

NORTHFIELD METALS INC.

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NEWS RELEASE

Northfield Metals Signs Definitive Agreement with Champion and Completes Financings

Toronto (Canada), December 11, 2012 – NORTHFIELD METALS INC. (“Northfield” or the “Company”) is pleased to announce that it has signed a definitive agreement with Champion Iron Mines Limited (“Champion”) in respect of its previously announced agreement whereby Northfield has been granted an option to earn a 65% interest in seven iron-rich mineral concessions, which Northfield calls the “Gagnon Holdings”, totaling approximately 220 km² in the southern Labrador Trough, Fermont Iron Ore District of northeastern Québec. Pursuant to the definitive agreement, Northfield issued 1,000,000 common shares to Champion. In connection with the signing of the definitive agreement, Northfield also completed a concurrent private placement with Champion, issuing 2,000,000 common shares to Champion at a price of \$0.25 per share for cash proceeds of \$500,000 (the “Private Placement”) and completed non-brokered private placements with various creditors (including Champion and certain current and former officers and directors of Champion and Northfield) by issuing 6,510,684 common shares at \$0.25 per share to settle outstanding debts of \$1,627,671 (the “Shares for Debt Placement”). All of the common shares issued by Northfield in these transactions are subject to a four (4) month hold period.

In connection with the Private Placement, the two companies signed a Pre-emptive Rights Agreement whereby Northfield granted Champion the right to participate in Northfield’s private placements over a period of approximately two (2) years expiring December 31, 2014, giving Champion the opportunity to maintain its proportionate interest in the outstanding shares of Northfield. Champion also reserved the right to participate in Northfield private placements to increase Champion’s holdings of Northfield shares up to 38%, which right will expire on June 30, 2013 or such later date when Northfield has at least 30,000,000 shares outstanding. The two companies also signed a Board Representation and Standstill Agreement whereby, for a period of approximately five (5) years expiring December 31, 2017, Champion will have the right to nominate one director to Northfield’s Board of Directors and will be restricted from voting in certain circumstances, including not voting against the election of any nominee to the Board of Directors proposed by Northfield or against any resolutions supported by Northfield’s Board of Directors, subject to certain exceptions. The agreement also provides for restrictions on sales of Northfield shares by Champion without Northfield’s consent for a period of approximately five years expiring December 31, 2017 and then limited monthly sales thereafter.

Mr. Paul Ankcorn, President and a director of Northfield stated, “We are pleased to have been granted this opportunity to build an extensive and highly prospective iron property portfolio. Northfield’s near-term aims are to secure sufficient capital to pursue a listing on a Canadian stock exchange and to rapidly determine the quality and quantity of the iron mineralization on the new properties.”

About Northfield Metals Inc.

Northfield is a junior exploration company focused on discovering and developing iron resources in the province of Québec. The Company’s projects include the Borel River Property in Ungava Bay, and the Gagnon Holdings in the southern Labrador Trough in northeastern Québec.

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No stock exchange or other securities regulatory authority has reviewed or accept responsibility for the adequacy or accuracy of this release. Statements in this release that are not historical facts are "forward-looking statements" and readers are cautioned that any such statements are not guarantees of future performance, and that actual developments or results, may vary materially from those in these "forward-looking statements."