

PROMISSORY NOTE

\$91,734.86

Vancouver, British Columbia

July 18, 2011

For Value Received, Northern Iron Corp., a corporation incorporated in the province of Ontario, Canada (the "Borrower") promises to pay to **Basil Botha**, an individual residing in the province of British Columbia (the "Holder"), or to order, the principal sum of ninety one thousand seven hundred and thirty four dollars and eighty six cents (\$91,734.86), from the date of this Promissory Note (this "Note") until paid, at an interest rate of **TWELVE (12.00%)** per cent per annum on the outstanding principal of the Note, calculated monthly on the first of each month during which any or all of this principal remains outstanding. Principal and interest shall be payable to Basil Botha at Suite 1051, 409 Granville Street, Vancouver, British Columbia, V6C 1T2, Attention: Basil Botha.

The entire principal hereunder due, plus any unpaid accrued interest to date due, shall be payable on demand, however demand may under no circumstance be made on or before July 18, 2012. In case of default in payment when due hereunder, the Borrower agrees to pay all costs of collection including any reasonable legal fees and disbursements.

There is no pre-payment penalty and the Borrower may prepay the Principal or any part thereof at any time or times without notice, penalty or bonus; however, any prepayment made shall be counted first against any unpaid accrued interest and then against the principal amount outstanding.

It is agreed that the Holder, without releasing, discharging, limiting or otherwise affecting in whole or in part the Borrower's obligations and liabilities hereunder, may, without limiting the generality of the foregoing:

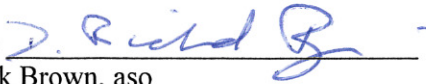
- (i) grant time, renewals, extensions, indulgences, releases and discharges to the Borrower;
- (ii) do, or omit to do, anything to enforce the payment or performance of the debt evidenced by this Promissory Note; or
- (iii) otherwise deal with the Borrower and all other persons and securities as the Holder may see fit.

The Borrower hereby waives presentment, protest, notice of protest and notice of dishonor of this Promissory Note.

This Promissory Note shall enure to the benefit of and be binding upon the Borrower, and its legal representatives and assigns. Any modifications to this Promissory Note shall be in writing and signed by both the Holder and the Borrower. This Promissory Note is executed in, and shall be governed and construed in accordance with the laws of, the province of Ontario.

This Promissory Note may be executed and delivered by facsimile or as a PDF via email to the Holder and such execution and delivery by facsimile or as a PDF via email shall be deemed an original for all purposes.

Northern Iron Corp.

By: 
Rick Brown, aso

I am duly authorized to bind the Corporation