

ASX ANNOUNCEMENT
19 October 2011

WOLVERINE PROSPECT CONTINUES TO DELIVER MORE EXCITING HEAVY RARE EARTH HITS

Highlights

- **More promising HREE intersections at the Wolverine and Gambit prospects, including 33m @ 1.5% TREO from 54m (33m @ 1,470ppm Dy₂O₃)**
- **Results extend mineralised zone and further boost confidence in Browns Range project**
- **Further drilling results to come, and follow-up diamond drilling planned for the current quarter**
- **Metallurgical testing continuing with bulk sampling to test concentrate grade**
- **Global market for heavy rare earth elements remains firm**

Northern Minerals has continued its Heavy Rare Earth Element (HREE) exploration success at the Browns Range project in northern WA, with the latest assay results confirming the “best yet” intersections of Heavy Rare Earth Oxides (HREE).

The latest assays include some outstanding results from the Wolverine prospect, with high grades of Total Rare Earth Oxide (TREO) over significant widths. This provides added confidence in the Wolverine prospect, which is now shaping up as a significant HREE project.

The assays are the latest from a 12,000m RC drilling program recently completed across Browns Range during the past three months. This program has identified high grade mineralisation at all four prospects tested, including Wolverine, Gambit, Area 5 and Area 5 North

Best intersections from the latest assay results include:

Wolverine

NMBRRC119 - 33m @ 1.53% TREO (1,470ppm Dy₂O₃) from 54m
NMBRRC120 - 11m @ 1.89% TREO (1,806ppm Dy₂O₃) from 50m
NMBRRC121 - 8m @ 1.88% TREO (1,620ppm Dy₂O₃) from 55m
NMBRRC123 - 15m @ 1.37% TREO (1,307ppm Dy₂O₃) from 87m
NMBRRC111 - 5m @ 2.78% TREO (2,561ppm Dy₂O₃) from 17m
NMBRRC116 - 7m @ 1.04% TREO (714ppm Dy₂O₃) from 25m

Gambit

NMBRRC094 - 10m @ 1.08% TREO (1,011ppm Dy₂O₃) from 0m
NMBRRC097 - 8m @ 1.4% TREO (1,308ppm Dy₂O₃) from 41m
NMBRRC104 - 6m @ 1.07% TREO (1,002ppm Dy₂O₃) from 58m
NMBRRC109 - 2m @ 4.16% TREO (4,145ppm Dy₂O₃) from 109m
(full table of significant results Table 1 below)

NB – TREO: Total Rare Earth Oxides – Total of La₂O₃, CeO₂, Pr₆O₁₁, Nd₂O₃, Sm₂O₃, Eu₂O₃, Gd₂O₃, Tb₄O₇, Dy₂O₃, Ho₂O₃, Er₂O₃, Tm₂O₃, Yb₂O₃, Lu₂O₃, Y₂O₃

Northern Minerals Managing Director George Bauk said the grades and widths of the latest results confirmed Wolverine as a significant new HREE discovery.

“These results include some exceptional intersections – the best we have received yet - and they continue to build a compelling picture for the Browns Range project,” he said.

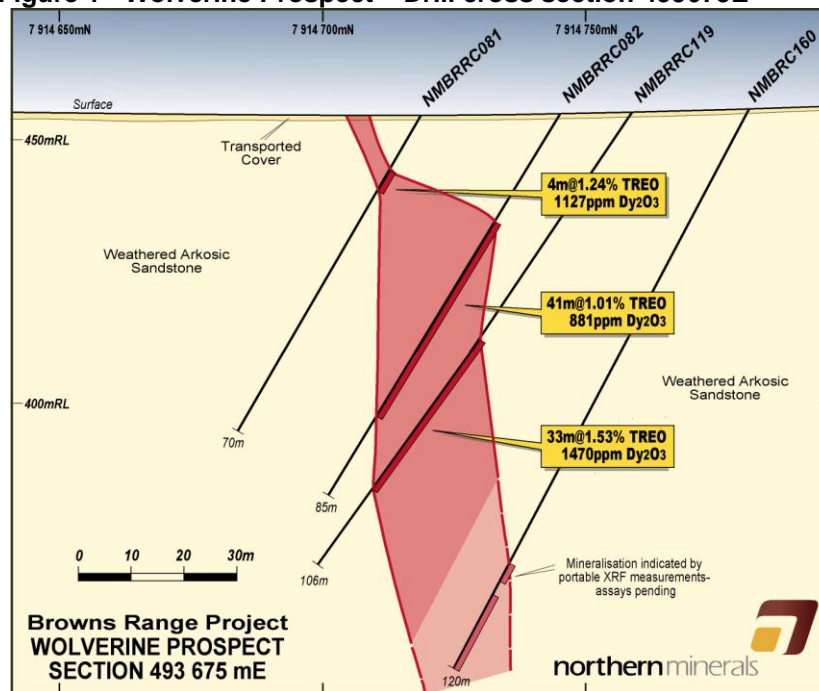
“The widths and depths of these intersections suggest a significant mineralised zone at Wolverine. What is also encouraging is that some of the most recent holes have ended in mineralisation, and so we are planning some deeper drilling as part of the next phase of our program to really test the extent of this project.”

Further assay results are expected from the RC program next month. The Company is also planning a follow up diamond drilling campaign to further test geological structures and define mineralisation.

Wolverine

A total of 39 holes (NMBRRC073 – 092, NMBRRC111 – 123, NMBRRC156 – 161) have been drilled at the Wolverine prospect. Assays have now been received for the first 33 holes, with mineralisation being traced over a zone of up to 200m in strike length and open at depth (see Figures 1, 3 & 4). The mineralised zone strikes approximately east-west, dips steeply towards the north and is up to 20m true width. Portable XRF measurements from hole NMBRRC160 indicates mineralisation continues to a depth of 100m vertical on drill section 493675E. Diamond drilling is planned for the current quarter to test the depth extent of mineralisation and obtain data on the structural controls on mineralisation.

Figure 1 - Wolverine Prospect – Drill cross section 493675E



Gambit

At the Gambit Prospect, a total of 57 holes (NMBRRC034 – 072 & NMBRRC093 – 110) have been completed with all assays now received. The program targeted the centre of an east-west trending soil geochemical anomaly which extends over 2km. Significant REE mineralisation (>0.2% TREO) has been intersected on all drill traverses across a 600m wide zone that has been partially drill-tested (see Figure 5 below). Recent assay results returned significant results (10m @ 1.08% TREO and 8m @ 1.4% TREO) on the westernmost drill lines indicating mineralisation is open to the west. Mineralisation appears to be controlled by one or more east-west trending fault structures, and northwest trending cross-cutting structures. The geometries of the mineralised zones are currently being assessed, with several possible interpretations for the orientations. Diamond drilling planned for the current quarter will provide further data relating to the structural controls on mineralisation at Gambit, as well as providing metallurgical samples.

Metallurgical test work

Northern Minerals is also continuing its active program of metallurgical testing at Browns Range, and will commence a bulk sampling program this month. This will involve the collection of approximately three tonnes of RC drilling samples, which will come from three prospects and target three different grades. Further metallurgical test work will be completed on additional samples from diamond drill holes planned for the current quarter.

Mr Bauk said this would provide another step forward for the Browns Range project, following the encouraging results from earlier metallurgical tests.

“The test results to date indicate we will be able to produce a high grade concentrate product with a relatively simple and low cost processing approach,” Mr Bauk said

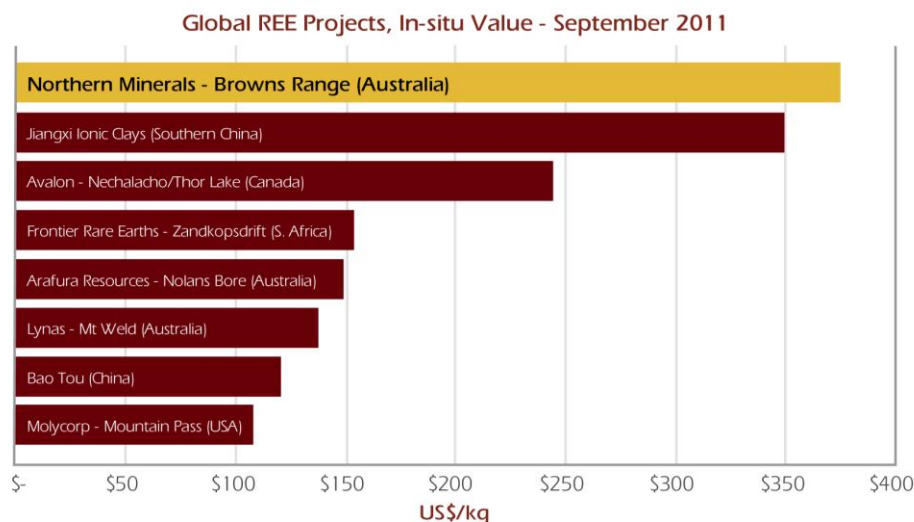
“This next phase of metallurgical testing will help confirm the flow sheet we are developing, and provide data for a desktop study we will be conducting in the coming quarter,” Mr Bauk said.

“Importantly, the bulk samples will also produce sufficient concentrate for us to share with potential off-take partners, and advance our discussions with these parties,” he said.

HREE market remains firm

Following significant price increases during the past twelve months, global prices for rare earth elements have eased during the past month, particularly prices for light rare earths. The softening of prices for “lights” is in line with an increase in global supply expected as a number of significant LREE dominated projects come into production. With limited new potential sources of supply for HREE, prices for “heavies” have remained relatively firm.

The REE suite at Northern Minerals’ Browns Range project is dominated by HREE (particularly dysprosium and yttrium) which is reflected in the continuing high in-situ value of the project.



This chart has been produced with in-situ values only and does not imply full recovery. Its purpose is primarily for comparison purposes between rare earth projects.

Competent Person Declaration

The information in this report accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Mineral Resources and Ore Reserves). It is compiled by Mr R Wilson, an employee of the Company who is a Member of The Australasian Institute of Mining and Metallurgy with the requisite experience in the field of activity in which he is reporting. Mr Wilson has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Wilson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For more information:

Name	Company	Contact
George Bauk	Managing Director Northern Minerals	+61 8 9481 2344
Ryan McKinlay / Karen Oswald	Purple Communications	+61 8 6314 6300 +61 408 347 282 / +61 423 602 353

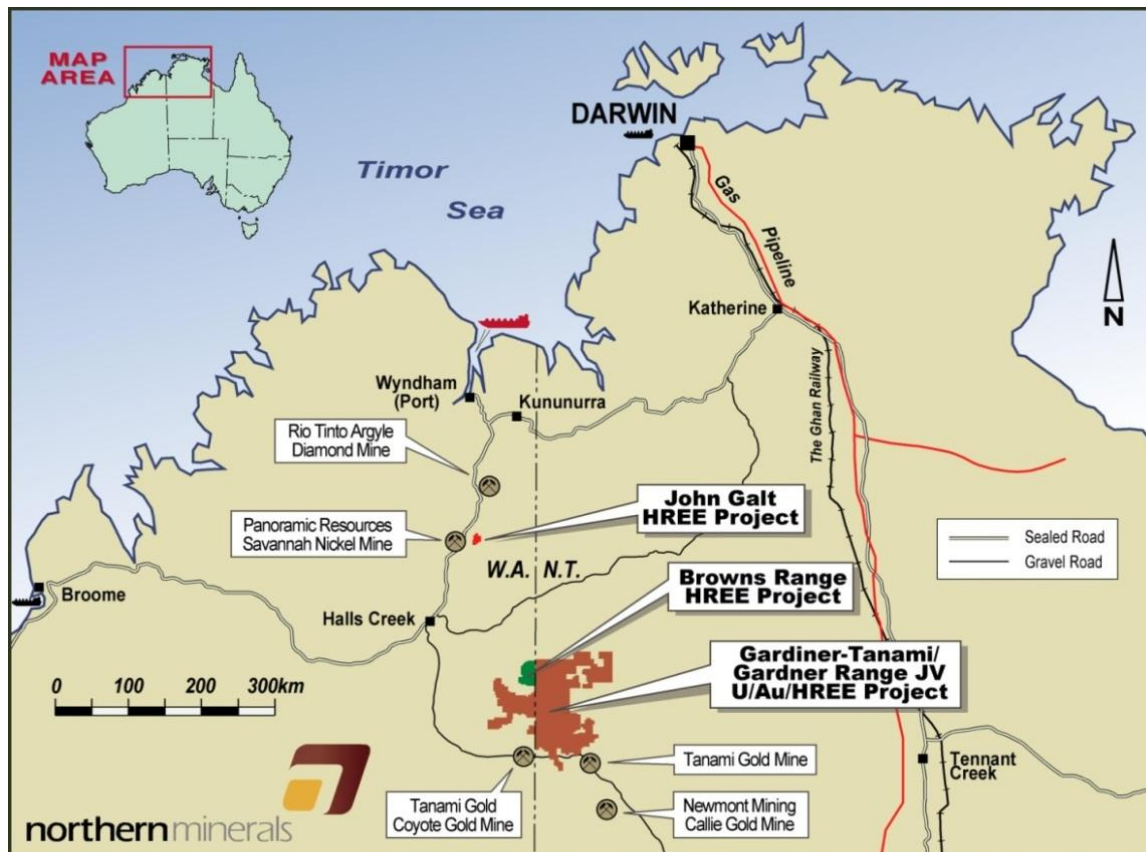
About Northern Minerals

Northern Minerals Limited (ASX: NTU) is focused on exploration and development of rare earth elements (REE) and uranium, with a large and prospective landholding in Western Australia and the Northern Territory.

The Company has identified high value, heavy rare earth elements (HREE) at its Browns Range project. The discovery is particularly significant due to the nature of the mineralisation (xenotime), and the strong global demand and price for the HREE it contains. Northern Minerals currently has fully funded HREE exploration programs underway at Browns Range and the geologically similar John Galt project.

Northern Mineral's uranium program is focussed on the Gardiner-Tanami project and Gardner Range JV, which comprise 10,500km² on the WA-NT border. Exploration is focused on high grade unconformity-related uranium targets. The area is compared favourably to the Alligator Rivers region in the NT which hosts the Ranger mine (Australia's largest operating uranium mine), and the Athabasca Basin in Canada, host to the world's highest-grade unconformity-related uranium deposits.

For more information, visit www.northernminerals.com.au





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Table 1 – Significant drill intercepts (>0.2% TREO, with maximum of 1m internal dilution)

Prospect	Hole Id	From (m)	To (m)	Width(m)	TREO(%)	Dy ₂ O ₃ (ppm)	U ₃ O ₈ (ppm)	ThO ₂ (ppm)
Gambit	NMBRRC093	8	9	1	0.52	430	24	49
Gambit	NMBRRC094	0 Inc. 6	10 7	10 1	1.08 2.11	1011 1992	26 49	41 35
Gambit	NMBRRC097	25 41 Inc. 44 51 64	26 49 48 53 66	1 8 4 2 2	0.25 1.4 2.29 0.34 0.3	104 1308 2167 292 196	7 39 62 11 17	26 34 32 31 42
Gambit	NMBRRC098	38 56	40 59	2 3	0.61 0.62	553 574	28 17	33 27
Gambit	NMBRRC099	70	73	3	1.39	1299	38	21
Gambit	NMBRRC103	58	64	6	0.83	794	22	24
Gambit	NMBRRC104	32 39 47 53 58 Inc. 62	34 41 50 56 64 64	2 2 3 3 6 2	2.59 0.51 1.18 0.82 1.07 2.1	2416 442 1118 732 1002 1981	121 16 29 32 35 66	32 40 37 32 35 41
Gambit	NMBRRC107	14	19	5	0.57	464	27	49
Gambit	NMBRRC109	7 109	11 111	4 2	0.4 4.16	354 4145	16 108	26 50
Gambit	NMBRRC110	26 50 Inc. 51	27 53 52	1 3 1	1.16 0.96 1.76	990 813 1541	46 32 55	47 54 54
Wolverine	NMBRRC111	3 17	10 22	7 5	0.37 2.78	310 2561	15 84	24 24
Wolverine	NMBRRC112	4 31 Inc. 31 48 68	8 40 32 60 70	4 9 1 12 2	0.55 0.64 1.79 0.41 0.28	229 571 1738 320 116	11 22 73 14 8	24 26 30 25 25
Wolverine	NMBRRC113	12	14	2	1.08	967	38	22
Wolverine	NMBRRC114	40	43	3	0.71	587	34	24
Wolverine	NMBRRC116	25 Inc. 25 56	32 27 58	7 2 2	1.04 2.13 0.36	714 1729 232	53 125 15	28 24 16
Wolverine	NMBRRC117	31	33	2	0.62	273	22	26
Wolverine	NMBRRC119	54 Inc. 58 79 92	87 60 82 94	33 2 3 2	1.53 5.60 2.96 0.67	1470 5649 2932 600	46 166 87 24	25 25 13 25
Wolverine	NMBRRC120	31 50 Inc. 56 63 72 79	36 61 60 68 77 86	5 11 4 5 5 7	0.55 1.89 4.62 0.27 0.9 0.37	241 1806 4502 199 824 311	14 62 152 13 24 13	36 28 19 25 22 26
Wolverine	NMBRRC121	50 55 Inc. 57 90	52 63 60 92	2 8 3 2	0.43 1.88 4.19 0.89	393 1620 3647 761	26 81 182 55	43 28 32 26
Wolverine	NMBRRC122	48	50	2	0.86	493	36	24
Wolverine	NMBRRC123	65 87 Inc. 87 104	85 102 89 106	20 15 2 2	0.36 1.37 3.17 0.36	282 1307 3111 249	13 50 122 14	28 25 24 37



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Figure 2 – Browns Range Location Map

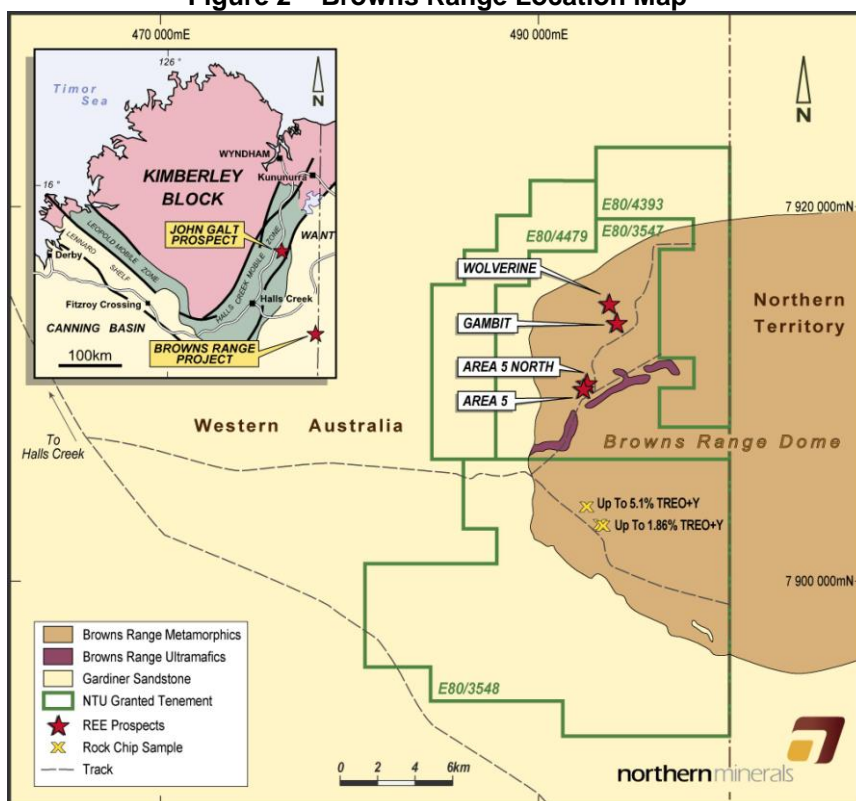
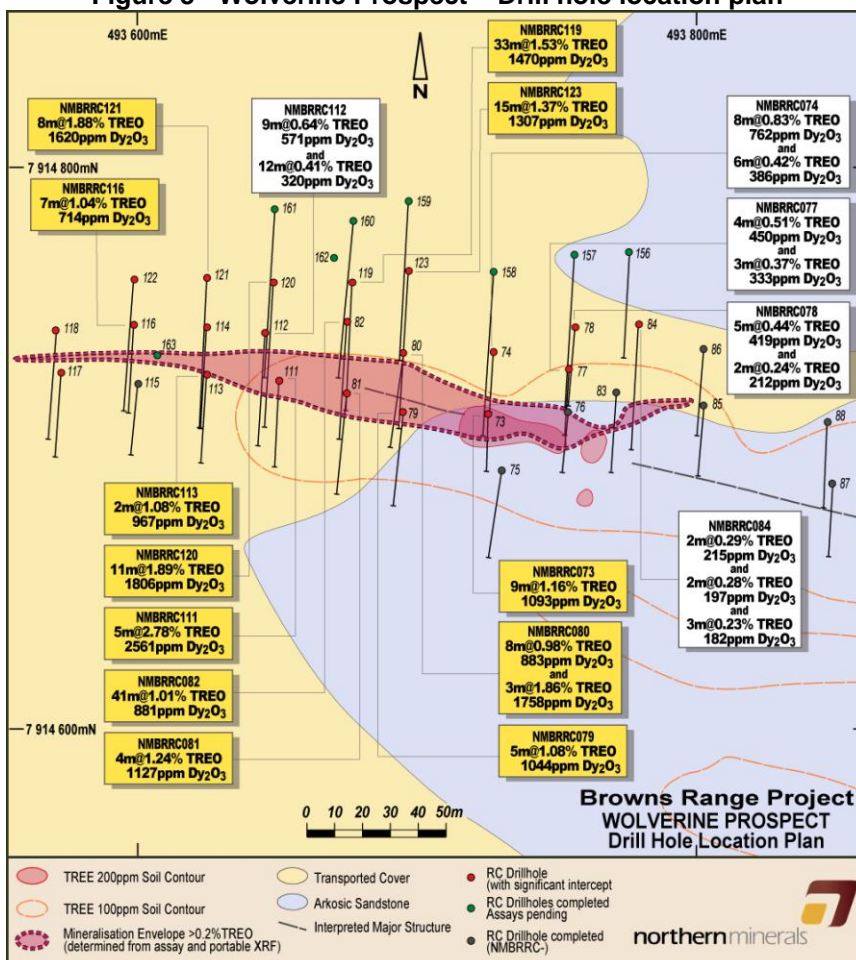


Figure 3 - Wolverine Prospect – Drill hole location plan





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Figure 4 - Wolverine Prospect – Drill cross section 493650E

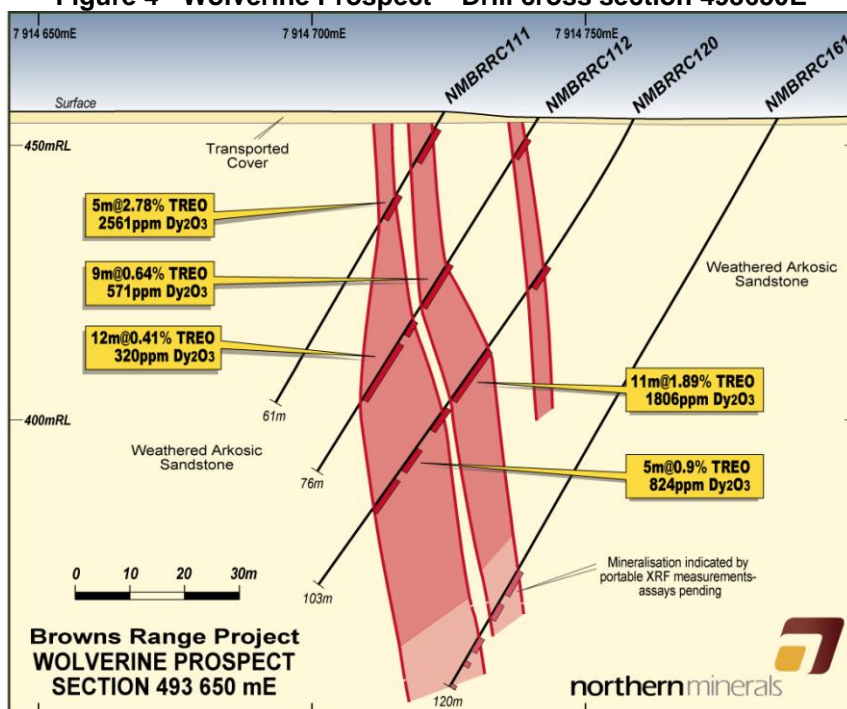
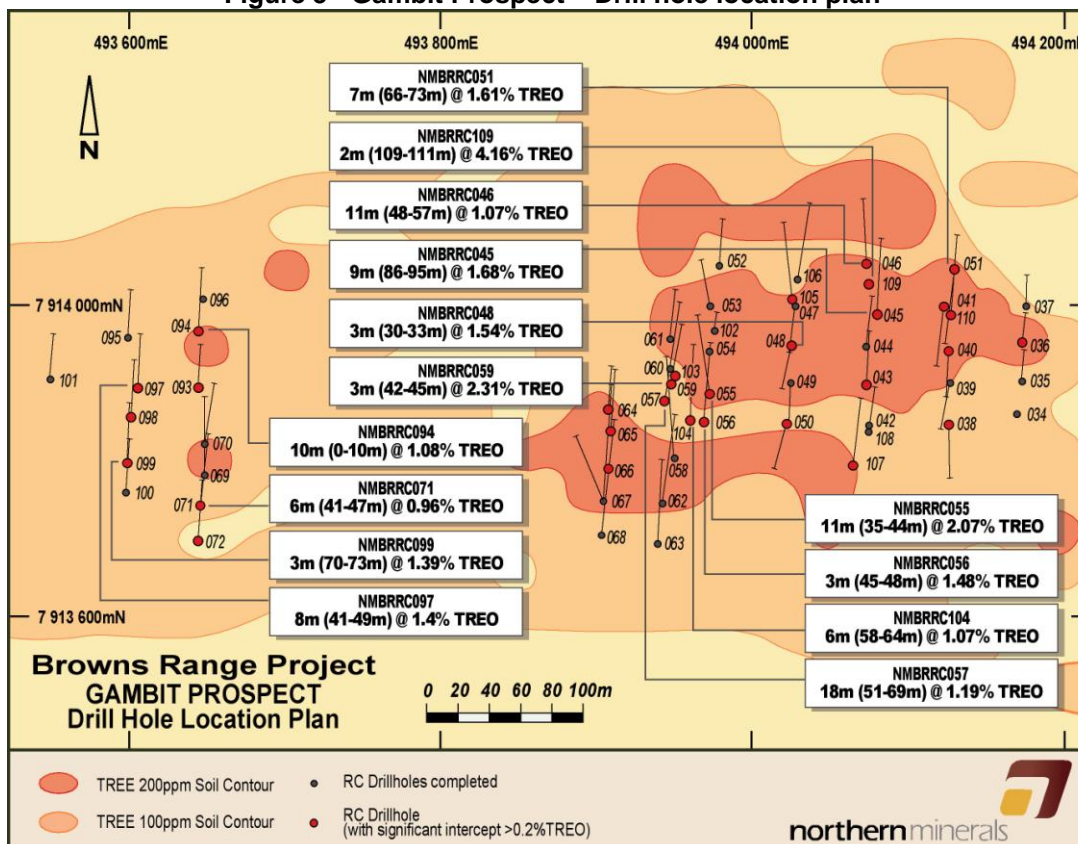


Figure 5 - Gambit Prospect – Drill hole location plan





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Table 2 – Browns Range Project – Drill hole collar details (NMBRRC093 – 166)

HOLE ID	EAST	NORTH	RL	DEPTH	MAG AZIMUTH	DIP	PROSPECT
NMBRRC093	493644	7913748	460	91	360	-61	GB
NMBRRC094	493644	7913784	455	82	360	-60	GB
NMBRRC095	493599	7913779	460	61	354	-59	GB
NMBRRC096	493647	7913805	453	58	179	-59	GB
NMBRRC097	493605	7913748	452	73	360	-62	GB
NMBRRC098	493601	7913729	452	70	360	-60	GB
NMBRRC099	493598	7913701	452	79	360	-62	GB
NMBRRC100	493598	7913681	451	68	360	-60	GB
NMBRRC101	493549	7913753	453	61	1	-61	GB
NMBRRC102	493975	7913784	468	100	360	-90	GB
NMBRRC103	493949	7913756	470	91	360	-90	GB
NMBRRC104	493960	7913727	467	100	359	-61	GB
NMBRRC105	494026	7913804	481	100	350	-60	GB
NMBRRC106	494029	7913817	481	100	6	-60	GB
NMBRRC107	494065	7913698	470	89	3	-61	GB
NMBRRC108	494075	7913719	473	50	360	-90	GB
NMBRRC109	494075	7913814	476	121	360	-90	GB
NMBRRC110	494127	7913796	479	100	2	-60	GB
NMBRRC111	493651	7914724	456	61	180	-60	WV
NMBRRC112	493646	7914741	455	76	180	-58	WV
NMBRRC113	493625	7914726	455	49	180	-60	WV
NMBRRC114	493625	7914743	455	67	180	-59	WV
NMBRRC115	493600	7914723	455	55	181	-62	WV
NMBRRC116	493599	7914744	455	70	180	-63	WV
NMBRRC117	493573	7914727	454	61	180	-60	WV
NMBRRC118	493571	7914742	453	79	180	-60	WV
NMBRRC119	493677	7914759	456	106	180	-59	WV
NMBRRC120	493649	7914759	455	103	180	-60	WV
NMBRRC121	493625	7914761	456	106	179	-59	WV
NMBRRC122	493599	7914760	458	94	181	-60	WV
NMBRRC123	493697	7914763	457	112	180	-60	WV
NMBRRC124	492396	7910430	476	120	135	-60	A5N
NMBRRC125	492412	7910442	477	120	136	-60	A5N
NMBRRC126	492425	7910453	475	120	136	-60	A5N
NMBRRC127	492442	7910467	471	120	135	-62	A5N
NMBRRC128	492170	7910014	453	106	225	-60	A5
NMBRRC129	492153	7909992	451	66	225	-60	A5
NMBRRC130	492179	7910026	453	61	226	-60	A5
NMBRRC131	492198	7910051	452	61	225	-60	A5
NMBRRC132	492215	7910073	452	70	225	-60	A5



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HOLE ID	EAST	NORTH	RL	DEPTH	MAG AZIMUTH	DIP	PROSPECT
NMBRRC133	492123	7909967	451	79	45	-60	A5
NMBRRC134	492140	7909980	452	61	45	-61	A5
NMBRRC135	492152	7910103	461	61	45	-62	A5
NMBRRC136	492134	7910082	460	61	44	-62	A5
NMBRRC137	492116	7910068	456	49	45	-60	A5
NMBRRC138	492099	7910047	457	64	45	-60	A5
NMBRRC139	492073	7910031	456	61	45	-60	A5
NMBRRC140	492208	7910019	448	61	45	-60	A5
NMBRRC141	492192	7910003	457	70	45	-60	A5
NMBRRC142	492153	7909956	452	100	45	-60	A5
NMBRRC143	492067	7910116	459	61	225	-60	A5
NMBRRC144	492084	7910132	460	61	225	-60	A5
NMBRRC145	492101	7910152	461	58	225	-60	A5
NMBRRC146	492119	7910163	460	73	225	-60	A5
NMBRRC147	492047	7910095	458	67	225	-60	A5
NMBRRC148	492058	7910352	459	61	45	-60	A5
NMBRRC149	492037	7910333	459	61	45	-60	A5
NMBRRC150	492019	7910316	458	70	45	-60	A5
NMBRRC151	492002	7910299	458	52	45	-60	A5
NMBRRC152	491982	7910279	458	70	45	-60	A5
NMBRRC153	491968	7910263	458	91	45	-60	A5
NMBRRC154	491950	7910245	457	55	45	-60	A5
NMBRRC155	492181	7910024	453	55	45	-60	A5
NMBRRC156	493776	7914770	464	76	180	-60	WV
NMBRRC157	493756	7914769	463	103	180	-60	WV
NMBRRC158	493727	7914763	464	112	180	-60	WV
NMBRRC159	493697	7914788	455	113	180	-59	WV
NMBRRC160	493677	7914781	455	120	182	-62	WV
NMBRRC161	493649	7914785	455	120	180	-60	WV
NMBRRC162	493670	7914768	456	67	360	-90	WV
NMBRRC163	493607	7914733	455	105	360	-90	WV
NMBRRC164	493986	7913896	464	104	360	-90	GB
NMBRRC165	492761	7911650	450	31	360	-90	
NMBRRC166	493840	7912673	451	64	360	-90	