

Northern Iron Completes Infill Drill Program on the Karas Property and Completion of the Perimeter Drill Program on the Griffith Pit

- 11 holes on Griffith property, totalling 3,731.59 metres, focussed on delineation of the iron formation below the former pit.
- 14 infill holes on Karas Property, totalling 4,498 metres grading up to 36.08% Fe₂O₃ and completes Karas drill program.

VANCOUVER, Dec. 4, 2012 /CNW/ - Northern Iron Corp. ("Northern" or the "Company") (TSX-V: NFE) (OTCQX- NHRIF) (FRANKFURT: N8I) today reported on the progress of exploration and development on its Griffith and Karas projects, Ear Falls, northern Ontario.

To date, the northern and south-eastern portions of the Griffith magnetite mineralized zone have been tested with eleven holes totaling 3,731.59 metres. The current drilling was carried out to delineate the Algoma type magnetite iron formation below the former pit prior to the commencement of the dewatering program. Dewatering will allow drill crews to access the lower benches of the former mine and enable the company to evaluate the extent of the remaining minable magnetite mineralization.

A total of 14 holes were also drilled on the Karas property for a total of 4,498 metres as part of the program aimed at infill drilling and the testing of additional targets for a final mineral resource estimation on the property.

Basil Botha, President and CEO of Northern said; "We now have sufficient data to produce a mineral resource estimation for the Karas property. The dewatering process for the Griffith pit is proceeding as planned and in the spring we will begin drilling from the benches. This will enable us to complete mineral resource estimates for both our core properties by the end of the summer of 2013 and to begin our PEA."

Highlights of the drill programs on the Griffith and Karas properties

GRIFFITH	From (m)	To (m)	Width (m)	Fe ₂ O ₃ (%)
GR 12-01	94.0	204.0	110.0	30.26
including	94.0	146.0	52.0	34.0
GR-12-03	109.0	229.6	120.6	25.03
GR-12-05	118.0	241.2	122.4	27.90
GR-12-09	265.2	396.3	131.10	23.41
GR-12-11	244.0	290.3	46.3	31.6
KARAS	From	To	Width	Fe ₂ O ₃
KA-12-37	68.45	109.05	40.6	33.65
KA-12-39	45.0	226.0	181.0	19.07
KA-12-41	85.0	188.0	103.0	28.16
KA-12-42	173.8	248.2	74.4	25.56
KA-12-43	0	79.5	79.5	36.08
KA-12-44	28.93	158.95	130.02	33.53
KA-12-45	142.6	205.5	62.9	34.96

*True thickness to be determined.

Additional results are still pending.

A feasibility study has not been completed and there is no certainty the proposed operation will be economically viable and successful in fulfilling the orders.

The geological information in the news release has been verified by Raul Sanabria, P.Geo., who is the Qualified Person for Northern Iron Corp. under NI 43-101.

About Northern Iron Corp.

The Company is a 100% owner of five iron ore properties in the Red Lake district containing over 500 million tonnes of historical resources with grades ranging from 22% to 31% Fe. 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.

A qualified person has not done sufficient work to classify the historical estimate as current mineral resources, the issuer is not treating the historical estimate as current mineral resources.

The Company is currently working towards the production of 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 scrap steel 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.

Almost the entire transportation infrastructure is currently in place to both produce HBI and to ship produced HBI into the North American market via rail and lake barges and into Asian markets via rail through the port of Prince Rupert. Existing infrastructure includes all weather roads, 115kV power line, natural gas line, rail bed and port facilities.

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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