

Northern Iron receives dewatering permit for the Griffith Mine Pit from the Ministry of the Environment, Ontario

VANCOUVER, Aug. 20, 2012 /CNW/ - Northern Iron Corp. (TSX-V: NFE) (OTCQX: NHRIF) (FRANKFURT: N8I) (the "Company") announces that on August 15, 2012 the Ministry of the Environment of Ontario issued to the Company the Permit to Take Water from the Former Griffith Mine North Pit. The permit allows the Company to dewater the North Pit to a maximum depth of 25 metres, and is valid until August 13, 2013.

"Receiving the dewatering permit for the North Pit is excellent news and will enable our drill crews to drill from the upper benches. The North Pit phase two application to dewater the remainder of the pit is currently under review by the ministry and in conjunction with this application, a number of the baseline studies have commenced and are progressing extremely well.", said Basil Botha, President & CEO.

The company has engaged Dillon Consulting Limited to complete the project description and DST Consulting Engineers who will be completing the baseline studies.

About Northern Iron Corp.

The Company is 100% owner of five iron ore properties in the Red Lake district containing over 500 million tonnes of historical resources. The Red Lake district is situated in an established mining area in Ontario, where the company has two near term development projects, the past producing Griffith mine and the Karas property.

The Company is currently working towards the production of hot briquetted iron (HBI) a transportable form of direct reduced iron. HBI is complementary and a viable metallic alternative to scrap steel. Quality scrap is a critical raw material in the steel making process. With the diminishing supply of quality steel scrap and ever increasing market demand, steel producers around the world will be looking to secure alternative supplies of metallic products.

As part of the business plan, the Company acquired the past producing Griffith Mine, which produced pellets and sponge iron (Direct Reduced Iron/DRI) from 1968 to 1986. The mine was owned and operated by STELCO and supplied pellets and sponge iron to the Hamilton and Nanticoke steel mills in Ontario. The metallurgy of the deposit has been proven over eighteen years of production.

The entire infrastructure is currently in place to both produce HBI and to ship into the North American market via rail and lake barges and into Asian markets via rail through the port of Prince Rupert.

The Company is focusing on de-risking the project by seeking out potential joint venture partners, off-take agreements or a combination thereof.

Cautionary Statement

The foregoing information may contain forward-looking statements relating to the future performance of the Company. Forward-looking statements, specifically those concerning future performance, are subject to certain risks and uncertainties, and actual results may differ materially from the Company's plans and expectations. These plans, expectations, risks and uncertainties are detailed herein and from time to time in the filings made by the Company with the TSX Venture Exchange and securities regulators. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

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SOURCE: Northern Iron Corp.

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