



## **NORTHERN IRON LIMITED (ASX:“NFE” “Company”)**

### **Power Outage Affects Primary Mill, Disrupts Production**

21 July 2011, by e-lodgement

Northern Iron Limited wishes to advise that production has been disrupted at its Sydvaranger Project due a sudden power outage aggravating a minor existing fault with the primary mill.

A lightning strike resulted in a loss of power to the primary mill while it was operating at a high production rate. This sudden stop aggravated a known minor fault with the primary mill and resulted in damage to the mill bearing. Based on a preliminary analysis of the scope of required works, the Company is expecting a total loss of 18 days in the second half of 2011, 12 in the September quarter and a further 6 in the December quarter to coincide with the next planned mill relining shut

NFE is currently assessing the expected impact of this incident on its production and cost performance for the remainder of 2011 and will provide further guidance when it releases its June quarter activities report next week. NFE expects that this unplanned maintenance work will repair the damage from this incident and permanently rectify the existing fault in the primary mill.

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For and on behalf of the Board.



John Sanderson  
Managing Director / CEO

*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.*

For enquiries please contact:

**John Sanderson**  
Managing Director / CEO  
Ph: +47 9240 1251  
John.Sanderson@northerniron.com.au

**Tony Beckmand**  
Chief Financial Officer  
Ph: +61 447 453 000  
Antony.Beckmand@northerniron.com.au

