ASX ANNOUNCEMENT
18 July 2018

Rare Earth Carbonate produced as part of Browns Range commissioning process

- Pilot plant expected to be mechanically complete in next week
- Beneficiation pilot plant close to being fully commissioned
- Hydromet pilot plant commissioning has commenced
- On site laboratory has produced rare earth carbonate during experimental trials in the commissioning phase
- Core R&D activities commenced in June 2018
- Ore sorting concept design completed and testwork program underway
- Official opening with the Hon. Alannah MacTiernan MLC on 27 July 2018
- Pilot plant project aims to assess the technical and economic feasibility of the proposed larger scale project

Australian heavy rare earths producer Northern Minerals Limited (ASX: NTU) (**the Company**) is pleased to announce that the pilot process plant is close to being mechanically complete and various parts of the pilot plant, in both the beneficiation plant and the hydromet plant, have been commissioned.

Process plant overview – 17 July 2018

Approximately 1,000 tonnes of ore has been crushed and first ore has been processed through the beneficiation plant with processing through the circuit to continue over the coming weeks.

Commissioning and testwork has commenced in the hydrometallurgical plant through the concentrate dryer and sulphation bake kiln circuits. The balance of the hydrometallurgical plant will be brought online as baked material becomes available. As part of this process, the Company is pleased to report that the on-site laboratory has produced rare earth carbonate as part of the test work in the commissioning process. This is the precursor to export quality product being produced. It is currently anticipated that the first export of rare earth carbonate will be shipped during the September quarter.

The research and development phase for the pilot plant project commenced in June and is expected to take up to three years. During this time, the Company will be investigating the technical and economic feasibility of the proposed larger scale project.

Rare earth carbonate from on-site laboratory

A conceptual design for ore sorting at Browns Range has been completed following promising first stage testwork at two ore sorting vendors. Bulk samples from the Wolverine and Gambit West ore stockpiles have been collected, screened and split in preparation for the next stage of sorting testwork which is due to commence this week.

On July 27, 2018, a year to the day since the WA Premier turned the first sod at Browns Range, the Browns Range Project will be officially opened by the Hon. Alannah MacTiernan MLC, Minister for Regional Development, Agriculture and Food and Minister assisting the Minister for State Development, Jobs and Trade.

Managing Director and CEO, George Bauk, commented "*The development of Browns Range is the result of years of blood, sweat and tears by an extremely talented and dedicated team from Northern Minerals, Sinosteel, Primero Group and other contractors*.

"*As all the pieces come together, Northern Minerals is on the cusp of a fundamental shift in perceptions as we transition from an explorer to a quality supplier of essential ingredients to the electric vehicle evolution*.

"*Although the opening event is a momentous occasion, in reality it is just the beginning of a prosperous future for the Company*."

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About Northern Minerals:

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

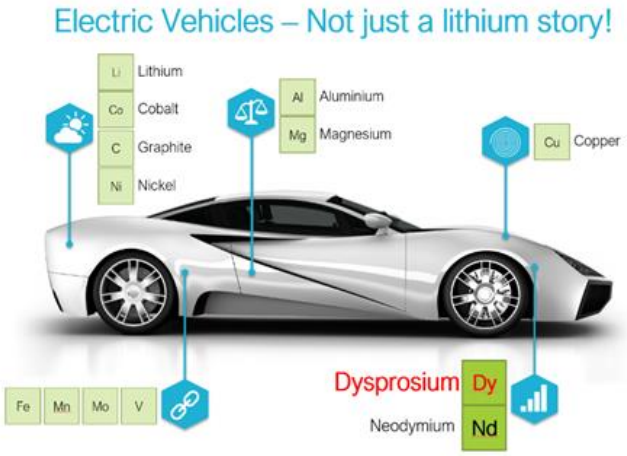
Through the development of its flagship project, the Browns Range Project (the Project), Northern Minerals aims to be the first significant world producer of dysprosium outside of China.

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 Q3 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.



ASX Code:	NTU	Market Capitalisation:	A$93.7m
Issued Shares:	1,115m	Cash (as at 31 March 2018):	A$14.9m