

Northern signs financing for up to US\$4 million

Highlights

Northern Minerals (ASX: NTU) (Company) is pleased to announce a medium term financing agreement for up to US\$4 million with an entity managed by The Lind Partners LLC, an asset management firm based in New York.

Terms

The unsecured convertible security is for a maximum term of 18 months. The funding will be paid by the Investor over eleven months, with the first payment on closing being US\$1.5 million and will be followed by 10 monthly payments of US\$80,000 up to US\$250,000 subject to mutual consent between the Company and the Investor.

This financing is repayable over an 18 month period from the date of the drawdown. Each repayment is to be made on a monthly basis, at the Company's option, either through cash, shares or combination of both. Repaying in cash will be at a premium of 2.5% and the repayment in shares will be priced at 92.5% of the average of three consecutive days daily VWAP's during the 20 trading days before the issuance of shares at the option of the Investor.

The Company has the right to repay the convertible security in full anytime. If the Company exercises its right to repay the convertible security within the six months, the Investor will reduce the face value to be repaid by US\$150,000. Upon receiving a buyback notice, the Investor will have the right to convert 30% of the face value of the convertible security.

The Company will issue 2,000,000 shares to the Investor as collateral shares which will be credited to the Company prior to completion of the agreement. The Company will also issue 2,500,000 options at an exercise price of 25 cents with a term of 36 months.

The agreement contains provisions requiring approval of shareholders if required under Listing Rule 7.1. Shareholder approval is not required for the initial funding to proceed.

About Lind Partners, LLC

Lind is a New York based alternative asset management company that manages a family of funds that selectively invests across a broad range of industries and economic environments with a focus on companies with market capitalisations ranging between US\$25 million and US\$1 billion having definable milestones and key inflection points that have the potential to create considerable shareholder value. More information on Lind can be found at www.thelindpartners.com.

ASX ANNOUNCEMENT

Name	Company	Contact
George Bauk	Managing Director / CEO Northern Minerals	+ 61 8 9481 2344
Linda Reddi	Senior Public Affairs Advisor Northern Minerals	+61 401 566 998
Ryan McKinlay	Cannings Purple	+61 408 347 282 +61 8 6314 6300

About Northern Minerals:

Northern Minerals Limited (ASX: NTU; Northern Minerals or the Company) is focussed on the delivery of the heavy rare earth (HRE) element, dysprosium. The Company has a large landholding in Western Australia and the Northern Territory that is highly prospective for this element. 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 a number of deposits and prospects containing high value dysprosium and other HREs, hosted in xenotime mineralisation. Dysprosium is an essential ingredient in the production of NdFeB (neodymium iron-boron) magnets used in clean energy and high technology solutions. As a result of increasing global demand for these applications dysprosium supply is critical. The Project's xenotime mineralisation facilitates the use of a relatively simple and cost effective processing flowsheet to produce a high value, high purity dysprosium rich product.

Completion of the Definitive Feasibility Study in February 2015 confirms the Project is economically and technically viable. Construction is targeted to commence at the Project in 2016, followed by production in 2017 to produce a high purity mixed rare earth (RE) carbonate for export.

Exploration continues at Browns Range (WA and NT), and is also underway at the geologically similar John Galt and Boulder Ridge projects. For more information northernminerals.com.au.

