

NORTHERN DYNASTY MINERALS LTD  
Form 40-F  
April 01, 2010

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 40-F**

[ ] REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

OR

[X] ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **December 31, 2009**

Commission File Number: **001-32210**

**NORTHERN DYNASTY MINERALS LTD.**

*(Exact name of Registrant as specified in its charter)*

**British Columbia Canada**  
*(Province or Other Jurisdiction of  
Incorporation or Organization)*

**1040**  
*(Primary Standard Industrial  
Classification Code)*  
**Suite 1020, 800 West Pender Street  
Vancouver, British Columbia  
Canada V6C 2V8  
(604) 684-6365**

**Not Applicable**  
*(I.R.S. Employer  
Identification No.)*

*(Address and telephone number of Registrant's principal executive offices)*

**Corporation Service Company  
Suite 400, 2711 Centerville Road  
Wilmington, Delaware 19808  
(800) 927-9800**

*(Name, address (including zip code) and telephone number (including  
area code) of agent for service in the United States)*

Securities registered or to be registered pursuant to section 12(b) of the Act:

Title Of Each Class  
**Common Shares, no par value**

Name Of Each Exchange On Which Registered  
**NYSE Amex Equities**

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this Form:

Annual Information Form

Audited Annual Financial Statements

Indicate the number of outstanding shares of each of the Registrant's classes of capital or common stock as of the close of the

period covered by the annual report: **93,173,976 Common Shares**

Indicate by check mark whether the Registrant by filing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934 (the Exchange Act).

If "yes" is marked, indicate the file number assigned to the Registrant in connection with such Rule.

Yes [ ] No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange

Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has

been subject to such filing requirements for the past 90 days.

Yes  No [ ]

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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files).

Yes [  ] No []

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## INTRODUCTORY INFORMATION

In this annual report, references to we , our , us , the Company or Northern Dynasty , mean Northern Dynasty Minerals Ltd. its subsidiaries and consolidated interests, unless the context suggests otherwise.

Unless otherwise indicated, all amounts in this annual report are in Canadian dollars and all references to \$ mean Canadian dollars.

## PRINCIPAL DOCUMENTS

The following documents that are filed as exhibits to this annual report are incorporated by reference herein:

- our Annual Information Form for the year ended December 31, 2009;
- our Audited Consolidated Financial Statements as at and for the two years ended December 31, 2009, and 2008 and
- our Management Discussion and Analysis for the year ended December 31, 2009.

## FORWARD-LOOKING STATEMENTS

This annual report includes or incorporates by reference certain statements that constitute forward-looking statements within the meaning of the United States *Private Securities Litigation Reform Act of 1995*. These statements appear in a number of places in this annual report and documents incorporated by reference herein and include statements regarding our intent, belief or current expectation and that of our officers and directors. These forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this annual report or in documents incorporated by reference in this annual report, words such as believe, anticipate, estimate, project, intend, expect, may, will, plan, contemplate, possible, attempts, seeks and similar expressions are intended to identify these forward-looking statements. These forward-looking statements are based on various factors and were derived utilizing numerous assumptions that could cause our actual results to differ materially from those in the forward-looking statements. Accordingly, you are cautioned not to put undue reliance on these forward-looking statements. Forward-looking statements include, among others, statements regarding:

- our expected financial performance in future periods;
- our plan of operations, including our plans to carry out exploration and development activities;
- our ability to raise capital for exploration and development activities;
- our expectations regarding the exploration and development potential of our properties; and
- factors relating to our investment decisions.

Certain of the assumptions we have made include assumptions regarding, among other things:

- future commodity prices;
  - the cost of carrying out exploration and development activities on our mineral properties;
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- our ability to obtain the necessary expertise in order to carry out our exploration and development activities within the planned time periods; and
- our ability to obtain adequate financing on acceptable terms.

Some of the risks and uncertainties that could cause our actual results to differ materially from those expressed in our forward-looking statements include:

- the speculative nature of the mineral resource exploration business;
- the exploration stage of our mineral projects;
- the lack of known reserves on our mineral properties;
- our inability to establish that our Pebble Property contains commercially viable deposits of ore;
- our ability to recover the financial statement carrying values of our mineral property interests if the Company ceases to continue on a going concern basis;
- loss of the services of any of our executive officers;
- our history of financial losses;
- our ability to continue on a going concern basis;
- the volatility of gold, copper and molybdenum prices;
- the inherent risk involved in the exploration, development and production of minerals;
- changes in, or the introduction of new, government regulations relating to mining, including laws and regulations relating to the protection of the environment;
- the presence of unknown environmental hazards on our mineral properties;
- potential claims by third parties to the Company's mineral projects;
- our inability to insure our operations against all risks;
- the highly competitive nature of our business;
- the historical volatility in our share price;
- potential conflicts of interest relating to our directors and officers;
- the potential dilution to our shareholders from any future equity financings;
- the loss of services of our independent contractors; and
- the potential dilution to our shareholders from the exercise of options to purchase our shares.

We refer you to the section entitled "Risk Factors" in our Annual Information Form for more detailed discussion of such risks and other important factors that could cause our actual results to differ materially from those in such forward-looking statements. Except as required by law, we assume no obligation to update or to publicly announce the results of any change to any of the forward-looking statements contained or incorporated by reference herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward-looking statements.

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**CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING  
ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES**

The disclosure in this annual report, including the documents incorporated by reference herein, uses terms that comply with reporting standards in Canada and certain estimates are made in accordance with Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ( NI 43-101 ). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all reserve and resource estimates contained in or incorporated by reference in this annual report have been prepared in accordance with NI 43-101. These standards differ significantly from the requirements of the SEC, and reserve and resource information contained herein and incorporated by reference herein may not be comparable to similar information disclosed by U.S. companies.

In addition, this annual report uses the terms measured mineral resources , indicated mineral resources and inferred mineral resources to comply with the reporting standards in Canada. We advise United States investors that while those terms are recognized and required by Canadian regulations, the SEC does not recognize them. United States investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into mineral reserves. These terms have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility.

Further, inferred resources have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, United States investors are also cautioned not to assume that all or any part of the inferred resources exist. In accordance with Canadian rules, estimates of inferred mineral resources cannot form the basis of feasibility or other economic studies.

It cannot be assumed that all or any part of measured mineral resources , indicated mineral resources , or inferred mineral resources will ever be upgraded to a higher category. Investors are cautioned not to assume that any part of the reported measured mineral resources , indicated mineral resources , or inferred mineral resources in this annual report is economically or legally mineable.

In addition, disclosure of contained ounces is permitted disclosure under Canadian regulations; however, the SEC only permits issuers to report mineralization as in place tonnage and grade without reference to unit measures.

For the above reasons, information contained in this annual report and the documents incorporated by reference herein containing descriptions of our mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

**NOTE TO UNITED STATES READERS REGARDING DIFFERENCES  
BETWEEN UNITED STATES AND CANADIAN REPORTING PRACTICES**

The Company is permitted to prepare this annual report in accordance with Canadian disclosure requirements, which are different from those of the United States. Under regulations governing Canadian disclosure requirements, the Company has received approval from Canadian securities regulatory authorities to prepare its consolidated financial statements in accordance with International Financial Reporting Standards ( IFRS ) which principles differ in certain respects from those applicable in the United States ( US GAAP ) and from practices prescribed by the SEC. Therefore, the Company's financial statements incorporated by reference in this annual report may not be comparable to financial statements prepared in accordance with U.S. GAAP.

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*Unresolved Staff Comments*

The Company currently has an open comment letter received on March 9, 2010 from the Staff on its financial statements for the year ended December 31, 2008, relating to the Canadian GAAP accounting treatment of the Pebble Partnership. The Company has provided a response letter to the Staff on March 22, 2010. However, at the time of this filing, the Company has not received confirmation that this matter is resolved.

**DISCLOSURE CONTROLS AND PROCEDURES**

Disclosure controls and procedures are defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ( **Exchange Act** ) to mean controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and includes, without limitation, controls and procedures designed to ensure that such information is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, our management carried out an evaluation, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures, as defined in Rule 13a-15(e), were effective.

It should be noted that while our Chief Executive Officer and our Chief Financial Officer believe that our disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that our disclosure controls and procedures or internal control over financial reporting will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system will be met.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting ( **ICFR** ), as defined by Rule 13a-15(f) and 15d-15(f) of the Exchange Act, is a process designed by, or under the supervision of the Company's principal executive and principal financial officers and effected by the Company's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
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- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's management, including its Chief Executive Officer and Chief Financial Officer, believe that any system of internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Furthermore, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decisions-making can be faulty and breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of control. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2009. In making the assessment, it used the criteria set forth in the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ( COSO ). Based on their assessment, management has concluded that, as of December 31, 2009, as defined in Rule 13a-15(f), the Company's internal control over financial reporting was effective.

The Company's internal control over financial reporting as of December 31, 2009 has been audited by Deloitte & Touche LLP, Independent Registered Chartered Accountants who also audited the Company's Consolidated Financial Statements for the year ended December 31, 2009. Deloitte & Touche LLP as stated in their report, that immediately precedes the Company's audited consolidated financial statements for the year ended December 31, 2009, expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

There has been no change in the design of the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting during the period covered by this Annual Report on Form 40-F.

#### **AUDIT COMMITTEE**

Our Board of Directors has established a separately-designated independent Audit Committee of the board in accordance with Section 3(a)(58)(A) of the Exchange Act for the purpose of overseeing our accounting and financial reporting processes and the audits of our annual financial statements. As at the date of this annual report, the Audit Committee was comprised of David Elliott, Wayne Kirk and Gordon Fretwell.

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**AUDIT COMMITTEE FINANCIAL EXPERT**

Our Board of Directors has determined that David Elliott, a member of the Audit Committee of our board, is an audit committee financial expert (as that term is defined in Item 401 of Regulation S-K under the Exchange Act) and is an independent director under applicable laws and regulations and the requirements of the NYSE Amex Equities Exchange.

**PRINCIPAL ACCOUNTING FEES AND SERVICES**

The following table sets forth information regarding amounts billed to us by our independent auditors for each of our last two fiscal years:

	<b><u>Year Ended December 31,</u></b>	
	<b><u>2009</u></b>	<b><u>2008</u></b>
Audit Fees	\$ 226,000	\$ 85,000
Audit-Related Fees		
Tax Fees		
All Other Fees		
<b>Total</b>	<b>\$ 226,000</b>	<b>\$ 85,000</b>

Note: During the year ended December 31, 2009, the Company appointed Deloitte and Touche LLP as its auditors. Fees disclosed for the year ended December 31, 2009 are to Deloitte and Touche LLP. Fees disclosed for the year ended December 31, 2008 are to its previous auditors, DeVisser Gray LLP.

**Audit Fees**

Audit fees are the aggregate fees billed by our independent auditor for the audit of our annual consolidated financial statements, reviews of interim consolidated financial statements and attestation services that are provided in connection with statutory and regulatory filings or engagements.

**Audit-Related Fees**

Audit Related Fees include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

**Tax Fees**

Tax fees are fees for tax compliance and tax advice on actual or contemplated transactions.

**All Other Fees**

All other fees relate to services other than the audit fees, audit-related fees and tax fees described above.

**Audit Committee Pre-Approval Policies**

From time to time, management of the Company recommends to and requests approval from the audit committee for audit and non-audit services to be provided by the Company's auditors. The audit committee routinely considers such requests at committee meetings, and if acceptable to a majority of the audit committee members, pre-approves such audit and non-audit services by a resolution authorizing management to engage the Company's auditors for such non-audit services, with set maximum dollar amounts for each itemized service.



During such deliberations, the audit committee assesses, among other factors, whether the non-audit services requested would be considered "prohibited services" as contemplated by the US Securities and Exchange Commission, and whether the non-audit services requested and the fees related to such services could impair the independence of the auditors.

### OFF-BALANCE SHEET ARRANGEMENTS

We have not entered into any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues, expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

### CONTRACTUAL OBLIGATIONS

Contractual obligation	Nil	Nil	Nil	Nil	Nil
Long term debt obligations	Nil	Nil	Nil	Nil	Nil
Operating lease obligations	Nil	Nil	Nil	Nil	Nil
Purchase obligations	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil

The term purchase obligation means an agreement to purchase goods or services that is enforceable and legally binding on the registrant that specifies all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction.

### CODE OF ETHICS

We have adopted a Code of Ethics that applies to our officers, employees and directors and promotes, among other things, honest and ethical conduct. The code also promotes compliance by our Chief Executive Officer, Chief Financial Officer and other senior finance staff with the Sarbanes-Oxley Act of 2002. The Code of Ethics was updated in 2007 and again in 2009 and is publicly available on the Company's website at [www.northerndynastyminerals.com](http://www.northerndynastyminerals.com).

### NYSE AMEX EQUITIES CORPORATE GOVERNANCE

The Company's common shares are listed for trading on the NYSE Amex Equities Exchange ( NYSE Amex ). Section 110 of the NYSE Amex company guide permits NYSE Amex to consider the laws, customs and practices of their home country in relaxing certain NYSE Amex listing criteria otherwise applicable to foreign issuers, and grants exemptions from NYSE Amex listing criteria based on these considerations. A company seeking relief under these provisions is required to provide written certification from independent local counsel that the non-complying practice is not prohibited by home country law. A description of the significant ways in which the Company's governance practices differ from those followed by United States domestic companies pursuant to NYSE Amex standards is contained on the Company's website at [www.northerndynastyminerals.com](http://www.northerndynastyminerals.com).

Upon listing, the Company received an exemption from its quorum requirement. Under the NYSE Amex listing standards, the quorum requirement is a minimum of one third of shareholders entitled to vote for U.S. domestic companies. The Company does not meet this requirement and has been granted relief from this listing standard.

Further, the Company's board of directors is presently not comprised of a majority of independent directors, as required by Section 802(a) of the NYSE Amex Company Guide. The Company has been granted relief from these requirements by NYSE Amex.

### **UNDERTAKING**

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

### **CONSENT TO SERVICE OF PROCESS**

The Company previously filed an Appointment of Agent for Service of Process and Undertaking on Form F-X signed by the Company and its agent for service of process with respect to the class of securities in relation to which the obligation to file this annual report arises, which Form F-X is incorporated herein by reference.

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**SIGNATURES**

Pursuant to the requirements of the Exchange Act, the Company certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 30, 2010.

**NORTHERN DYNASTY MINERALS LTD.**

By: */s/ Marchand Snyman*

**Marchand Snyman**  
**Chief Financial Officer**

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**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Exhibit Description</b>
<u>99.1</u>	<u>Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>99.2</u>	<u>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>99.3</u>	<u>Certification of Chief Executive Officer pursuant to Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
<u>99.4</u>	<u>Certification of Chief Financial Officer pursuant to Rule 13a-14(b) of the Exchange Act and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
<u>99.5</u>	<u>Audited consolidated financial statements of the Company and notes thereto as at and for the two years ended December 31, 2009, and 2008, together with the report of the auditors thereon</u>
<u>99.6</u>	<u>Management's Discussion and Analysis for the year ended December 31, 2009</u>
<u>99.7</u>	<u>Annual Information Form of the Company for the year ended December 31, 2009</u>
<u>99.8</u>	<u>Northern Dynasty Minerals Ltd. Corporate Governance Manual</u>
<u>99.9</u>	<u>Consent of Deloitte &amp; Touche LLP, Chartered Accountants</u>
<u>99.10</u>	<u>Consent of J.David Gaunt, P.Eng.</u>

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