Rule 3.19A.1

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity:	Northern Iron Limited
ABN	71 125 264 575

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	John Sanderson
Date of appointment	16 February 2010

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities Nil.

+ See chapter 19 for defined terms.

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest Note: Provide details of the circumstances giving rise to the relevant interest. N/A	**Number & class of Securities** N/A

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

<table>
<tr><td>Detail of contract</td><td>Employment contract</td></tr>
<tr><td>Nature of interest</td><td>N/A</td></tr>
<tr><td>Name of registered holder
(if issued securities)</td><td>N/A</td></tr>
<tr><td>No. and class of securities to which interest relates</td><td>Subject to approval by shareholders – Mr Sanderson will be entitled to participate in the Company's long term incentive scheme as follows (subject to tenure and performance hurdles):
<table>
<tr><td>No of options</td><td>Exercise Price</td><td>Vesting Date</td><td>Expiry</td></tr>
<tr><td>500,000
500,000
500,000</td><td>$2.15
$2.50
$3.00</td><td>24/08/12
24/08/12
24/08/12</td><td>1 yr from vesting
1 yr from vesting
1 yr from vesting</td></tr>
<tr><td>1,500,000</td><td></td><td></td><td></td></tr>
</table>
In the event that shareholder approval is not granted for the option grants above, Mr Sanderson will be entitled to a cash payment in lieu.</td></tr>
</table>

+ See chapter 19 for defined terms.