
ALTIUS – ALDERON CONCLUDES DEFINITIVE AGREEMENTS WITH HEBEI IRON & STEEL GROUP, CHINA'S LARGEST STEEL PRODUCER, FOR A STRATEGIC PARTNERSHIP

St. John's - Altius Minerals Corporation is pleased to report that Alderon Iron Ore Corp. ("Alderon") has today announced the signing of investment and iron ore offtake agreements with the world's second largest steel producer, Hebei Iron and Steel Group of Hebei Province, Peoples Republic of China. Altius is a co-founder of Alderon and owner of 32.9 million Alderon shares. In addition it holds a 3% Gross Sales Royalty on Alderon's Kami iron ore project.

Altius wishes to extend congratulations to Alderon on achieving this significant milestone along the path to development of the Kami Project. We also extend a warm welcome to Hebei Iron and Steel Group as fellow shareholders in Alderon and project investors in the Province of Newfoundland and Labrador, Canada. The news release describing the agreements that was issued today by Alderon is reprinted fully below.

Alderon Concludes Definitive Agreements with Hebei Iron & Steel Group, China's Largest Steel Producer, For a Strategic Partnership

Alderon Iron Ore Corp. has signed a definitive subscription agreement dated April 13, 2012, with Hebei Iron & Steel Group Co. Ltd., China's largest steel producer. Hebei will make a strategic investment into both Alderon and its Kami iron ore project in an aggregate amount of C\$194 million, in exchange for 19.9% of the outstanding common shares of Alderon (the "Private Placement") and a 25% interest in a newly formed limited partnership that will be established to own the Kami Project.

The parties have also agreed upon the terms of all other material agreements governing the relationship between Hebei and the Company and Hebei's agreement to purchase iron ore concentrate produced at the Kami Project (the "Definitive Agreements"). The Definitive Agreements will be executed on closing of the Private Placement.

Pursuant to the Subscription Agreement and the Definitive Agreements, the entire C\$194 million of investment proceeds from Hebei will be used for the exploration and development of the Kami Project and other relevant corporate expenses of Alderon.

Hebei agrees to use its best efforts to assist in obtaining project debt financing for the Kami Project from financial institutions, including Chinese banks. In addition, Alderon and Hebei will be required to contribute to capital expenditures for the development of the Kami Project not covered by initial capital contributions and project debt financing, in accordance with their respective interests.

Upon Hebei's acquisition of its 25% interest in the Kami Project, it will be obligated to purchase upon the commencement of commercial production, 60% of the actual annual production from the Kami Project up to a maximum of 4.8 million tonnes of the first 8.0 million tonnes of iron ore concentrate produced annually at the Kami Project. The price paid by Hebei will be based on the monthly average price per DMT for iron ore sinter feed fines quoted by Platts Iron Ore Index (including additional quoted premium for iron content greater than 62%) ("Platts Price"), less a discount equal to 5% of such quoted price. Hebei will also have the option to purchase additional tonnage at a price equal to the Platts Price, without any such discount.

Mark Morabito, Executive Chairman of Alderon, said, "Alderon is delighted to build this new partnership with Hebei, China's largest steel group and the second largest steel group globally. China continues to be one of the strongest and most dynamic economies globally with significant expertise in the iron ore and steel industry. Alderon now has both the capital and the China market access to build a world-class company."

Wang Yifang, Chairman of Hebei Iron & Steel Group Co., Ltd., said, "Hebei is pleased to create a long standing partnership with Alderon through this strategic investment. Alderon is developing a high-quality iron ore project with abundant resources and strategic location. I believe this is an important transaction in the push of China's iron and steel enterprises to invest into overseas mining assets. In addition to the potentially attractive investment returns, Hebei is able to lock up a long term supply of high-quality iron ores, to help improve our operational performance and ensure our long-term, sustainable growth. Hebei believes it will be a valuable partner to Alderon and is equally committed to assisting in securing all necessary resources for the development of the Kami Project including the project financing. I firmly believe the cooperation between two strategic partners will successfully develop the Kami Project into a world-class iron ore mine."

Tayfun Eldem, the President and CEO of Alderon, said, "This transaction with Hebei is a major catalyst for Alderon as it further validates and materially de-risks the Kami Project. It provides us with a significant component of our expected equity requirement to build Kami and continue to progress the project with maximum financial flexibility. This partnership with China's largest and most technologically advanced integrated steel group also strengthens Alderon's potential to finance the remainder of the capital for Kami having Hebei as a partner in accessing global financial institutions including Chinese banks. We believe that this partnership solidifies our ability to become the next significant iron ore producer in Newfoundland and Labrador."

Under the terms of the Subscription Agreement, Hebei will subscribe for common shares at a price per share equal to C\$3.42 (the "Subscription Price"). Liberty Metals & Mining Holdings, LLC ("LMM") has indicated that it intends to exercise its pre-emptive right to maintain its relative proportionate interest in the Company following the Private Placement. Upon closing of the Private Placement, Hebei will acquire approximately 25,828,305 common shares for gross proceeds to the Company of C\$88,332,804, representing 19.9% of the issued and outstanding shares of Alderon, after giving effect to such issuance and the exercise by LMM of its pre-emptive right, and LMM will acquire approximately 3,805,576 common shares at the Subscription Price for additional gross proceeds to the Company of C\$13,015,070.

Upon the closing of the Private Placement, Hebei will be entitled to nominate two directors to the Board of Alderon. In addition, Alderon has granted Hebei a pre-emptive right to maintain its interest in Alderon in certain circumstances.

Pursuant to the terms of the Definitive Agreements, within 15 business days of Hebei receiving a feasibility study that meets certain criteria, Hebei will contribute the balance of its C\$194 million investment and Alderon will contribute the Kami Project and relevant properties to a newly formed limited partnership which will be owned as to 25% by Hebei and 75% by Alderon.

Alderon will be the manager of the Kami Project and will receive a fixed annual management fee during the construction period of the project. Once the Kami Project has reached commercial production, Alderon will receive a management fee on a per tonne of iron ore concentrate basis.

Civic Address:

Altius Minerals Corporation
Suite 202, 66 Kenmount Road
St. John's, NL, A1B 3V7, CANADA

Website: www.altiusminerals.com**Toll Free:** 1.877.576.2209**Fax:** 709.576.3441**e-mail:** info@altiusminerals.com**Mailing Address:**

Altius Minerals Corporation
P.O. Box 8263 Stn "A"
St. John's, NL, A1B 3N4, CANADA

The Subscription Agreement and the Definitive Agreements are subject to approvals from the government of the People's Republic of China ("PRC"). Alderon is entitled to terminate the Subscription Agreement and the transactions contemplated by the Definitive Agreements, if the PRC approvals have not been obtained by Hebei within 90 days following the date hereof and Alderon has entered into an agreement with respect to an alternative transaction proposal, provided that Alderon pays Hebei a termination fee of C\$10.25mm. Both parties can terminate the Subscription Agreement and the transactions contemplated by the Definitive Agreements in the event that Hebei is denied any PRC approval. Alderon has agreed not to solicit nor approve any alternative transaction proposal for a period of 75 days from the date hereof.

The Subscription Agreement and Definitive Agreements are also subject to the approvals of the Toronto Stock Exchange and the NYSE Amex.

Alderon's financial advisor for the transaction is GMP Securities L.P. and its legal counsel is Cassels Brock & Blackwell LLP.

Bank of America Merrill Lynch is acting as Hebei's exclusive financial advisor and Davies Ward Phillips & Vineberg LLP is acting as Hebei's legal advisor.

About Alderon

Alderon is a leading Canadian iron ore development company with offices in Vancouver, Toronto, Montreal and St. John's. The 100% owned Kami Project is located within Canada's premier iron ore district and is surrounded by four producing iron ore mines. The Alderon team is comprised of skilled professionals with significant iron ore expertise to advance Kami towards production.

ALDERON IRON ORE CORP.

On behalf of the Board

"Mark J Morabito"
Executive Chairman

Vancouver Office

T: 604-681-8030

F: 604-681-8039

E: info@alderonironore.com

www.alderonironore.com

Toronto Office

T: 416-309-2138

F: 416-861-8165

Montreal Office

T: 514-989-3135

F: 514-934-4640

St. John's Office

T: 709-576-5607

F: 709-576-7541

For Investor Relations, please call:

Konstantine Tsakumis

1-866-683-8030 x232

Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" concerning anticipated developments and events that may occur in the future. Forward looking information contained in this news release includes, but is not limited to, statements with respect to (i) the ability to commence production at the Kami Project; (ii) the closing of the transaction with Hebei; (iii) the funding by Hebei of costs of developing the Kami Project; and (iv) Alderon's ability to finance the capital required to develop the Kami Project.

In certain cases, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, receipt of governmental and other approvals, receipt of a feasibility study that meets the requisite criteria, the estimation of mineral resources, the realization of resource estimates, iron ore and other metal prices, the timing and amount of future exploration and development expenditures, the estimation of initial and

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Fax: 709.576.3441

e-mail: info@altiusminerals.com

Mailing Address:

Altius Minerals Corporation
P.O. Box 8263 Stn "A"
St. John's, NL, A1B 3N4, CANADA



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sustaining capital requirements, the estimation of labour and operating costs, the availability of necessary financing and materials to continue to explore and develop the Kami Property in the short and long-term, the progress of exploration and development activities, the receipt of necessary regulatory approvals, the completion of the environmental assessment process, the estimation of insurance coverage, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined including the possibility that mining operations may not commence at the Kami Property, risks relating to variations in mineral resources, grade or recovery rates resulting from current exploration and development activities, risks relating to the ability to access rail transportation, sources of power and port facilities, risks relating to changes in iron ore prices and the worldwide demand for and supply of iron ore and related products, risks related to increased competition in the market for iron ore and related products and in the mining industry generally, risks related to current global financial conditions, uncertainties inherent in the estimation of mineral resources, access and supply risks, reliance on key personnel, operational risks inherent in the conduct of mining activities, including the risk of accidents, labour disputes, increases in capital and operating costs and the risk of delays or increased costs that might be encountered during the development process, regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, including the risk that the financing necessary to fund the exploration and development activities at the Kami Property may not be available on satisfactory terms, or at all, risks related to disputes concerning property titles and interest, risks related to disputes with Aboriginal groups, environmental risks and the additional risks identified in the "Risk Factors" section of the Company's Annual Information Form for the most recently completed financial year or other reports and filings with applicable Canadian securities regulations.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information is made as of the date of this news release. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking information contained in this news release is expressly qualified by this cautionary statement. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking information.

About Altius

Altius is focused on the mining and resources sector through prospect generation and the creation and acquisition of royalties and investments. Altius has a strong financial position with total assets of approximately \$300 million, including \$175 million in cash and marketable securities. It has also built a portfolio of directly and indirectly held junior resource investments, including 32.9 million shares of Alderon. (ADV:TSX).

Altius owns an effective 0.3% net smelter return royalty on the producing Voisey's Bay nickel-copper-cobalt mine, a 2% gross sales royalty on uranium in the Central Mineral Belt project of Paladin Energy Limited, a 3% gross sales royalty on the Kami iron ore project of Alderon and several earlier stage resource project royalties. Its growing project generation pipeline consists of a diversified portfolio of exploration projects, many of which it have attracted joint venture funding partners.

Altius is a member of the S&P/TSX Global Mining Index and currently has 28,759,675 shares outstanding.

For further information please contact Chad Wells at 1.877.576.2209.

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