

12 June 2019

Dear Shareholder

**Northern Minerals Limited accelerated non-renounceable pro-rata entitlement offer
Ineligible shareholder letter**

On 6 June 2019 Northern Minerals Limited (ABN 61 119 966 353) (ASX: NTU) (the **Company**) announced a placement to raise A\$15 million (before costs) and an accelerated non-renounceable pro-rata entitlement offer (**Entitlement Offer**) of 1 fully paid ordinary share in the Company (**New Share**) for every 13 fully paid ordinary shares in the Company held as at 7.00pm (**AEST**) on 12 June 2019 (**Record Date**) to raise approximately A\$6.95 million (before costs).

Unfortunately, for the reasons set out below, you are ineligible to participate in the Entitlement Offer.

The Entitlement Offer is being made by the Company without a disclosure document under section 708AA of the *Corporations Act 2001* (Cth) as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**Corporations Act**).

The Entitlement Offer is not underwritten and the directors reserve the right to place any shortfall shares at their discretion subject to compliance with the Corporations Act 2001 (Cth) and the ASX Listing Rules.

The Entitlement Offer comprises an offer to Eligible Institutional Shareholders (as defined below) (**Institutional Entitlement Offer**) and Eligible Retail Shareholders (as defined below) (**Retail Entitlement Offer**).

As the Entitlement Offer is non-renounceable, entitlements under the Entitlement Offer cannot be sold, traded on the ASX or on any other exchange, nor can they be privately transferred.

Documents relating to the Retail Entitlement Offer were lodged with ASX today and will be despatched to Eligible Retail Shareholders on 17 June 2019.

Eligibility Criteria

Eligible Institutional Shareholders are those persons who:

- were identified as an Institutional Shareholder (as defined in the Retail Offer Booklet lodged with ASX today) by the Company;
- have a registered address on the Company's share register in Australia, New Zealand or certain other jurisdictions (except the United States) disclosed in the "International Offer Restrictions" annexure of the ASX announcement lodged with ASX on 6 June 2019;



Powering Technology.

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- are not in the United States and are not acting for the account or benefit of a person in the United States;
- are eligible under all applicable securities laws to receive an offer under the Institutional Entitlement Offer; and
- have successfully received an offer under the Institutional Entitlement Offer.

Eligible Retail Shareholders are those persons who:

- are registered as holders of existing ordinary shares in the Company as at 7:00pm (AEST) on the Record Date;
- have a registered address on the Company's share register in Australia or New Zealand;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Shareholders who do not qualify as an Eligible Institutional Shareholder are ineligible institutional shareholders and are unable to participate in the Institutional Entitlement Offer.

Shareholders who do not qualify as an Eligible Retail Shareholder are ineligible retail shareholders and are unable to participate in the Retail Entitlement Offer.

The restrictions upon eligibility to participate in the Entitlement Offer arise because of:

- the legal and regulatory requirements in countries other than Australia or New Zealand (in connection with the Retail Entitlement Offer) or the other jurisdictions referred to above (in connection with the Institutional Entitlement Offer);
- the potential costs to the Company of complying with these legal and regulatory requirements compared with the relatively small number of Company shareholders in those countries;
- the relatively small number of existing Company shares the shareholders in those countries hold; and
- the relatively low value of New Shares to which those shareholders would otherwise be entitled under the Institutional Entitlement Offer or the Retail Entitlement Offer (as applicable).

The Company has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3) of the Corporations Act, that it would be unreasonable to make or extend offers to Company shareholders in certain countries under the Entitlement Offer.


According to our records, you do not satisfy the eligibility criteria for an Eligible Institutional Shareholder or an Eligible Retail Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, the Company wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for New Shares under the Entitlement Offer. You will not be sent the documents relating to the Entitlement Offer and you will not receive any value for the New Shares to which you would otherwise have been entitled.

You are not required to do anything in response to this letter.

For further information on the Entitlement Offer or if you have any questions you can call the Northern Minerals Share Registry on 1300 992 916 (local call cost within Australia) or +61 3 9628 2200 (from outside Australia) at any time between 8.30am and 7.00pm (AEST), Monday to Friday (excluding public holidays). If you have any further questions you should contact your stockbroker, solicitor, accountant or other professional adviser.

Thank you for your ongoing support of the Company.

Yours sincerely



Mark Tory
Chief Financial Officer/Company Secretary

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