

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available.
Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Northern Mining Limited

ABN

30 113 654 229

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares; and
Unlisted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 19,997,579 Shares; and
(9,500,000) Unlisted June 2011 Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid |

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>All Shares issued as a result of the exercise of Listed Options will rank equally with existing class of quoted shares;</p> <p>All Shares rank equally with existing class of quoted shares; and</p> <p>All Listed Options rank equally with existing class of quoted Options</p>						
<p>5 Issue price or consideration</p>	<p><u>250,000 Shares</u> 4 cents being the Listed Options Exercise Price to raise \$10,000</p> <p><u>6,000 Shares</u> 6 cents being the Listed Option Exercise Price to raise \$360</p> <p><u>19,741,579 Shares</u> 3.8 cents to raise \$750,180</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Exercise of December 2011 and December 2013 Listed Options by Holders;</p> <p>Share Placement to Professional and Sophisticated investors; and</p> <p>Cancellation of June 2011 Unlisted Options not exercised</p>						
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>20 August 2011</p>						
<p>8 Actual number and +class of all +securities quoted on ASX</p>	<table border="1"> <tr> <td data-bbox="874 1462 1018 1489">239,293,380</td> <td data-bbox="1042 1462 1380 1489">Ordinary Shares</td> </tr> <tr> <td data-bbox="874 1525 1018 1552">18,570,033</td> <td data-bbox="1042 1525 1380 1581">December 2011 Listed Options exercisable at 4 cents</td> </tr> <tr> <td data-bbox="874 1615 1018 1641">36,250,804</td> <td data-bbox="1042 1615 1380 1671">December 2013 Listed Options exercisable at 6 cents</td> </tr> </table>	239,293,380	Ordinary Shares	18,570,033	December 2011 Listed Options exercisable at 4 cents	36,250,804	December 2013 Listed Options exercisable at 6 cents
239,293,380	Ordinary Shares						
18,570,033	December 2011 Listed Options exercisable at 4 cents						
36,250,804	December 2013 Listed Options exercisable at 6 cents						
<p>9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <tr> <td data-bbox="882 1731 1018 1758">1,500,000</td> <td data-bbox="1042 1731 1380 1816">31 December 2011 Options exercisable at \$0.15 per Option</td> </tr> <tr> <td data-bbox="922 1850 1018 1877">50,000</td> <td data-bbox="1042 1850 1380 1910">December 2012 Options exercisable at \$0.25</td> </tr> </table>	1,500,000	31 December 2011 Options exercisable at \$0.15 per Option	50,000	December 2012 Options exercisable at \$0.25		
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50,000	December 2012 Options exercisable at \$0.25						
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>No dividend policy has been established</p>						

Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Questions 35 to 37 not applicable

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

+ See chapter 19 for defined terms.

Sign here:

A handwritten signature in black ink, appearing to read "R. Kestel", written over a horizontal line.

Date: 19 August 2011

Print name: **Ross Kestel**
Company Secretary

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