

## Northern Minerals Settles R&D Tax Dispute

Northern Minerals Limited (ASX: NTU) (**Company**) is pleased to announce that it has entered into a settlement agreement with the Australian Taxation Office (**ATO**) that settles all matters relating to the Company's refundable Research and Development (**R&D**) tax offset claims for the financial years ended 30 June 2017 and 2018 which concludes the ATO's review of those claims.

The settlement agreement also documents an agreed refundable R&D tax offset for the financial year ended 30 June 2019 and a framework for reviewing the Company's refundable R&D tax offset claim for the financial year ended 30 June 2020.

As part of the settlement process, the Company has adopted recommendations from the ATO for improving its internal policies and procedures with the aim of streamlining future R&D claims.

The settlement agreement reduces the original refundable R&D tax offsets claimed for the financial years ended 30 June 2017 and 2018 by \$21,309,237. Noting that only half the original refundable R&D tax offset for the financial year ended 30 June 2018 was previously refunded by the ATO, the net cashflow effect of the settlement agreement for the financial years ended 30 June 2017, 2018 and 2019 is a net refund of \$9,921,638 payable to the Company on or about 18 September 2020.

In light of the settlement agreement, the Company no longer has any amounts owing to the ATO in respect of the financial years ended 30 June 2017 and 2018.

Except as set out above, the terms of the settlement agreement are confidential.

CEO Mark Tory said, "whilst a lengthy period of time has passed from the date of lodgement of the 2017 and 2018 returns, the Company is pleased that this matter has come to a close and we would like to thank all involved including the ATO and AusIndustry in reaching an amicable settlement of this dispute".

### ENDS

Authorised by:  
**Mark Tory**  
CEO

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### About Northern Minerals:

Northern Minerals Limited (ASX: NTU) (Northern Minerals or the Company) is one of a few producers of heavy rare earth element Dysprosium outside of China via production from the Browns Range Heavy Rare Earth Project in northern Western Australia.

The Company commenced the production of heavy rare earth carbonate in late 2018 as part of a three year pilot to assess the economic and technical feasibility of a full scale development at Browns Range.

In addition, the pilot program provides the opportunity to gain production experience and surety of supply for our offtake partner, Thyssenkrupp, as well as allowing the assessment of various project enhancement initiatives including ore sorting and the separation of the product into individual rare earth oxides.

In March 2020, the operation was placed into care & maintenance as a result of COVID-19 and has partially restarted operations in August 2020.

Through the development of its flagship project, the Browns Range Project (the Project), Northern Minerals aims to build the Western Australian operation into a 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, military and high technology solutions.

For more information: [northernminerals.com.au](http://northernminerals.com.au).



ASX Code:	NTU	Market Capitalisation:	A\$145.9m
Issued Shares:	4,291m	Cash (as at 30 June 2020):	A\$6.7m