



NORTHERN IRON RELEASES THREE ADDITIONAL DRILL HOLE ASSAYS ON KARAS PROPERTY INTERSECTING 125 METRES OF MAGNETITE MINERALIZATION GRADING 30.52% Fe₂O₃ and 12 METRES GRADING 46.17% Fe₂O₃

Vancouver, British Columbia, Canada – September 12, 2011

Northern Iron Corp ("Northern Iron") (TSX-V: NFE) today released assay results for the second set of 3 drill holes on the Karas property. The drill holes reach the southern end of the iron formation, which is still open towards the north and at depth. Magnetite mineralization is consistent between drill holes and shows good correlation, including 12 metres grading 46.17% Fe₂O₃.

To date, 17 drill holes have been completed out of the 30 planned drill holes (approximately 10,000 metre program) on the Karas property.

"The results of these three holes, together with the data from the first two holes released on 6th September exceed management's expectations for the Karas property. The current high grades that are being intersected and previously conducted geophysics would indicate that Karas has excellent potential as a minable target," said Basil Botha, President & CEO.

Highlights of the reported holes are summarized in the table below.

Hole KA-11-04				
	From	To	Interval	Fe ₂ O ₃ %
	5	130	125	30.52
including	48.8	80.45	28.05	31.84
and				
	85.25	118	32.75	35.32
and				
	138.2	163.55	23.7	30.79
including	161.9	163.55	4.2	39.65
Hole KA-11-05				
	From	To	Interval	Fe ₂ O ₃ %
	2.79	12.7	9.91	30.30
and	16.3	23.6	7.3	34.45
and	35.3	94.9	59.6	29.85



Hole KA-11-06	From	To	Interval	Fe ₂ O ₃ %
	35	98.8	63.8	26.35
including	75	96	21	33.84
and				
	137.2	168.9	31.7	31.73
including	140	149	9	38.67
and				
	177	227	50	36.7
including	183	216	33	41.39
including	189	201	12	46.17
and				
	246	269	23	29.71
	289	320.6	31.6	30.3
including	299.9	320.6	20.7	33.06

* true thickness yet to be determined.

The drill hole section containing holes KA-11-01, 02, 03, 04, 05, 06, 13, 13R and 14 is oriented 160 degrees (southeast) and drill holes start with a 50 degree angle dip.

[Click on this link to see the drill hole section:](#)

<http://www.northernironcorp.com/sites/default/files/section1.pdf> (9 MB)

As interpreted from the drill hole section, the ore body is still open on the northern end and its true thickness exceeds 350m, dipping between 70 and 80 degrees towards the northwest. Magnetite mineralization starts right at surface in the majority of the drilled holes, with a maximum overburden thickness of less than 5 metres. The iron formation shows minor schist beds interbedded with the magnetite rich banded iron formation (BIF), and ends sharply in migmatitic schist towards the southern end.

Holes 13 (abandoned at 158.25m after experiencing pad sinking due to swampy area), 13B (13 repeated) and 14 indicate after a visual inspection of the core, the continuity of the magnetite mineralization towards the north and at depth. Holes 13, 13b and 14 are still collared in magnetite ore and assay results are yet to come. Hole Ka-11-14 ends in magnetite mineralization after a total drilled length of 475m (or 300m below surface).

Holes are drilled as perpendicular as possible to the ore body, but folding prevents reporting of true thickness at this stage of the drill program.



Karas property QA/QC

All 2011 drill holes were surveyed using a Reflex Maxibor II probe to monitor drill hole deviations in magnetic disturbed environments. Northern Iron's personnel were trained "on-site" by Reflex personnel to operate the instrument and process the survey data. All collars are surveyed by Northern Iron's personnel using an APS differential GPS with 3cm accuracy immediately after the holes are completed. The QA/QC protocol system employed during the 2011 exploration program included procedures for monitoring the chain-of-custody of samples and the insertion of blank samples in every batch of samples. Cross-check analyses are planned to be conducted at a second external laboratory from blind duplicate samples. Drill core samples are being prepared at SGS Canada Inc. in Red Lake, Ontario and assayed at SGS Canada Inc., in Lakeview, Ontario.

Raul Sanabria, P. Geo., is the Qualified Person for the purposes of National Instrument 43-101 for the Karas Exploration Project. Mr. Sanabria has verified and approved the contents of this news release.

ABOUT NORTHERN IRON

Northern Iron is a mineral resource company engaged in reviving a past producing iron mine and concurrent exploration of high quality iron ore resources in the Red Lake mining division, district of Kenora, Ontario, Canada.

Northern Iron holds 100% interest in minerals claims covering approximately 14,672 hectares, comprised of the El Sol Property, the past producing Griffith Property, the Karas Property, the Papaonga Property and the Whitemud-Slate Property.

The Griffith Mine owned at the time by Stelco, produced 78.8million tonnes of iron ore for conversion to pellets and DRI from 1968-1989. Total magnetic iron recovery was 86.26%.

The Red Lake area is accessible year round by Highway 105, which joins the Trans Canada highway at Vermillion Bay, 175 km south and 100 km east of Kenora. Commercial air services operate to Red Lake from Thunder Bay, Ontario and Winnipeg, Manitoba.

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

NOT FOR DISTRIBUTION TO U.S. NEWS SERVICES OR DISSEMINATION IN THE U.S.



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.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

For further information, please contact:

Basil Botha
President & CEO
Northern Iron Corp.

Tel: 604-566-8570
Fax: 604-602-9868
Email: bbotha@northernironcorp.com