

Mine planning underway for Browns Range pilot plant

Highlights

- Detailed mine planning for the Pilot Plant is underway.
- Mine design and scheduling provide key components to implementing the pilot plant.

Northern Minerals Limited (ASX: NTU; Northern Minerals) is pleased to announce that it has engaged Entech Pty Ltd (Entech) to undertake the detailed mine planning for the 60,000 tpa Browns Range Pilot Plant (Pilot Plant).

Entech will provide engineering services to design, schedule and cost the proposed open pit mines for the pilot plant at Browns Range. The work will include pit optimisations, detailed pit designs and mine schedules which together with surface infrastructure design will be used to determine the mining costs for the pilot plant.

This work will be run in parallel with the detailed engineering design underway by DRA Global, which Northern Minerals expects to be complete by the end of June.

Entech has been associated with the Browns Range Project since 2014 and was a key contributor to the Definitive Feasibility Study. Entech is an independent international mining consultancy specialising in mining engineering, geotechnical and geological services.

George Bauk, Managing Director said, "This is another important component in progressing the implementation of the Pilot Plant at Browns Range. Rare Earth prices are forecast to increase in 2016, with Dysprosium forecast to double by February 2017 to USD\$400/kg. This week we have seen Dysprosium continue to increase by 5% with Terbium up this week by 15%."

The Pilot Plant is stage one of the new business plan announced on 4 February 2016 to take Browns Range into full production. Stage one incorporates the construction of a test pilot plant at Browns Range with a 60,000 tpa capacity to produce 49,000 kg dysprosium, in 590,000 kg TREO per annum. The test pilot plant will de-risk the full scale project, and positions Browns Range as the world's leading long term supplier of dysprosium.

ASX ANNOUNCEMENT

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About Northern Minerals:

Northern Minerals Limited (ASX: NTU; Northern Minerals or the Company) is focused 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 DyNdFeB (dysprosium 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 has facilitated the development of a two stage process flowsheet, consisting of a beneficiation and hydrometallurgical plant, to produce a high value, high purity dysprosium rich product.

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.

