

## PURCHASE AGREEMENT

This purchase agreement is dated as of August 1, 2010 (the "Effective Date") and is between:

**PERRY VERN ENGLISH,**

an individual residing in Souris, Manitoba (the "Vendor")  
and acting on behalf of Rubicon Minerals Corporation  
("Rubicon")

- and -

**BEARBEECH CAPITAL CORPORATION,**

a corporation incorporated under the laws of Ontario  
("Bearbeech")

- and -

**NORTHERN IRON CORP.,**

a corporation incorporated under the laws of Ontario (the  
"Purchaser")

### RECITALS:

- A. The Vendor is the recorded holder of a 100% interest in certain mineral claims located in the Province of Ontario and listed in the attached Schedule "A" (collectively, the "Claims");
- B. The Vendor acquired the Claims on behalf of Rubicon and is authorized to option out the Claims on behalf of Rubicon pursuant to a letter of authorization from Rubicon to the Vendor dated November 5, 2009;
- C. On or about January 15, 2010, the Vendor entered into a purchase agreement (the "Original Purchase Agreement") with Bearbeech Capital Corporation ("Bearbeech") pursuant to which the Vendor would assign to Bearbeech all of the Vendor's interest in the Claims;
- D. On or about January 15, 2010, Bearbeech entered into an assignment agreement (the "Assignment Agreement") with the Purchaser whereby it would assign the Original Purchase Agreement, and all rights and obligations thereunder, to the Purchaser in consideration for common shares in the capital of the Purchaser;
- E. On or about March 3, 2010, the Purchaser satisfied its obligations under the Assignment Agreement by issuing common shares in the capital of the Purchaser to Jeff Wollburgh;
- F. The Vendor, the Purchaser and Bearbeech wish to cancel the Original Purchase Agreement and the Assignment Agreement and enter into a new Purchase Agreement whereby (i) the Assignment Agreement is terminated by written consent of the parties thereto, (ii) the Original Purchase Agreement is cancelled by written consent of the parties thereto, and (iii) the

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Vendor and Purchaser enter into this purchase agreement whereby the Purchaser will purchase directly from the Vendor the Claims pursuant to the terms contained herein;

**THEREFORE**, the parties agree as follows:

1. **Termination of Old Agreements:**

- (a) The Vendor and Bearbeech hereby agree to terminate the Original Purchase Agreement as of the Effective Date hereof.
- (b) The Purchaser and Bearbeech hereby agree to terminate the Assignment Agreement. Notwithstanding as of the Effective Date hereof. Notwithstanding such termination, the Purchaser and Bearbeech agree and acknowledge that:
  - (i) Bearbeech shall still be entitled to the payment of the common shares in the capital of the Purchaser provided for in the Assignment Agreement; and
  - (ii) the Purchaser has satisfied this obligation in full by issuing common shares in the capital of the Purchaser to Jeff Wolburgh on March 3, 2010.

2. **Purchase.** The Vendor hereby sells to the Purchaser (i) his 100% interest in the Claims, and (ii) all technical information in the possession of Vendor relating to the Claims, for the following consideration:

- (a) Upon receipt by the Purchaser of (i) evidence that a 100% interest in the Claims has been formally recorded in favour of the Purchaser by the Mines and Minerals Division of the Ontario Ministry of Northern Development, Mines and Forestry, and (ii) all technical information pertaining to the Claims, the Purchaser shall pay to the Vendor, or as he may in writing otherwise direct, the following cash payments on the following dates:

<u>Payment</u>	<u>Date</u>
\$15,000	within five (5) days of the Effective Date;
\$20,000	January 31, 2011;
\$25,000	January 31, 2012; and
\$40,000	January 31, 2013.

The above payments shall be made to the Vendor, or such person or persons as he may in writing otherwise direct, in lawful money of Canada by certified cheque or bank wire transfer; and

- (b) if and when the Purchaser becomes a reporting or listed issuer in any jurisdiction, or if the Claims are assigned to an Assignee, the Purchaser shall create and issue, or, as a condition to the assignment of the Claims to an Assignee, shall require the Assignee to create and issue to the Vendor, or to such person or persons as he may in writing otherwise direct, the following common shares in the capital of the Purchaser or Assignee (the "Shares") on the following dates:

<u>Number of Shares</u>	<u>Date</u>
500,000	issued March 3, 2010;
50,000	Within thirty (30) days of the first anniversary of the first of the following events (the "Triggering Event") to occur: (i) the Purchaser becoming a reporting or listed issuer; (ii) May 31, 2011, or (iii) the Claims being assigned to an Assignee;
50,000	Two years after the Triggering Event;
50,000	Three years after the Triggering Event;

or, if the Claims are assigned to an Assignee, such other number of Shares on such other dates as the Vendor, Purchaser and Assignee shall agree in writing.

3. **Transfer of Interest in the Claims:** No later than five (5) days after the \$15,000 cash payment referred to in section 2(a) above, the Vendor's interest in the Claims shall be transferred to the Purchaser in the form prescribed by the regulations to the *Mining Act* (Ontario) (the "Act") immediately upon execution and delivery of this agreement by the Vendor to the Purchaser, free and clear of all liens, charges and encumbrances of any kind. When the Purchaser's interest in the Claims has been formally recorded, the Purchaser will have an exclusive interest in all rights to the Claims.

4. **Event of Default:**

- (a) The Purchaser will be deemed to have committed a "Purchaser Event of Default" if,
- (i) by May 31, 2011, the Purchaser is not a reporting or listed issuer in any jurisdiction; or

- (ii) the Purchaser or the Assignee, as the case may be, fail to make any payment to Vendor when due, and remain in default for a period of thirty (30) days.

In the case of a Purchaser Event of Default, the Claims will immediately revert to the Vendor and, in that case, the Purchaser covenants to do all such things necessary in order to facilitate the transfer of the Claims back to the Vendor.

- (b) The Vendor will be deemed to have committed a "Vendor Event of Default" five (5) days after the \$15,000 cash payment referred to in section 2(a) above, the Claims have not yet been transferred by the Vendor to the Purchaser pursuant to section 3 hereof.

In the case of a Vendor Event of Default, this Agreement will automatically terminate and the Original Purchase Agreement and Assignment Agreement shall be deemed to have never been terminated.

5. **Mutual Acknowledgement and Agreements of the Parties.** The parties acknowledge and agree that a copy of this agreement, together with any related transfer documents, may be filed with the Mines and Minerals Division of the Ontario Ministry of Northern Development, Mines and Forestry and any other necessary regulatory authorities.

6. **Representations of the Vendor to the Purchaser.** The Vendor represents to the Purchaser that:

- (a) this agreement is a legal, valid and binding obligation of the Vendor, enforceable against him in accordance with this agreement's terms under the laws of the Province of Ontario, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting creditors' rights and the discretion exercisable by courts of competent jurisdiction in respect of the availability of equitable and application of equitable principles;
- (b) The consummation of the transactions contemplated in this agreement will not conflict with or result in any breach of any covenants or agreements to which the Vendor is a party;
- (c) The Vendor has a 100% interest in the Claims, free and clear of any and all royalties, liens, defects, charges or encumbrances of any kind, whether written or oral;
- (d) the Claims and interests that comprise the Claims have been validly and properly granted in compliance with the applicable laws and regulations of the Province of Ontario, and are in good standing;

- (e) there are no disputes, threatened or now existing, as to the title of the staking or the recording of the Claims;
- (f) the Claims are free and clear of any and all liens, charges or encumbrances of any kind, whether written or oral;
- (g) the Claims are not subject to any agreements, liabilities, or royalties of any kind, whether written or oral;
- (h) there are no actions, suits or other proceedings pending against the Vendor at law or in equity before or by any courts or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which may result in any adverse judgment or ruling, or in any liability, in respect of the Vendor's interest in the Claims;
- (i) all taxes and other charges levied on the Claims or any part thereof have been paid up to and including the date of this agreement;
- (j) the transfer of their interest in the Claims to the Purchaser will not contravene the Act, or any regulation made under the Act;
- (k) the Vendor has the full and undisputed power, authority and right to enter into and to perform their obligations under this agreement and to convey his entire beneficial and legal interest in the Claims to the Purchaser as provided for in this agreement;
- (l) to the best of his knowledge, the Claims are not subject to any aboriginal treaty or land claims;
- (m) to the best of his knowledge during the period in which the Vendor had an interest in the Claims, there have been:
  - (i) no contaminants disposed of at, on, in, under or about the Claims in an amount, concentration or level in excess of that prescribed by the regulations under the *Environmental Protection Act* (Ontario);
  - (ii) no occurrence of any releasing, emitting, discharging, leaching, dumping or disposing of any contaminants from the Claims onto any other property or from any other property onto or into the Claims in violation of any environmental laws; and
  - (iii) no notice of any violations, liens, complaints, suits, orders or other notices with respect to the Claims under any environmental laws which remain outstanding as at the date hereof;

- (n) the Vendor is not a non-resident of Canada within the meaning of s.116 of the *Income Tax Act* (Canada); and
- (o) to the best of his knowledge, no mining lands within the Claims lie within areas or lands protected or designated for provincial parks by the government of the Province of Ontario.

Each of the representations made by the Vendor in this agreement is given as at the date of this agreement, and shall not merge upon completion, but will survive the execution of this agreement for a period of two years from the date of this agreement.

7. Representations of the Purchaser to the Vendor. The Purchaser represents to the Vendor that:

- (a) this agreement is a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms under the laws of the Province of Ontario, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting creditors' rights and the discretion exercisable by courts of competent jurisdiction in respect of the availability of equitable and application of equitable principles;
- (b) it is duly incorporated and organized, validly subsisting, in good standing, and qualified to carry on business under the laws of the Province of Ontario;
- (c) it has obtained all necessary corporate authorization to execute and perform this agreement, and the consummation of the transactions contemplated in this agreement will not conflict with or result in any breach of any covenants or agreements to which it is a party, or constitute a default under the provisions of its articles of incorporation or constating documents;
- (d) it is lawfully authorized to hold an interest in mineral claims under the laws of the jurisdiction in which the Claims are situated; and
- (e) the Shares of the Purchaser to be issued to the Vendor, or to such person or persons as he may in writing otherwise direct, will, at the time of issuance, be validly issued as fully paid and non-assessable common shares in the capital of the Purchaser;
- (f) the Purchaser will advise the relevant aboriginal groups of the Purchaser's activities on the mineral claims.

Each of the representations made by the Purchaser in this agreement is given as at the date of this agreement and shall not merge upon completion but rather will survive the execution thereof for a period of three (3) years from the date of this agreement.

8. **Receipt of TSX-V Approval.** The parties hereby acknowledge that receipt of any necessary approval by the TSX Venture Exchange and the receipt of any other necessary regulatory approval may be a condition to the issuance of shares under this agreement.

9. **Legend.** The Vendor acknowledges that the Shares will be subject to a hold period under applicable securities legislation during which they may not be re-sold, transferred or otherwise disposed of except in accordance with applicable securities laws. The Purchaser will be required to legend the certificates representing the Shares in substantially the following form:

"Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is four months and a day after the later of (i) [insert the distribution date] and (ii) the date the issuer became a reporting issuer in any province or territory."

10. **Expenses.** Each party will be responsible for its own expenses, including fees and expenses of legal and other professional advisors, incurred in connection with the preparation and execution of this agreement and completion of the transactions contemplated in this agreement. Despite the foregoing, the Purchaser will be responsible for all fees and expenses relating to the formal recording of the Claims in favour of the Purchaser by the Mines and Minerals Division of the Ontario Ministry of Northern Development, Mines and Forestry.

11. **Indemnification.** The Vendor shall indemnify and save harmless the Purchaser from and against any and all loss, liability, damage, deficiency, cost or expense of any kind, arising out of any inaccuracy, misstatement or misrepresentation made by the Vendor in this agreement, and any and all actions, suits, proceedings, demands, claims, costs, legal and other expenses incidental to such inaccuracy, misstatement or misrepresentation. The Purchaser shall indemnify and save harmless the Vendor from and against any and all loss, liability, damage, deficiency, cost or expense of any kind, arising out of any inaccuracy, misstatement or misrepresentation made by the Purchaser in this agreement, and any and all actions, suits, proceedings, demands, claims, costs, legal and other expenses incidental to such inaccuracy, misstatement or misrepresentation.

12. **Payments and Communications.** All communications which are or may be required to be given by any of the parties to the other party or parties must be in writing (unless there is a specific provision to the contrary) and delivered by prepaid registered mail or by facsimile or e-mail transmission (as long as the sender obtains evidence or verification that the transmission has been received). All payments which are or may be required to be given by any of the parties to one or more of the other parties must be delivered by prepaid registered mail. All such communications and payments will be delivered to the receiving party or parties at the following addresses, as applicable:

(a) If to the Vendor:

**Perry Vern English**  
721W, #SE33  
Souris, Manitoba

E-mail: penglish@mts.net

(b) If to the Purchaser:

**Northern Iron Corp.**

Phone: (604) 602-9868

E-mail: parendt@northernironcorp.com

Attention: Peter Arendt

and if any such payment or communication is sent by prepaid registered mail, it shall be deemed to have been delivered on the fifth business day after it has been mailed, and if delivered by facsimile or e-mail transmission it shall be deemed to have been delivered at the time of transmission. Notwithstanding the foregoing provisions with respect to mailing, if it may be reasonably anticipated that, due to any strike, lock-out or similar event involving an interruption in postal service, any payment or communication will not be received by the addressee no later than the fifth business day following the mailing of such payment or communication, then the mailing of any such payment or communication shall not be an effective means of delivery, and the parties shall agree in writing upon an alternative means of delivery. Any party may on one or more occasions change its address set forth in this agreement by communicating its new address to the other party or parties in accordance with this section.

13. **Entire Agreement.** With respect to the subject matter of this agreement, unless this Agreement is terminated pursuant to section 4(b) hereof, this agreement:

- (a) sets forth the entire agreement between the parties and any persons who have in the past or who are now representing any of the parties;
- (b) supersedes all prior understandings and communications, oral or written, between the parties; and
- (c) is acknowledged by all of the parties to be entered into after full investigation without relying upon any statement or representation made by any of them, or by any other person, which is not already contained in this agreement.

No party may rely upon any amendment, promise, modification, statement or representation made by any other party after this agreement has been signed, unless such amendment, promise, modification, statement or representation is in writing and signed by all of the parties.



14. **Transfers or Assignments.** The Purchaser may sell or transfer the Claims or assign this agreement, with consent of the Vendor not to be unreasonably withheld, and provided that any purchaser, transferee or assignee covenants to perform all of the Purchaser's obligations under this agreement to the same extent as if this agreement had been originally executed by such purchaser, transferee or assignee, and shall deliver a copy of the agreement as assigned forthwith. If the Vendor is not satisfied with the financial viability of the proposed assignee, purchaser or transferee, the Purchaser shall guarantee such assignee's, purchaser's or transferee's obligations to the Vendor.

15. **Further Assurances.** The parties agree to execute such further assurances or agreements and to do all other things that may be required in order to give full force and effect to this agreement and to fully carry out its terms and the transactions contemplated in this agreement, including, without limitation, the preparation of a transfer document effecting the transfer of the Vendor's interest in the Claims to the Purchaser, and the registration of such transfer document with the Mines and Minerals Division of the Ontario Ministry of Northern Development, Mines and Forestry, and any other necessary authorities.

16. **Time of the Essence.** Time is of the essence of this agreement and no extension or variation of this agreement will operate as a waiver of this provision.

17. **Governing Law.** The laws of the Province of Ontario, and, as applicable, the federal laws of Canada, without giving effect to their principles of conflicts of laws, govern this agreement and all proceedings arising out of it. The parties attorn to the exclusive jurisdiction of the Courts of Ontario.

18. **Contra Preferendum.** The parties have sought, or have had full opportunity to seek, independent legal advice, and, notwithstanding any rule of construction to the contrary, any ambiguity or uncertainty will not be construed against the party who drafted this agreement or any of its provisions.

19. **Successors and Assigns.** This agreement is binding upon and will inure to the benefit of the parties and their respective heirs, administrators, personal representatives, successors and assigns.

20. **Information.** The Purchaser agrees that the Vendor and Rubicon may disclose the details of this Agreement to its advisors and to governmental, regulatory or First Nations groups.

The Purchaser shall review any press release that refers to this Agreement or the subject matter of this Agreement with the Vendor prior to its release by sending emails to:

Perry English: [penglish@mls.net](mailto:penglish@mls.net)

David Adamson: [davidad@rubiconminerals.com](mailto:davidad@rubiconminerals.com)

Glenn Kumoi: [glkumoi@rubiconminerals.com](mailto:glkumoi@rubiconminerals.com)

and for clarity, shall not issue any press release that refers to this Agreement or the subject matter of this Agreement without prior written approval of the Vendor. The Vendor will take all reasonable efforts to send comments that it may have regarding any press release received from the Optionee to the Optionee by email within forty eight (48) hours of receipt of such press release.

21. **Continuing Duty to Consult.** The Purchaser shall consult and continue to consult with all relevant aboriginal groups who may have an interest with respect to the Claims.

22. **Counterparts; Signatures.** This agreement may be signed in counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same agreement. The signed agreement or counterparts may be delivered to the other party or parties as an original or by any electronic means of transmission including, without limitation, facsimile and electronic mail in Portable Document Format or equivalent, and the parties hereby adopt any signatures received by such electronic means as original signatures of the parties.

**[SIGNATURE PAGE FOLLOWS]**

The parties are signing this agreement as of the date stated in the introductory clause.



Perry Vign English, on his own behalf and on behalf of Rubicon Minerals Corporation

**HEARNECH CAPITAL CORPORATION**

Per: \_\_\_\_\_  
Name: Bill Weidburg  
Title:  
I have the authority to bind the Corporation.

**NORTHERN IRON CORP.**

Per: Peter Arndt  
Name: Peter Arndt  
Title: President & CEO  
I have the authority to bind the Corporation.

Witnessed and approved:

\_\_\_\_\_

**SCHEDULE "A"**

**MINERAL CLAIMS**

<b>Claim No.</b>	<b>Division - Township</b>
4241160 ✓	RED LAKE - BLUFFY LAKE
4241164 ✓	RED LAKE - BLUFFY LAKE
4241165 ✓	RED LAKE - BLUFFY LAKE
4241166 ✓	RED LAKE - BLUFFY LAKE
4214514	RED LAKE - KARAS LAKE ✓
4214515	RED LAKE - KARAS LAKE ✓
4214516	RED LAKE - KARAS LAKE ✓
4214517	RED LAKE - KARAS LAKE ✓
4222961	RED LAKE - KARAS LAKE ✓
4222962	RED LAKE - KARAS LAKE ✓
4222963	RED LAKE - KARAS LAKE ✓
4222964	RED LAKE - KARAS LAKE ✓
4222965	RED LAKE - KARAS LAKE ✓
4222966	RED LAKE - KARAS LAKE ✓
4222967	RED LAKE - KARAS LAKE ✓
4222968	RED LAKE - KARAS LAKE ✓
4222969	RED LAKE - KARAS LAKE ✓
4222970	RED LAKE - KARAS LAKE ✓
4257010	RED LAKE - KARAS LAKE ✓
4241152 ✓	RED LAKE - WHITEMUD LAKE
4241153 ✓	RED LAKE - WHITEMUD LAKE
4241154 ✓	RED LAKE - WHITEMUD LAKE
4241155 ✓	RED LAKE - WHITEMUD LAKE
4241156 ✓	RED LAKE - WHITEMUD LAKE
4241157 ✓	RED LAKE - WHITEMUD LAKE
4241158 ✓	RED LAKE - WHITEMUD LAKE
4241159 ✓	RED LAKE - WHITEMUD LAKE