

Browns Range – Trial Mining 50% Complete

Highlights

- Ore mining now 50% complete;
- Process plant installation contract signed with Primero;
- First process plant components fabricated and en-route to Australia.

Australian heavy rare earths developer, Northern Minerals Limited (ASX: NTU) (**the Company**) is pleased to provide an update regarding the construction and development of the Browns Range Pilot Plant Project in the East Kimberley region of Western Australia.

Mining of ore at the Wolverine and Gambit West pits is now 50% complete, with 90,000 tonnes of ore delivered to the ROM pad. The trial mining campaign, being undertaken by MACA Mining, is on schedule for completion before the end of 2017.

Surface infrastructure to support the Pilot Plant Project, including the tailings storage facility, is nearing completion.

The pilot process plant pad is ready for installation of equipment, with the run of mine ramp to crusher, mill feed ramp and drainage works complete. Installation of the pilot process plant services including site administration, workshop, crib and ablution has commenced.

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Figure 1: Mining at Gambit West open pit, 422 Level (showing darker ore zone in centre)



Figure 2: Tailings Storage Facility nearing completion



Figure 3: Pilot process plant pad ready for installation contractor

Engineering Procurement and Construction partner, Sinosteel MECC, and the Company have executed the pilot process plant installation contract with local engineering contractor, Primero Group. Primero is mobilising to site this week to commence concrete construction work ahead of the first pilot process plant modules scheduled to arrive in early November.

In China, Sinosteel MECC has completed fabrication of the first pilot process plant components. The pilot plant will be transported to site over the coming months for installation.

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Figure 4: Reagent module ready for transport to Shanghai port



Figure 5: Pilot process plant modules for transport to Shanghai port

The Browns Range Pilot Plant Project is on schedule for first mixed rare earth carbonate production before the middle of 2018.

Northern Minerals' Managing Director and CEO, George Bauk, commented: *"Mining of the Wolverine and Gambit West open pits are progressing well under the management of MACA Limited."*

"With the processing components arriving on site from November for installation by Primero, we look forward to the Browns Range pilot plant project proving the viability of the project and Browns Range becoming the next global producer of heavy rare earths minerals."

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“Production from Browns Range comes at a time when worldwide acceptance and demand for electric vehicles is reaching an inflection point. With modern EVs using approximately 100 grams of Dysprosium, the major payable mineral to be produced from Browns Range, the project is strategically placed to benefit from this increased demand.”

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About Northern Minerals:

Northern Minerals Limited (ASX: NTU; Northern Minerals or the Company) has commenced development of the Browns Range Heavy Rare Earth Pilot Plant Project in northern Western Australia.

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 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 and high technology solutions.

The three-year R&D pilot plant project will commence first production of heavy rare earth carbonate in H1 2018. The pilot plant development provides the opportunity to gain production experience, surety of supply for our offtake partner and assess the economic and technical feasibility of the larger full-scale development.

For more information: northernminerals.com.au.



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| ASX Code: | NTU | Market Capitalisation: | A\$88m |
| Issued Shares: | 767m | Cash (as at 30 June 2017): | A\$8.4m |