



NORTHERN IRON CORP. RELEASES ASSAY RESULTS FOR THIRD SET OF THREE DRILL HOLES ON THE KARAS PROPERTY.

THE HOLES INTERSECT 285.04 METRES OF MAGNETITE MINERALIZATION GRADING 24.32% Fe₂O₃, INCLUDING 60 METRES AT 40.25% Fe₂O₃, AND 210 METRES GRADING 27.28 % Fe₂O₃, INCLUDING 13.7 METRES GRADING 49.6 % Fe₂O₃

Vancouver, British Columbia, Canada – September 20, 2011

Northern Iron Corp ("Northern Iron") (TSX-V: NFE) today released assay results for the third set of 3 drill holes on the Karas property. The drill holes reach the southern end (footwall) of the iron formation, which is still open towards the north and at depth. Magnetite mineralization is very consistent between drill holes and shows good correlation, including 60 metres grading 40.25% Fe₂O₃.

To date, 18 of the planned 30 drill holes (approximately 10,000 metre program) have been completed on Northern Iron's 100% owned Karas property, located 15km northeast of the town of Ear Falls, Red Lake mining district, Ontario. The 10,000 metre drill program is being completed to define a mineral resource on the property by the end of 2011.

"The drill program at Karas continues to show promising results and the drill team continues to run the program on schedule. One of the most important aspects for investors in Northern Iron is that we do not require a multiyear drilling program to prove up these properties. At the pace the team is going, I am confident delineation drilling at Karas will be completed by year end, which means we are still on track to complete a NI 43-101 measured and indicated resource for this property by the first quarter of 2012," said Basil Botha, President & CEO.

Highlights of the third set of three holes are summarized in the table below.

Hole KA-11-07				
	From	To	Interval	Fe ₂ O ₃ %
	1.6	42	40.4	33.95
and				
	54.25	103	48.75	28.03
Hole KA-11-08				



	From	To	Interval	Fe ₂ O ₃ %
	4.3	214.8	210.5	27.28
including	4.3	51	46.7	38.80
including	4.3	18	13.7	49.6
and				
	144	184	40	32.00
	301	312	11	30.72
Hole KA-11-09				
	From	To	Interval	Fe ₂ O ₃ %
	2.96	288	285.04	24.32
including	23	83	60	40.25
and				
	218	251	33	32.83

*True thickness in all holes to be determined.

Holes KA-11-07, 08 and 09 were drilled 70m East and parallel to the previously released section (see press release dated Monday, September 12th, 2011), following a fence of holes oriented at 160 degrees (southeast, perpendicular to the fold axes that strike NE-SW with a northerly dip) and spaced 50m along the drill sections.

All released drill holes intersect the southern end (footwall) of the Iron Formation for better delineation of the magnetite rich mineralized zone. The true thickness of the Iron Formation cannot be determined yet in the current drilled section, as the recently drilled holes, north of the ones released today, are still collared in magnetite mineralization after a visual inspection of the drill core, and within the ground magnetic anomaly. Folding of the Iron Formation also 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

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