

2020 R&D claim to further strengthen balance sheet

Northern Minerals Limited (ASX: NTU) (**Company**) is pleased to advise it has lodged its tax return and refundable Research and Development (R&D) tax offset claim with the Australia Taxation Office for the 30 June 2020 financial year (FY2020).

The Company's tax offset claim for the FY2020 is for \$8.7 million of eligible R&D work.

Northern Minerals' R&D activities are focused on the processing of heavy rare earth elements from hardrock xenotime ore at its Browns Range Pilot Plant in the Kimberley Region of Western Australia.

The Company announced on 24 August 2020 it had settled with the ATO on previously disputed tax offset claims for the financial years ended 30 June 2017 and 2018.

That settlement also agreed a refundable R&D tax offset for the financial year ended 30 June 2019 and provided a framework for calculating the refundable R&D tax offset claim for FY2020.

Northern Minerals submitted its 30 June 2020 R&D claim and tax return after market close on Friday 2 October 2020.

Northern Minerals CEO Mark Tory said: *"We adopted the ATO's recommendations for improving our internal R&D procedures with the aim of streamlining future claims, including for FY2020."*

"We believe the R&D work now continuing at Browns Range, post COVID-19 disruptions, is providing valuable processing data that could underpin larger scale heavy rare earth developments in WA."

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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 assessment of economic and temporarily technical feasibility of a larger scale development at Browns Range. In March 2020, the operation was placed into care & maintenance as a result of COVID-19 and has partially restarted operations in August 2020.

The work 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.

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.



ASX Code:	NTU
Issued Shares:	4,436m

Market Capitalisation:	A\$128.7m
Cash (as at 11 September 2020):	A\$11.9m