

NORTHLAND

The Board allows more time for concluding on the restructuring

Luxembourg, November 28, 2014 – Northland Resources SE (OSE: NAUR, Frankfurt: NPK, Nasdaq OMX/First North: NAURo – together with its subsidiaries “Northland”, “NRSE” or the “Company”) **announces that progress has been made in discussions between a group of investors and the Company’s major creditors the Board has therefore instructed the Company’s management to continue working on a restructuring.**

As announced on November 20, 2014, a group of Swedish investors with industrial competence (the “**Investors**”) have presented a proposal to purchase debt from the Company’s major creditors, including the Company’s bondholders (the “**Proposal**”). During a board meeting held on November 27, 2014, the Board of Directors (the “**Board**”) concluded that substantial progress has been made in the discussions and negotiations between the Investors and the major creditors represented by advisors to the bond Trustee, Nordic Trustee ASA, and a bondholder committee. The Board has therefore instructed the Company’s management to continue working on a restructuring, which among other things will include securing necessary equipment and competence to allow for a restart.

The contemplated restructuring will involve a very complex implementation and will require approvals from bondholders, other creditors and shareholders. The Company will revert with additional information in advance of meetings required for such approvals, including information on the impact of the holdings of current shareholders which as a consequence could be significantly diluted. The market conditions for the Company’s product is still very challenging and this adds to uncertainty to when production can be resumed. The Company will furthermore continue to closely monitor the risks associated with the restructuring.

“I am pleased to see that progress is being made in the discussions between investors and creditors. When an agreement is reached, this will constitute an important milestone in securing new funding and future operations for the Company,” commented Olav Fjell, Chairman of the Board.

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Northland is a producer of iron ore concentrate, with a portfolio of production, development and exploration mines and projects in northern Sweden and Finland.

The first construction phase of the Kaunisvaara project is complete and production ramp-up started in November 2012. The Company expects to produce high-grade, high-quality magnetite iron concentrate in Kaunisvaara, Sweden, where the Company expects to exploit two magnetite iron ore deposits, Tapuli and Sahavaara. Northland has entered into off-take contracts with three partners for the entire production from the Kaunisvaara project over the next seven to ten years. The Company has also finalized a Definitive Feasibility Study (“DFS”) for its Hannukainen Iron Oxide Copper Gold (“IOCG”) project in Kolari, northern Finland.

Forward-Looking Information

This announcement may include “forward-looking” information within the meaning of applicable securities laws. This forward-looking information can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. This forward-looking information includes all matters that are expectations concerning, among other things, Northland’s results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates. By their nature, forward-looking information involves risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking information is not a guarantee of future performance and that Northland’s actual results of operations, financial condition and liquidity, and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking information contained in this press release. In addition, even if Northland’s results of operations, financial condition and liquidity, and the development of the industry in which Northland operates are consistent with the forward-looking information contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.
