



ASX Announcement: 18 December 2012

NORTHERN IRON LIMITED (ASX: "NFE")

ASIC Infringement Notice

On 28 November 2012 the Australian Securities and Investments Commission (ASIC) issued an infringement notice to Northern Iron Limited (ASX:NFE) alleging that NFE failed to comply with the continuous disclosure obligations contained in the Corporations Act.

The basis of ASIC's allegation was that NFE became aware that confidentiality concerning a highly conditional non-binding indicative proposal (**Proposal**) by the Aditya Birla Group may have been lost on or around 12.31pm AEST on 10 May 2012 and that NFE did not request a trading halt until 2.55 pm (AEST) on 10 May 2012.

NFE provided a response to an ASX query on the matter on 15 May 2012. NFE does not consider that it is in the best interests of the Company or its shareholders for the Company to engage in a protracted legal dispute with ASIC. Given the size of the penalty in comparison to the potential costs of defending any action brought by ASIC and the potential for such a dispute to divert management time and attention, NFE has elected to pay the \$66,000 penalty to conclude the matter.

Compliance with the notice by virtue of making the payment is not an admission of guilt or liability and NFE cannot be regarded as having contravened the Corporations Act.

- ENDS -

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