

Northern Minerals Announces Sumitomo Corporation as Off-Take MOU Partner for Browns Range (WA)



September 30, 2013 (Source: [Northern Minerals](#)) – Highlights

- A significant Memorandum of Understanding (MOU) partner with global credibility, and proven expertise in the refining and separation of heavy rare earths
- A vested interest in downstream Heavy Rare Earth (HRE) applications with equity participation in wind farms
- Non-exclusivity facilitates the scope to duplicate arrangement for the exploration and development of the greater Browns Range Dome, Northern Territory

Northern Minerals (ASX: NTU) is pleased to provide an update on its previously announced HRE off-take agreement, and disclose the identity of their MOU partner as Sumitomo Corporation of Japan.

In December last year, Northern Minerals announced it had executed the non-binding MOU for future offtake HRE concentrate from the Browns Range project.

Northern Minerals did not disclose the identity of its MOU partner at the time, due to ongoing commercial negotiations. However, since then Northern Minerals and Sumitomo Corporation have held successful discussions in regards to product specifications, transport and pricing, and the commercial relationship has developed to the point where it is now

appropriate to disclose the identity of the MOU partner.

The original terms of the MOU still apply in which both parties will actively collaborate to form a binding agreement for the supply of 1500 tonnes per annum of TREO heavy rare earths (HRE) concentrate product from the Browns Range Project (WA) to Sumitomo Corporation. Northern Minerals anticipates the MOU to be converted to a binding agreement following substantial completion of the feasibility study in mid-2014. Northern Minerals is working towards commencing HRE production in 2016.

Sumitomo Corporation is a leading global trading company, with 116 locations in 65 countries and 24 locations in Japan. The entire Sumitomo Corporation Group consists of nearly 800 companies and more than 70,000 personnel. The Sumitomo Corporation business is continuously expanding into a diverse range of products and services. Its core business units are Metal Products; Transportation & Construction Systems; Environment & Infrastructure; Media, Network, Lifestyle Related Goods & Services; and Mineral Resources, Energy, Chemical & Electronics.

For more information, please visit www.sumitomocorp.co.jp/english/

Sumitomo Corporation is also one of the few companies in the world to successfully identify and recover HRE from sources outside of China. Under a joint venture with a state owned company in Kazakhstan, Sumitomo Corporation currently recover rare earths from waste tailings material for ultimate consumption by Japanese end-users.

Northern Minerals Managing Director and CEO Mr George Bauk said: "For a company of the standing of Sumitomo Corporation to partner with Northern Minerals it is a great vote of confidence in the Browns Range project, and indicates the significant opportunity that the project presents. It also

reinforces the confidence in the REE industry and the fundamental demand for heavy rare earths such as dysprosium which dominate the HRE mix at Browns Range.”

“We are very pleased with the progress of our discussions to date, and look forward to taking the Browns Range Project through to production and delivering to global customers such as the Sumitomo Corporation.”

As previously announced, the MOU with Sumitomo is not for the entire anticipated production from Browns Range, and allows Northern Minerals to continue discussions with other parties to capture additional value in the future.

“We intend to leverage the success of this commercial arrangement to establish similar arrangements with other global companies for the exploration and development of the greater Browns Range area,” Mr Bauk said.

Dysprosium is one of the key heavy rare earth elements to be produced by Northern Minerals. Its most prominent application is in the production of neodymium iron boron magnets. The addition of dysprosium enables these super-powerful magnets to operate at faster speeds and higher temperatures, and as such is the material of choice for wind turbine manufacturers. A secure supply of dysprosium will be important for the ongoing development of Sumitomo Corporation’s hi-tech assets amongst other applications.

About Northern Minerals:

Northern Minerals limited (ASX: NTU) is focused on development of rare earth elements (REE), with a large and prospective landholding in Western Australia and the Northern Territory. The Company’s flagship project is Browns Range, where it has a number of prospects with high value HRE in xenotime mineralisation. In particular, the mineralisation includes high levels of dysprosium and yttrium, which are in short supply globally and expected to be increasingly

sought after as world economies stabilise and recent trends in urbanisation and technology diffusion, particularly in Asia, accelerate. Following outstanding results from its drilling and metallurgical programs in 2012, the Company has delivered its maiden JORC resource, advancing Browns Range toward production, using a relatively simple and low cost processing flowsheet to produce a high grade mixed Rare Earth oxide. Northern Minerals also has a HRE exploration program underway at the geologically similar John Galt project. For more information www.northernminerals.com.au

