

DMP approves Mining Proposal for Browns Range Pilot Plant

Highlights

- Browns Range Pilot Plant receives *Mining Proposal* approval from WA Department of Mines and Petroleum.
 - Works Approval and Licence submitted for approval to WA Department of Environment Regulation.
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Australian heavy rare earths developer, Northern Minerals Limited (ASX: NTU) is pleased to announce that it has received approval for the Browns Range Pilot Plant Mining Proposal from the Western Australian Department of Mines and Petroleum (DMP). This approval is one of the last key approval required before the commencement of mining operations.

The Company also recently submitted a Works Approval and Licence with the Western Australian Department of Environment Regulation (DER). There is a 60-day approval period, with notification expected in January.

When constructed, Browns Range will be the only heavy rare earths mine in Australia, with heavy rare earths fetching considerably more than light rare earths on the global market.

The proposed pilot plant, at a scale of 10% of the full scale operation, has a designed front end of a 60,000tpa crushing beneficiation circuit, and a 3,200tpa hydrometallurgical plant aimed at producing 590 tonnes of Total Rare Earth Oxide (TREO) in a mixed Rare Earth (RE) carbonate. The pilot plant is scheduled to operate for 3 years, in which time a decision to commit to the full scale operation may be made. A full scale plant would take 2 years to construct.

The approval is another significant step forward in the Government approvals process for the Project. Recently, the Company committed to an A\$3.4 million re-development works program, including drilling, water monitoring and the extension of the accommodation village.

In late November, Sinosteel MECC was selected as the preferred EPC contractor for the Browns Range Pilot Plant Development. The Memorandum of Understanding with Sinosteel MECC includes an option for the deferral of up to \$12 million in costs for 24 months or conversion into equity, at Sinosteel's election.

The Company is aiming towards awarding contracts for the construction of the pilot plant in early 2017, with mining and installation in the second half of 2017.

ASX ANNOUNCEMENT

Northern Minerals Managing Director, George Bauk, said *“We are firmly on track to make a final investment decision in mid-Q1 next year.*

“We continue to tick all of the right boxes in our goal to become a globally significant dysprosium producer.”

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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.

