

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

NORTHERN MINERALS LIMITED

ABN

61 119 966 353

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

a) Ordinary Shares (NTU)

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

a) 14,789,924

3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

a) Ordinary Shares (NTU)

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	a) Yes
5	Issue price or consideration	a) \$0.043
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	a) Ordinary Fully Paid Shares issued on conversion of convertible security as per financing agreement with Lind Partners LLC announced on 14 June 2017.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	30 November 2018
6c	Number of +securities issued without security holder approval under rule 7.1	a) 10,052,809
6d	Number of +securities issued with security holder approval under rule 7.1A	a) Nil

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	a) 2,314,633 shares (approved at AGM on 30 November 2018, resolution 7, under which shareholders approved the issue of up to 25 million shares to Lind Asset Management X LLC (or its nominee)
6f	Number of +securities issued under an exception in rule 7.2	a) 2,422,482 shares – Listing Rule 7.2 Exception 4 (conversion of convertible security)
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	a) N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	a) N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Under 7.1 – 4,049 Under 7.1A – 72,254,721
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	a) 20 February 2019

+ See chapter 19 for defined terms.

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		1,329,510,723	Ordinary shares (NTU)

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		5,303,400	Ordinary shares subject to escrow (NTUAI)
		12,812,470	Options exercisable at 25 cents by 12 June 2020
		18,000,000	Performance Rights subject to hurdles
		400,000	Performance Rights subject to hurdles
		22,500,000	Options exercisable at 25 cents by 20 June 2020
		3,000,000	Options exercisable at 15 cents by 24 May 2021
		30,000,000	Options exercisable at 12 cents by 31 December 2019
		5,023,076	Options exercisable at 12 cents by 31 December 2019
		8	Convertible notes issued under the funding agreement with Lind announced to ASX on 14 June 2017 with an aggregate face value of \$16,250,000. The convertible notes are converted into shares based on a conversion ratio calculated under the funding agreement with reference to the VWAP of shares during a specified period. Please refer to the Company's announcements dated 14 June 2017, 23 April 2018 and 30 August 2018 for further information.
		4,000,000	Convertible notes issued under the subscription agreement with JHY announced to ASX on 17 December 2018 with an aggregate face value of \$4,000,000. The convertible notes are convertible into shares at 6 cents per share. Please refer to the Company's announcement dated 17 December 2018 for further information.
		10,000,000	Options exercisable at 9 cents by 31 December 2019
		10,000,000	Options exercisable at 12.5 cents by 20 December 2021

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Company may pay dividends to ordinary shareholders as the Directors resolve but only out of profits of the Company.
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Part 2 - Pro rata issue

11	Is security holder approval required?	n/a
12	Is the issue renounceable or non-renounceable?	n/a
13	Ratio in which the +securities will be offered	n/a
14	+Class of +securities to which the offer relates	n/a
15	+Record date to determine entitlements	n/a
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	n/a
17	Policy for deciding entitlements in relation to fractions	n/a
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	n/a
19	Closing date for receipt of acceptances or renunciations	n/a

+ See chapter 19 for defined terms.

20	Names of any underwriters	n/a
21	Amount of any underwriting fee or commission	n/a
22	Names of any brokers to the issue	n/a
23	Fee or commission payable to the broker to the issue	n/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	n/a
25	If the issue is contingent on security holders' approval, the date of the meeting	n/a
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	n/a
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	n/a
28	Date rights trading will begin (if applicable)	n/a
29	Date rights trading will end (if applicable)	n/a
30	How do security holders sell their entitlements <i>in full</i> through a broker?	n/a
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	n/a

+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)? n/a
- 33 ⁺Issue date n/a

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1 only

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	n/a				
39	+Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: a) the date from which they do b) the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment c) the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

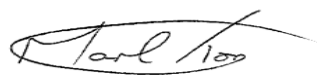
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



..... Date: 21 February 2019
Company secretary

Print name: Mark Tory

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	1,079,072,717
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period <i>Note:</i> - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed	Total of 41,466,687, comprising: 9,686,889 – issued under various LR 7.2 exceptions; and 20,668,687 – being the total number of shares remaining which, as agreed with ASX, will be treated as having been automatically refreshed on and from 20 June 2018. See ASX announcement dated 23 April 2018 11,111,111 – issued under Listing Rule 7.2, Exception 13 (issue of securities under an agreement to issue) 102,007,807 Nil

+ See chapter 19 for defined terms.

It may be useful to set out issues of securities on different dates as separate line items	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	1,222,547,211

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	183,382,082
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 <i>Note:</i> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i>	183,378,023 The number above includes the following: 22,222,222 shares that the Company has agreed to issue in relation to the \$2 million subscription agreement announced on 15 October 2018; 11,111,111 shares that the Company has issued in relation to Tranche 1 of the \$25 million subscription agreement announced on 15 October 2018; 11,111,111 shares that the Company has agreed to issue in relation to Tranche 2 of the \$25 million subscription agreement announced on 15 October 2018; 58,333,334 shares, being the maximum number of shares the company will issue in relation to the 3,500,000 convertible notes issued on 18 December 2018; 8,333,333 shares, being the maximum number of shares the Company will issue in relation to the 500,000 convertible notes issued on 17 January 2019; 10,000,000 options the Company issued on 18 December 2018; 10,000,000 shares the Company issued to Go & Company Ltd on 11 February 2019; 2,500,000 shares the Company issued to creditors on 11 February 2019; and

+ See chapter 19 for defined terms.

	10,052,809 shares the Company issued to a nominee of Lind on 20 February 2019.
“C”	183,378,023
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	183,382,082
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	183,378,023
Total [“A” x 0.15] – “C”	4,059 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,222,547,211
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	122,254,721
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	50,000,000 comprising: • 50,000,000 shares issued per announcement 1 February 2019
“E”	50,000,000

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	122,254,721
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	50,000,000
Total [“A” x 0.10] – “E”	72,254,721 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.