIOUS ISSUE OF SHARES UNDER BROWNS RANGE CO-EXISTENCE AGREEMENT AMENDMENT DEED

The Company is seeking Shareholder approval to ratify the issue of 5,000,000 Shares to Kimberley Sustainable Development Pty Ltd as trustee for the Kimberley Sustainable Development Charitable Trust ABN 31 768 204 834 (being the party nominated by the native title party under the Co-Existence Agreement (as amended)) (**Kimberley Trustee**). The Shares were issued to the Kimberley Trust without disclosure to investors under the exceptions provided in section 708 of the Corporations Act.

As announced on 16 June 2014, the Company, KRED Enterprises Pty Ltd and representatives of the Jaru People are a party to the Browns Range Co-Existence Agreement dated 12 June 2014 in relation to the development of the Browns Range Project (**Co-Existence Agreement**). Among other things, the Co-Existence Agreement includes a number of economic and commercial outcomes for the Jaru People which are largely linked to production from Browns Range.

On 16 April 2017, a deed of amendment was entered into in relation to the Co-Existence Agreement to vary some of the Company's payment obligations during the Browns Range Pilot Plant phase. One of the terms of the amendment deed requires the Company to issue the 5,000,000 Shares following the Company making a final investment decision to proceed with the development of the Pilot Plant. The Company's final investment decision was announced on 18 April 2017.

The Company was notified that the entity nominated to receive the 5,000,000 Shares under the amendment deed was the Kimberley Trustee. These Shares were issued on 18 May 2017 and have been placed in voluntary escrow for a period of 6 months from the date of issue.

Listing Rule 7.1 restricts the number of Equity Securities a company may issue (or agree to issue) in any 12 month period without shareholder approval to 15% of the number of ordinary securities on issue at the commencement of that 12 month period (subject to specified exceptions).

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under this Resolution, the Company seeks from Shareholders approval for, and ratification of, the issue of Shares to the Kimberley Trustee under Listing Rule 7.1 so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities by the Company in the next 12 months.

Listing Rule 7.5 requires the following specific information to be provided to Shareholders in relation to this Resolution:

- (a) 5,000,000 Shares were issued.
- (b) The issue price of the Shares was \$0.125 per Share.
- (c) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) 5,000,000 Shares were issued to the Kimberley Trustee.
- (e) The Company did not raise any funds from the issue of the 5,000,000 Shares.

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

A voting exclusion applies to Resolution 3 in the terms set out in the Notice of Meeting.

RESOLUTION 4 – ISSUE OF SHARES TO JFMAG

The Company is seeking Shareholder approval for the issue of 14,000,000 Shares to Lianyugang Zeyu New Materials Sales Co., Ltd (**JFMAG**) or its nominee. The Shares will be issued to JFMAG (or its nominee) without disclosure to investors under the exceptions provided in section 708 of the Corporations Act.

As announced on 6 April 2017, the Company executed an agreement with JFMAG in relation to the sale of all planned production from the Company's Browns Range Pilot Plant (**Offtake Agreement**). The terms of the Offtake Agreement provide that the Company will issue JFMAG (or its nominee) 14,000,000 Shares following execution the Offtake Agreement.

Listing Rule 7.1 restricts the number of Equity Securities a company may issue (or agree to issue) in any 12 month period without shareholder approval to 15% of the number of ordinary securities on issue at the commencement of that 12 month period (subject to specified exceptions).

Under this Resolution, the Company seeks from Shareholders approval for the issue of securities to JFMAG (or its nominee) under the terms of the Offtake Agreement so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities by the Company in the next 12 months.

Listing Rule 7.3 requires the following specific information to be provided:

- (a) 14,000,000 Shares will be issued.
- (b) The Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and will be issued in full (not progressively).
- (c) The Shares will be issued at the market price of the Shares at close of trade on the day before the issue is completed.
- (d) The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (e) The Shares will be issued to JFMAG (or its nominee).
- (f) The Company will not raise any funds from the issue of the 14,000,000 Shares.

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

A voting exclusion applies to Resolution 4 in the terms set out in the Notice of Meeting

RESOLUTION 5 – ISSUE OF SHARES UNDER FULLY UNDERWRITTEN PLACEMENT

On 20 March 2017, the Company announced a fully underwritten placement to raise a total of \$10 million through the issue of a total of 74,074,074 Shares at 13.5 cents per share to investors who do not require disclosure under section 708 of the Corporations Act (**Placement**). Funds raised through the Placement will be used as further funding for the Company's Browns Range Heavy Rare Earth Pilot Plant.

The Placement is fully underwritten by AMC Wanhai Securities Limited (**Underwriter**).

To date, 14,814,814 Shares have been issued under the Placement (out of a total of 74,074,074 Shares) raising \$2 million (before costs).

The remainder of 59,259,260 Shares have not yet been issued as at the date of this Notice under the Placement.

Under this Resolution, the Company seeks from Shareholders approval to:

- (a) ratify the issue of 14,814,814 Shares under the Placement under Listing Rule 7.4 that were issued before the date of this Notice;
- (b) ratify, under Listing Rule 7.4, the issue of up to 59,259,260 Shares under the Placement to the extent that such Shares are issued between the date of this Notice and the date of the Meeting; and

- (c) approve, under Listing Rule 7.1, the issue of up to 59,259,260 Shares under the Placement to the extent that such Shares are issued after the date of the Meeting.

The purpose of paragraph (b) is to cover a situation where Shares are issued under the Placement between the date of this Notice and the date of the Meeting. If this occurs, Shareholders are asked to ratify that issue of Shares. The purpose of paragraph (c) is to approve the issue of Shares under the Placement that are issued after date of the Meeting. As noted above, the total amount of Shares that will be issued under the Placement is 74,074,074 Shares (14,814,814 of which have already been issued as at the date of this Notice).

Listing Rule 7.1 restricts the number of Equity Securities a company may issue (or agree to issue) in any 12 month period without shareholder approval to 15% of the number of ordinary securities on issue at the commencement of that 12 month period (subject to specified exceptions).

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

This Resolution is sought to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities by the Company in the next 12 months.

In relation to paragraphs (a) and (b) above, Listing Rule 7.5 requires the following specific information to be provided to Shareholders in relation to this Resolution:

- (a) 14,814,814 Shares were issued and up to 59,259,260 Shares will be issued under the Placement to the extent that such Shares are issued between the date of this Notice and the date of the Meeting.
- (b) The issue price for the 14,814,814 Shares was 13.5 cents per Share and the issue price for the issue of up to 59,259,260 Shares will be 13.5 cents.
- (c) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares.
- (d) 14,814,814 Shares were issued to investors who do not require disclosure under section 708 of the Corporations Act. Up to 59,259,260 Shares will be issued to investors who do not require disclosure under section 708 of the Corporations Act under the Placement to the extent that such Shares are issued before the date of the Meeting.
- (e) The Company raised \$2 million (before costs) from the issue of the 14,814,814 Shares and will raise a further \$8 million (before costs) from the issue of 59,259,260 Shares under the Placement if such Shares are issued before the date of the Meeting.

In relation to paragraph (c) above, Listing Rule 7.3 requires the following specific information to be provided:

- (a) Up to 59,259,260 Shares will be issued.
- (b) The Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and will be issued progressively.
- (c) The Shares will be issued at 13.5 cents per Share.
- (d) The Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (e) The Shares will be issued to the Placement Investors or the Underwriter (as applicable).
- (f) The Company will raise \$8 million (before costs) through the issue of all 59,259,260 Shares.

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

A voting exclusion applies to Resolution 5 in the terms set out in the Notice of Meeting.

Annexure 1 – Terms of Performance Rights

1. T1 Performance Rights

The terms of grant of the T1 Performance Rights are as follows:

- (a) Each Performance Right entitles the Holder to be issued one Share on these terms of issue including the vesting conditions and the performance condition.
- (b) The Performance Rights will be granted for free and subject to the achievement of the vesting conditions and the performance condition set out below.
- (c) The Director may apply for the number of Performance Rights specified in the invitation by sending to the Company (marked for the attention of the Company Secretary) a duly signed and completed application (in the form attached to the invitation). The application must specify whether the Performance Rights are to be granted to:
 - (i) the Director;
 - (ii) the spouse of the Director;
 - (iii) a body corporate in which the Director holds and beneficially owns not less than 50% of the issued voting share capital;
 - (iv) the trustee of a trust in which the Director is a beneficiary or object; or
 - (v) the trustee of a superannuation fund of which the Director is a member,
 (being the **Holder**).
- (d) The Director has 12 months from the date of vesting of the Performance Rights to exercise the Performance Rights in parcels of 1,000 Performance Rights up to the full amount of Performance Rights held. No exercise or issue price is payable by the Holder and the Company will allot and issue the number of Shares specified in the notice of exercise within the time prescribed by the Listing Rules.
- (e) A Performance Right does not confer on the Holder the right to receive dividends.
- (f) The Performance Rights will not vest and the underlying Shares will not be issued unless and until the Company receives the 1st delivery of equipment and materials from Sinosteel at an Australian port under the Company's EPC contract with Sinosteel for the construction of the Browns Range Pilot Plant.
- (g) Should the Director resign, the Performance Rights not yet vested will automatically lapse.
- (h) If the Director's office as Director is terminated, the Director is retrenched from his or her office as Director or the Director dies in office as Director, then all the Performance Rights vest immediately upon the date of termination, retrenchment or death.
- (i) All Performance Rights granted immediately vest (to the extent they have not already vested or lapsed) and are immediately exercisable if:
 - (i) a takeover bid (as defined in the Corporations Act) to acquire Shares becomes, or is declared to be, unconditional, irrespective of whether or not the takeover bid extends to Shares issued and allotted after the date of the takeover bid;
 - (ii) a change of control (as defined in section 50AA of the Corporations Act) of the Company occurs; or

- (iii) a merger by scheme of arrangement under the Corporations Act is approved by the court under section 411(4)(b) of the Corporations Act.
- (j) If the Company is required under relevant tax legislation to make withholdings on account of tax upon the exercise of the Performance Rights, the Board must sell a sufficient number of the Shares which would otherwise be issued so that the net proceeds of sale equal the payment which the Company is required to pay to the appropriate authorities. This arrangement does not apply if the Director makes an alternative arrangement to the satisfaction of the Company.
- (k) If a Director ceases to be a Director after the vesting date due to the occurrence of any of the following events, the Performance Rights held by the Holder in respect of which an exercise price is payable will lapse 6 months after the occurrence of the relevant event (or such longer period as the Board may determine) or on the expiry date applicable to those Performance Rights, whichever occurs first:
 - (i) termination, retirement or retrenchment of the Director; or
 - (ii) bankruptcy of the Director; or
 - (iii) the death of the Director.

2. T2 Performance Rights

The terms of grant of the T2 Performance Rights are as follows:

- (a) Each Performance Right entitles the Holder to be issued one Share on these terms of issue including the vesting conditions and the performance condition.
- (b) The Performance Rights will be granted for free and subject to the achievement of the vesting conditions and the performance condition set out below.
- (c) The Director may apply for the number of Performance Rights specified in the invitation by sending to the Company (marked for the attention of the Company Secretary) a duly signed and completed application (in the form attached to the invitation). The application must specify whether the Performance Rights are to be granted to:
 - (i) the Director;
 - (ii) the spouse of the Director;
 - (iii) a body corporate in which the Director holds and beneficially owns not less than 50% of the issued voting share capital;
 - (iv) the trustee of a trust in which the Director is a beneficiary or object; or
 - (v) the trustee of a superannuation fund of which the Director is a member,
 (being the **Holder**).
- (d) The Director has 12 months from the date of vesting of the Performance Rights to exercise the Performance Rights in parcels of 1,000 Performance Rights up to the full amount of Performance Rights held. No exercise or issue price is payable by the Holder and the Company will allot and issue the number of Shares specified in the notice of exercise within the time prescribed by the Listing Rules.
- (e) A Performance Right does not confer on the Holder the right to receive dividends.
- (f) The Performance Rights will not vest and the underlying Shares will not be issued unless and until practical completion is achieved under a contract for the construction of the Browns Range Pilot Plant.
- (g) Should the Director resign, the Performance Rights not yet vested will automatically lapse.
- (h) If the Director's office as Director is terminated, the Director is retrenched from his or her office as Director or the Director dies in office as Director, then all the Performance Rights vest immediately upon the date of termination, retrenchment or death.
- (i) All Performance Rights granted immediately vest (to the extent they have not already vested or lapsed) and are immediately exercisable if:
 - (i) a takeover bid (as defined in the Corporations Act) to acquire Shares becomes, or is declared to be, unconditional, irrespective of whether or not the takeover bid extends to Shares issued and allotted after the date of the takeover bid;
 - (ii) a change of control (as defined in section 50AA of the Corporations Act) of the Company occurs; or
 - (iii) a merger by scheme of arrangement under the Corporations Act is approved by the court under section 411(4)(b) of the Corporations Act.
- (j) If the Company is required under relevant tax legislation to make withholdings on account of tax upon the exercise of the Performance Rights, the Board must sell a sufficient number of the

Shares which would otherwise be issued so that the net proceeds of sale equal the payment which the Company is required to pay to the appropriate authorities. This arrangement does not apply if the Director makes an alternative arrangement to the satisfaction of the Company.

- (k) If a Director ceases to be a Director after the vesting date due to the occurrence of any of the following events, the Performance Rights held by the Holder in respect of which an exercise price is payable will lapse 6 months after the occurrence of the relevant event (or such longer period as the Board may determine) or on the expiry date applicable to those Performance Rights, whichever occurs first:
- (i) termination, retirement or retrenchment of the Director; or
 - (ii) bankruptcy of the Director; or
 - (iii) the death of the Director.

3. T3 Performance Rights

The terms of grant of the T3 Performance Rights are as follows:

- (a) Each Performance Right entitles the Holder to be issued one Share on these terms of issue including the vesting conditions and the performance condition.
- (b) The Performance Rights will be granted for free and subject to the achievement of the vesting conditions and the performance condition set out below.
- (c) The Director may apply for the number of Performance Rights specified in the invitation by sending to the Company (marked for the attention of the Company Secretary) a duly signed and completed application (in the form attached to the invitation). The application must specify whether the Performance Rights are to be granted to:
 - (i) the Director;
 - (ii) the spouse of the Director;
 - (iii) a body corporate in which the Director holds and beneficially owns not less than 50% of the issued voting share capital;
 - (iv) the trustee of a trust in which the Director is a beneficiary or object; or
 - (v) the trustee of a superannuation fund of which the Director is a member,
 (being the **Holder**).
- (d) The Director has 12 months from the date of vesting of the Performance Rights to exercise the Performance Rights in parcels of 1,000 Performance Rights up to the full amount of Performance Rights held. No exercise or issue price is payable by the Holder and the Company will allot and issue the number of Shares specified in the notice of exercise within the time prescribed by the Listing Rules.
- (e) A Performance Right does not confer on the Holder the right to receive dividends.
- (f) The Performance Rights will not vest and the underlying Shares will not be issued unless and until the first accumulated 100 tonnes of mixed rare earth carbonate is produced and sold from the Browns Range Pilot Plant.
- (g) Should the Director resign, the Performance Rights not yet vested will automatically lapse.
- (h) If the Director's office as Director is terminated, the Director is retrenched from his or her office as Director or the Director dies in office as Director, then all the Performance Rights vest immediately upon the date of termination, retrenchment or death.
- (i) All Performance Rights granted immediately vest (to the extent they have not already vested or lapsed) and are immediately exercisable if:
 - (i) a takeover bid (as defined in the Corporations Act) to acquire Shares becomes, or is declared to be, unconditional, irrespective of whether or not the takeover bid extends to Shares issued and allotted after the date of the takeover bid;
 - (ii) a change of control (as defined in section 50AA of the Corporations Act) of the Company occurs; or
 - (iii) a merger by scheme of arrangement under the Corporations Act is approved by the court under section 411(4)(b) of the Corporations Act.
- (j) If the Company is required under relevant tax legislation to make withholdings on account of tax upon the exercise of the Performance Rights, the Board must sell a sufficient number of the

Shares which would otherwise be issued so that the net proceeds of sale equal the payment which the Company is required to pay to the appropriate authorities. This arrangement does not apply if the Director makes an alternative arrangement to the satisfaction of the Company.

- (k) If a Director ceases to be a Director after the vesting date due to the occurrence of any of the following events, the Performance Rights held by the Holder in respect of which an exercise price is payable will lapse 6 months after the occurrence of the relevant event (or such longer period as the Board may determine) or on the expiry date applicable to those Performance Rights, whichever occurs first:
- (i) termination, retirement or retrenchment of the Director; or
 - (ii) bankruptcy of the Director; or
 - (iii) the death of the Director.

4. T4 Performance Rights

The terms of grant of the T4 Performance Rights are as follows:

- (a) Each Performance Right entitles the Holder to be issued one Share on these terms of issue including the vesting conditions and the performance condition.
- (b) The Performance Rights will be granted for free and subject to the achievement of the vesting conditions and the performance condition set out below.
- (c) The Director may apply for the number of Performance Rights specified in the invitation by sending to the Company (marked for the attention of the Company Secretary) a duly signed and completed application (in the form attached to the invitation). The application must specify whether the Performance Rights are to be granted to:
 - (i) the Director;
 - (ii) the spouse of the Director;
 - (iii) a body corporate in which the Director holds and beneficially owns not less than 50% of the issued voting share capital;
 - (iv) the trustee of a trust in which the Director is a beneficiary or object; or
 - (v) the trustee of a superannuation fund of which the Director is a member,
 (being the **Holder**).
- (d) The Director has 12 months from the date of vesting of the Performance Rights to exercise the Performance Rights in parcels of 1,000 Performance Rights up to the full amount of Performance Rights held. No exercise or issue price is payable by the Holder and the Company will allot and issue the number of Shares specified in the notice of exercise within the time prescribed by the Listing Rules.
- (e) A Performance Right does not confer on the Holder the right to receive dividends.
- (f) The Performance Rights will not vest and the underlying Shares will not be issued unless and until the Browns Range Pilot Plant achieves production of mixed rare earth carbonate of at least 260 tonnes within a period of 90 consecutive days.
- (g) Should the Director resign, the Performance Rights not yet vested will automatically lapse.
- (h) If the Director's office as Director is terminated, the Director is retrenched from his or her office as Director or the Director dies in office as Director, then all the Performance Rights vest immediately upon the date of termination, retrenchment or death.
- (i) All Performance Rights granted immediately vest (to the extent they have not already vested or lapsed) and are immediately exercisable if:
 - (i) a takeover bid (as defined in the Corporations Act) to acquire Shares becomes, or is declared to be, unconditional, irrespective of whether or not the takeover bid extends to Shares issued and allotted after the date of the takeover bid;
 - (ii) a change of control (as defined in section 50AA of the Corporations Act) of the Company occurs; or
 - (iii) a merger by scheme of arrangement under the Corporations Act is approved by the court under section 411(4)(b) of the Corporations Act.
- (j) If the Company is required under relevant tax legislation to make withholdings on account of tax upon the exercise of the Performance Rights, the Board must sell a sufficient number of the

Shares which would otherwise be issued so that the net proceeds of sale equal the payment which the Company is required to pay to the appropriate authorities. This arrangement does not apply if the Director makes an alternative arrangement to the satisfaction of the Company.

- (k) If a Director ceases to be a Director after the vesting date due to the occurrence of any of the following events, the Performance Rights held by the Holder in respect of which an exercise price is payable will lapse 6 months after the occurrence of the relevant event (or such longer period as the Board may determine) or on the expiry date applicable to those Performance Rights, whichever occurs first:
- (i) termination, retirement or retrenchment of the Director; or
 - (ii) bankruptcy of the Director; or
 - (iii) the death of the Director.

Corporate Representative Form

Shareholder Details

This is to certify that by a resolution of the Directors of:

..... (Company),

Insert name of shareholder company

the Company has appointed:

.....,

Insert name of corporate representative

in accordance with the provisions of section 250D of the *Corporations Act 2001* (Cth), to act as the body corporate representative of that company at the meeting of the members of Northern Minerals Limited to be held on 27 June 2017 commencing at 10.00am (Perth Time) and at any adjournments of that meeting/all meetings of the members of Northern Minerals Limited.

DATED 2017

Please sign here

Executed by the Company)
in accordance with its constituent documents)
)

.....
Signed by authorised representative

.....
Signed by authorised representative

.....
Name of authorised representative (print)

.....
Name of authorised representative (print)

.....
Position of authorised representative (print)

.....
Position of authorised representative (print)

Instructions for Completion

1. Insert name of appointor Company and the name or position of the appointee (e.g. "John Smith" or "each director of the Company").
2. Execute the certificate following the procedure required by your constitution or other constituent documents.
3. Print the name and position (e.g. director) of each company officer who signs this certificate on behalf of the company.
4. Insert the date of execution where indicated.
5. Send or deliver the certificate to Northern Minerals Limited registered office at Level 1, 675 Murray Street, West Perth, Western Australia 6005 or fax to the registered office on (08) 9481 5929.

«EFT_REFERENCE_NUMBER»



Code: **NTU**

Holder Number:

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

☐ The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the General Meeting of the Company to be held at 10:00am (Perth time) on Tuesday 27 June 2017 at Level 1, 675 Murray Street, West Perth, Western Australia 6005 and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions (to the extent permitted by law). In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*
1. Approval of Grant of 2,500,000 Performance Rights to Mr Nan Yang	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of previous issue of Shares to Lind	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of previous issue of Shares under Browns Range Co-Existence Agreement Amendment Deed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Issue of Shares to Lianyugang Zeyu New Materials Sales Co., Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Issue of Shares under fully underwritten placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Sole Director & Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director/Company Secretary

Name:

()

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

Email registrar@securitytransfer.com.au

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.