

US\$30 million R&D Loan Facility executed with leading New York financier

Australian heavy rare earths developer, Northern Minerals Limited (ASX: NTU) (**the Company**) is pleased to announce that it has executed a two and a half year US\$30 million secured R&D Loan Facility (**the Facility**) with New York-based financier Innovation Structured Finance Co., LLC (ISF), a company associated with Brevet Capital Management (**Brevet**).

The Facility provides the Company with accelerated access to tax offsets that are applicable to Research & Development (R&D) activities being undertaken at the Browns Range Pilot Plant Project.

Under the Facility, the Company will work with its tax advisor, Deloitte, to estimate the level of tax offsets at the end of each quarter. ISF will then provide funding up to 80% of the estimated tax offset, with the principal and accrued interest repayable out of actual tax offsets received at the end of the financial year.

The Facility has a term of two and a half years, aligning with the timeline for the Browns Range Pilot Plant Project.

Concurrently, the Company is pleased to announce the appointment of Louis de Klerk to the newly created position of R&D Manager. Mr de Klerk will be responsible for all the R&D aspects of the Browns Range Project, with a specific focus on improving the economic and technical feasibility of the potential large-scale project. Mr de Klerk, a chemical engineer, has more than 25 years' experience across Australia and Africa with a focus on the development of new process technologies.

Northern Minerals' MD and CEO, George Bauk, commented *"We are pleased to partner with a strong US-based financier who is demonstrating an interest in funding R&D projects in Australia."*

"ISF is building up a significant presence in Australia, with plans to deploy up to US\$100m into the Australian market through R&D financing over the coming years. We expect they will become a major player in a maturing finance market."

For further information:

George Bauk
Managing Director/CEO
Northern Minerals
+61 8 9481 2344

For media and broker enquiries

Andrew Rowell / Michael Cairnduff
Cannings Purple
+61 8 6314 6300

[About Northern Minerals:](#)

ASX ANNOUNCEMENT

Northern Minerals Limited (ASX: NTU; Northern Minerals or the Company) has commenced development of the Browns Range Heavy Rare Earth Pilot Plant Project in northern Western Australia.

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 several deposits and prospects containing high value dysprosium and other HREs, hosted in xenotime mineralisation.

Dysprosium is an essential ingredient in the production of DyNdFeB (dysprosium neodymium iron-boron) magnets used in clean energy and high technology solutions.

The three-year R&D pilot plant project will commence first production of heavy rare earth carbonate in H1 2018. The pilot plant development provides the opportunity to gain production experience, surety of supply for our offtake partner and assess the economic and technical feasibility of the larger full-scale development.

For more information: northernminerals.com.au.



ASX Code:	NTU	Market Capitalisation:	A\$98m
Issued Shares:	754m	Cash (as at 30 June 2017):	A\$8.4m

About Innovation Structured Finance Co., LLC:

ISF is a substantially capitalized financial institution that is pleased to provide financial solutions for the research and development initiatives of the Australian Government and various qualifying businesses. ISF looks forward to providing transparent financial solutions that will assist companies in achieving their objectives. ISF anticipates providing \$100mm+ in such funding.