



ASX Announcement

26 March 2014

NORTHERN IRON LIMITED (ASX: "NFE")

NORTHERN IRON AWARDS EXPLOSIVES, DRILL AND BLAST SERVICE CONTRACT

Northern Iron Limited (NFE), 100% owner of the Sydvaranger Iron Ore mine in northern Norway, is pleased to advise that it has awarded a six year rock on ground service contract to Orica Norway, covering the supply of explosives as well as drilling and blasting services.

The award of the contract follows the completion of a competitive tender and due diligence process. Under the terms of the contract, Orica will provide the necessary explosives, drill fleet, personnel and management to deliver the blasted volumes required throughout the duration of the contract term. The transition of services across to Orica will align with the expiry of current contracts for explosives supply and drill rig maintenance over the remainder of 2014.

Commenting on the contract award, Managing Director of NFE, Mr Antony Beckmand said *"we are delighted to be partnering with Orica to manage our explosives, drill and blast operations at our Sydvaranger mine site. With Orica's global expertise, technical support, research and development and proprietary knowledge, we expect the Orica / Sydvaranger partnership will deliver both safe and efficient operations. The rock on ground contract improves the integration and accountability of our mining processes which is an important step toward achieving further improvements in productivity whilst minimising production costs."*

For and on behalf of the board.



Antony Beckmand
Managing Director / CEO

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This report contains some references to forward looking assumptions, estimates and outcomes. These are uncertain by nature and no assurance can be given by Northern Iron Limited that its expectations, estimates and forecast outcomes will be achieved

