NORTHERN IRON

RMG

Exploration and Mining Investment Conference

John Sanderson
Managing Director / CEO
10th November 2010

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Disclaimer

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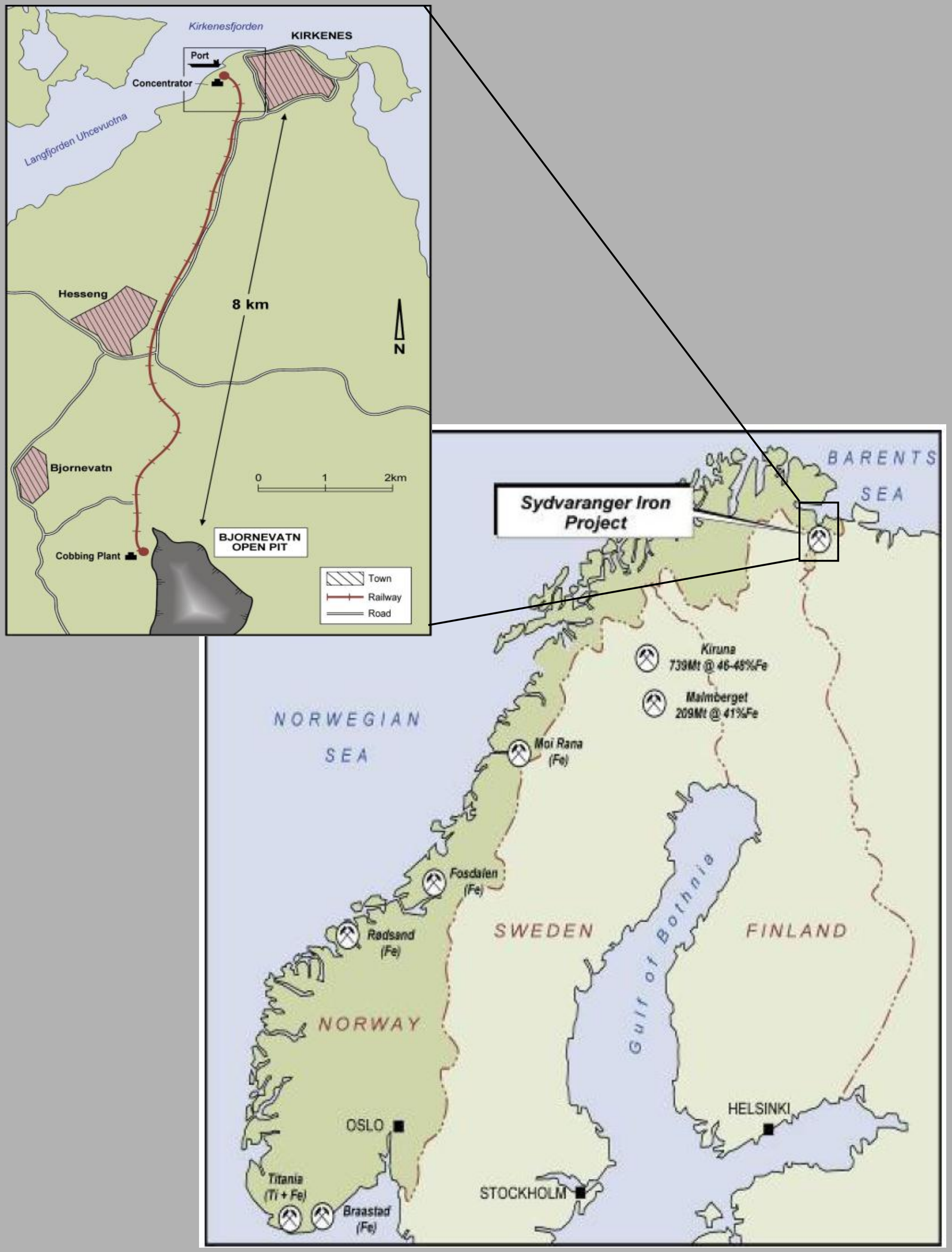
Project Location

Sydvaranger iron mine, Norway

- Operated from 1910 to 1997
- During that time over 200Mt of ore was mined
- Well known, high quality magnetite concentrate (67.5% Fe) with low levels of impurities
- Mine closed after the end of the Cold War
- Reopened in October 2009 with first shipment in November 2009



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Corporate

Shareholding

Tschudi Mining:	26 %
OM Holdings Ltd:	16 %
Westoz:	5 %
Colonial First State:	6 %
Top 20:	90%

Capital Structure

Listed on the ASX	
Ordinary shares:	339.2 m
Options outstanding :	4.4 m
Fully diluted:	343.6 m
Market capitalisation @ 1.55	AUD 526 m
Cash @ 31st October	AUD 55 m
Debt @ 31st October	AUD 123 m (incl lease facilities)
Enterprise Value	AUD 594.2 m

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Senior Management

- **Managing Director / CEO**
  - John Sanderson
    - Mining Engineer
    - 17 years industry experience, 9 years with Rio Tinto

- **Chief Financial Officer**
  - Antony Beckmand
    - Accountant (CPA)
    - 15 ys industry experience, 8 years in iron ore

- **Chief Operating Officer**
  - Dale Ekmark
    - Operations and Maintenance professional
    - 19 years industry experience, 8 years with Cleveland Cliffs magnetite operations
    - Experienced in arctic mining operations

- **Mine Manager**
  - Daniel Pop
    - Mining Engineer
    - 18 years Industry experience, 14yrs with Rio Tinto / BHPB
    - Experienced in arctic mining operations

- **Processing and Rail Manager**
  - Rob Brown
    - Metallurgist
    - 15 years industry experience (nickel, gold, mineral sands, base metals)
    - Experienced in managing older, refurbished processing plants

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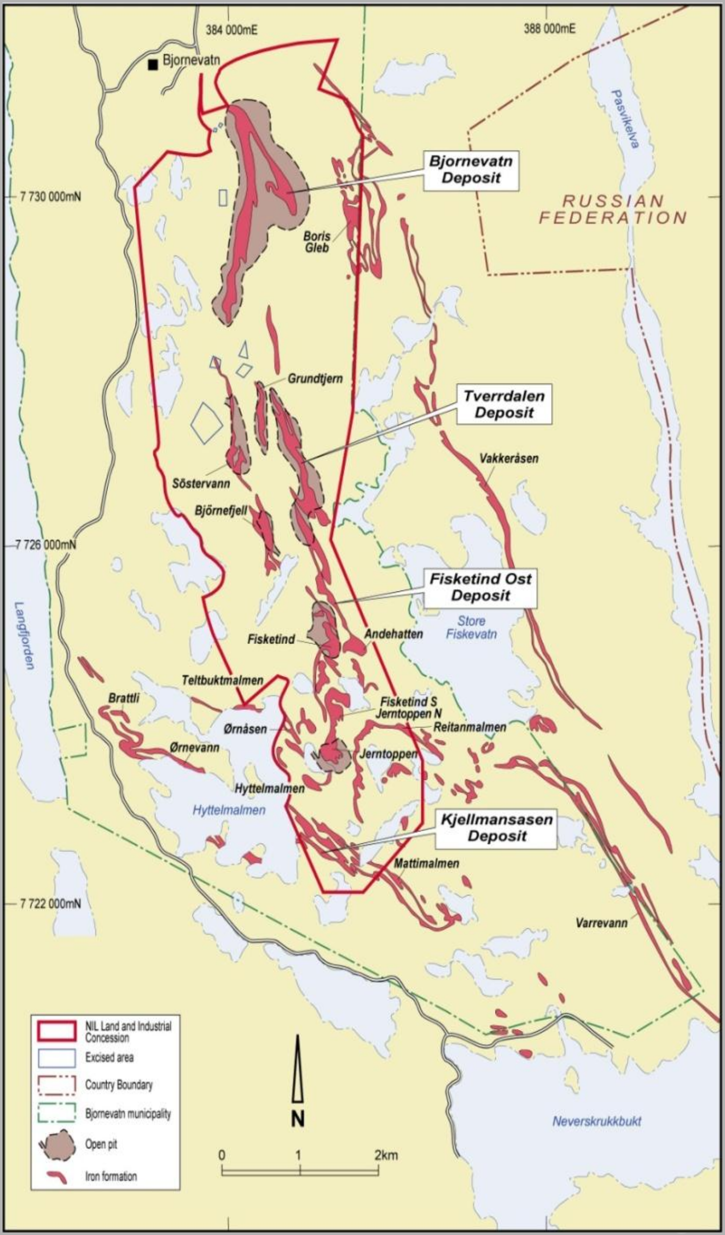
Resource Portfolio

Mineral Resource Summary as at 28 February 2010
(at 15% Fe total cut-off grade)

Deposit	Indicated (Mt)	Fe (Tot al%)	Inferred (Mt)	Fe (Total %)	Total Tonnes (Mt)	Fe (Total %)
Bjørnevatn	152	32	138	30	290	31
Kjellmannsåsen	18	34	5	30	23	33
Fisketind Øst	11	31	19	31	30	31
Tverrdalen	20	32	26	31	46	31
Hyttemalmen	3	34	1	32	4	33
Bjornfell			14	32	14	32
Söstervann			5	37	5	37
Grundtjern			3	34	3	34
Fisketind SW			17	33	17	33
Jerntoppen			17	31	17	31
Total	**204**	**32**	**245**	**31**	**449**	**31**

Reserve Summary as at 28 February 2010
(at 15% Fe total cut-off grade)

Deposit	Probable Reserve (Mt)	Fe (Total%)
Kjellmannsåsen	16.5	32
Hyttemalmen	3.0	33
Bjørnevatn	90.5	32
Tverdalen	11.2	31
Fisketind Øst	6.7	30
Total	**127.9**	**32**

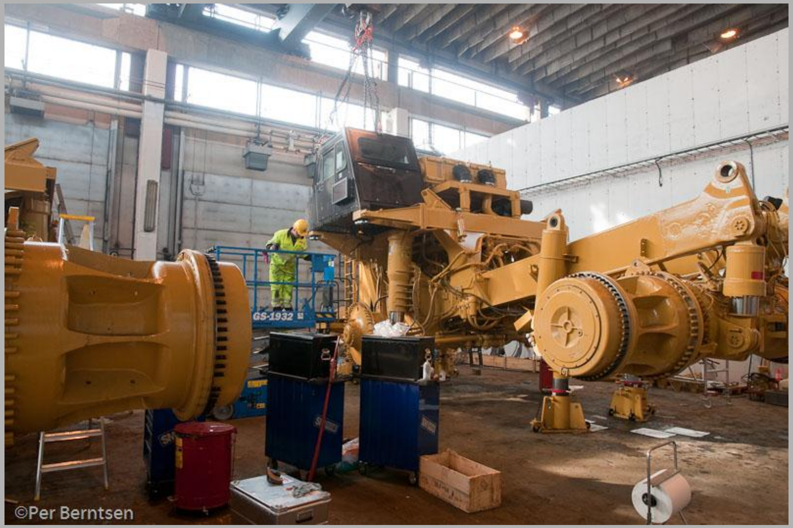


Project Overview - Mining

New blasthole drills

New load and haul fleet

Refurbished primary crushers



5 year MARC agreements

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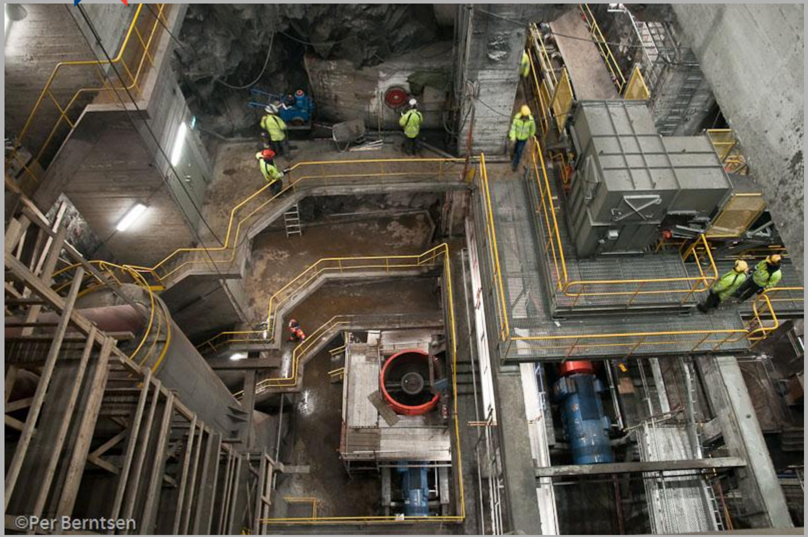
Project Overview - Processing



New secondary and tertiary crushers

New primary ball mill

Refurbished secondary ball mills

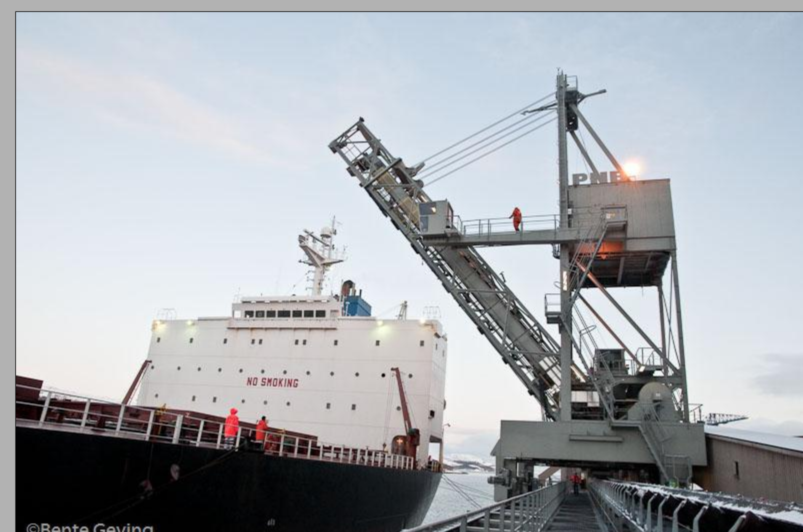
Refurbished magnetic separators, old and new filters

Project Overview - Infrastructure

Owned – single operator railway

Processing facility - Kirkenes

Leased - new concentrate handling facilities



Leased– port and shiploader

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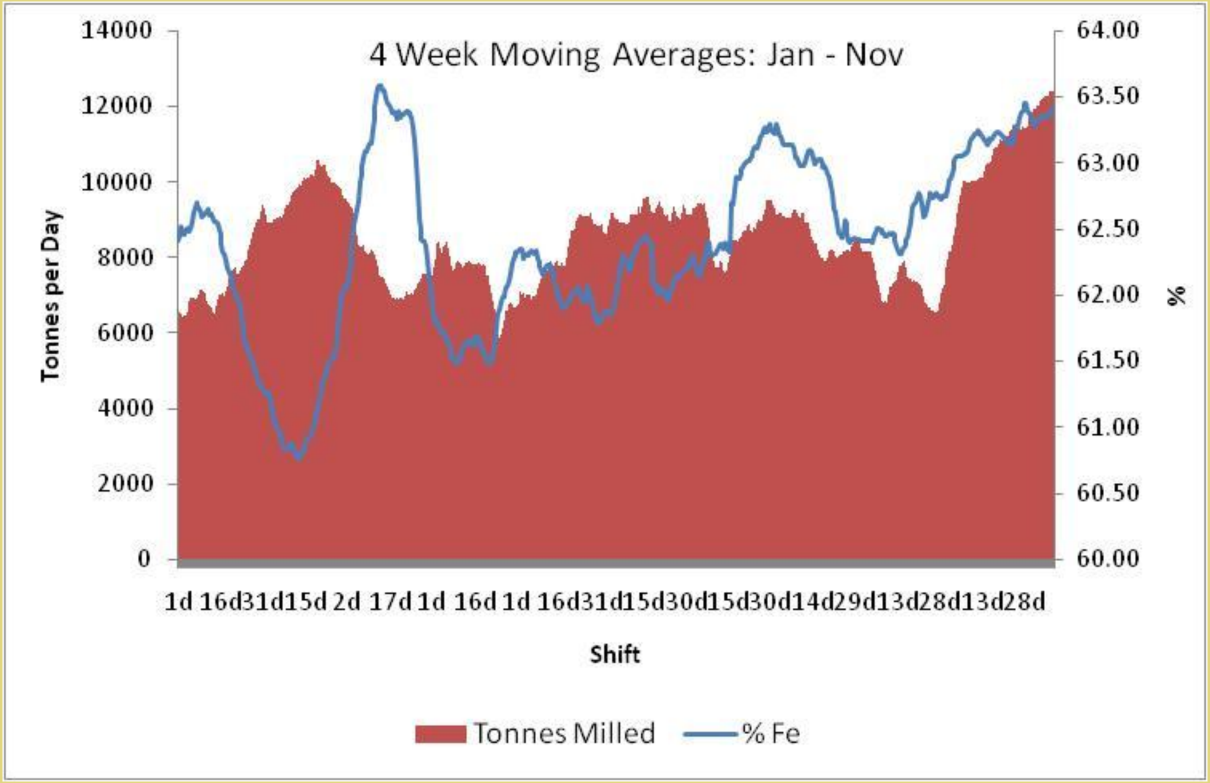
Challenges Encountered & Addressed

- In November 2009 a number of challenges that were impacting product volume and quality were identified
  - A rectification program was designed and funding obtained
  - Final components of this program will be completed Nov'10.
  - Significant Improvements in throughput and quality have been achieved, including a recent 14 day period where mill throughput was maintained at 75% of nameplate capacity.



2011 Quality Specification

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- Specification below expected from December 2010 onwards
  - Further improvement in Fe and Silica expected from Q4 2011

		Expected %
Chemical Composition (Dry Basis)	Iron [Fe]	65.0-67.0
	Silica [SiO_2]	5.0-7.0
	Alumina [Al_2O_3]	0.4
	Phosphorus [P]	0.01
	Sulphur [S]	0.02
	Manganese [Mn]	0.05
	Sodium Oxide [Na_2O]	0.04
	Potassium Oxide [K_2O]	0.03
	Titanium Dioxide [TiO_2]	0.06
	Calcium Oxide [CaO]	0.35
	Magnesia [MgO]	0.45
	LOI	-3.3
	Zinc [Zn]	0.004
	Lead [Pb]	0.005
	Arsenic [As]	0.002
	Chrome [Cr]	0.03
	Vanadium [V]	0.005
	Copper [Cu]	0.001
	Nickel [Ni]	0.04
	Moisture, natural basis [H_2O]	7.8%
Physical Properties	+ 0.150 mm	Nil
	-0.150 mm + 0.053mm	20%
	- 0.053 mm	80%

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Remaining Improvement Work

- Phase 2 Rectification Plan
  - To achieve 100% Nameplate Capacity
    - Modifications required to the tertiary crushing circuit
    - Modifications required to the primary grinding circuit
      - Expect 80% of nameplate from Jan 2011
      - Expect 90% of nameplate from Oct 2011
      - Expect 100% of nameplate from Apr 2012
  - To achieve further improvements in quality
    - Modifications required to the secondary grinding circuit
      - Expect a further improvement in quality from Oct 2011
  - Total expect cost for phase 2: USD 24.8m
    - Plant modifications: USD 15.9 M
    - Infrastructure: USD 5.6 M
    - Engineering and Contingency: USD 3.3 M
  - An engineering firm has been appointed for the program and detailed design work has commenced.

Sales & Marketing

- Offtake Agreements

  - Corus
    - 5 year offtake agreement for 1.25 Mtpa, with an option for a further 0.5 Mtpa.
    - Contract deliveries will not commence until quality improves, expected Q1 2011.
    - Trial cargo shipped in July 2010

  - Prominvest SA
    - Forward sales agreement signed in January 2010 for 0.4 Mt shipped during 2010-2011

  - OM Holdings Ltd
    - Short term agency agreement entered into that provides for subsidiary OMS Pte Ltd to market NIL concentrate into the Asian market – shipments commenced in Q3'10.
    - Discussions on entering into a long term agreement underway and due for completion in November.

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Growth

- Expansion
  - An expansion study was conducted in 2008 that identified concentrate production could be doubled to 5.6 M dmt for an approximate cost of USD 200 M (+/- 30%)
  - Work has commenced on the environmental consequences report required by the Norwegian authorities – expected duration 2 years.
- New Products
  - An application is before the Norwegian authorities to reintroduce the flotation circuit, which would produce a very high quality concentrate. A decision on the required emissions permit is expected late 2010 / early 2011.
  - The company is examining alternative waste disposal options should the permit not be granted.

Innovation – Shipping via the Northern Sea Route (NSR)

- On 4th Sept a 40,000t cargo was sent to China via the NSR
  - World first transit cargo
  - Vessel arrived China 27th Sept
  - Potential for benefits in the long term

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Summary & Investment Highlights

Metric	
Ore Mined	7.0 Mt per annum (nameplate)
Concentrate Production	2.8 M dry tonnes per annum (nameplate)
Expected Operating Cost	Average USD 37 / dmt life of project
First Sales	November 2009
Concentrate Quality (Q1'11 onwards)	66.0% Fe with very low levels of impurities
Indicated and Inferrred Resources	449 Mt @ 31 % Fe_{total}
Probable Reserves	127.9 Mt @ 32 % Fe_{total}
Mine Life	18 yrs @ 7 Mtpa ore mined
Expansion	Additional 2.8 M dmt concentrate per annum for USD 200 M capital investment (+/- 30%)
Infrastructure	Railway owned; Port on long term lease (25 year + extension options), guaranteeing first access.

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JORC Statement

The information in this report that relates to Mineral Resources is based on information compiled by David Slater, who is a member of the Australian Institute of Mining and Metallurgy. David Slater is employed full time by Coffey Mining Pty Ltd. David Slater has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. David Slater consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Reserves is based on information compiled by Mr Harry Warries, who is a member of the Australian Institute of Mining and Metallurgy. Mr Harry Warries is employed full time by Coffey Mining Pty Ltd. Mr Harry Warries has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harry Warries consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.