

EARLY WARNING REPORT UNDER  
NATIONAL INSTRUMENT 62-103

**(1) Name and address of the offeror**

OMC Investments Limited  
10/F Hoi Kui Comm Bldg  
158 Connaught Rd Central  
HONG KONG

**(2) Designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired**

On October 16, 2014, OMC Investments Limited (“**OMC**”) and Northern Iron Corp. (“**NFE**”) entered into an Investment Agreement for Units (“**Investment Agreement**”) whereby OMC would acquire ownership of 19,048,000 units of NFE (“**Units**”) at a price of \$0.05 per Unit (“**Private Placement**”) and where each Unit comprises:

- (a) one common share of NFE; and
- (b) one common share purchase warrant by which OMC is entitled to acquire one common share in the capital of NFE at a price of \$0.05 at any time within 36 months of the closing date.

The Private Placement closed on November 28, 2014.

**(3) Designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to obligation to file the news release**

As of this date of this report, OMC holds 19,048,000 common shares of NFE, representing approximately 19.9% of the issued and outstanding shares of NFE. Assuming OMC exercises its 19,048,000 warrants, OMC would hold 33.19% of the issued shares of NFE, assuming no further shares are issued.

**(4) Designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph (3) over which**

- (i) **the offeror, either alone or together with any joint actors, have ownership and control**

The offeror has ownership and control over only those NFE securities described in paragraph 3 above.

- (ii) **the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor**

Not applicable.

- (iii) **the offeror, either alone or together with any joint actors, has exclusive or shared control but do not have ownership**

Not applicable

- (5) **Name of the market in which the transaction or occurrence that gave rise to the news release took place**

Private placement transaction from treasury, NFE common shares are listed on the TSX Venture Exchange.

- (6) **The value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release.**

The consideration paid for each Unit was \$0.05

- (7) **Purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer**

The Units were acquired by OMC for investment purposes. OMC also acquired anti-dilution rights which will allow OMC to participate in future financings of NFE. Subject to availability, price, the general state of the capital markets and the financial condition of NFE from time to time, OMC may purchase or sell securities of NFE.

- (8) **General nature and material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities**

Under the terms of the Investment Agreement, OMC acquired:

- (a) 15% of the issued and outstanding shares of Canadian Iron Metalics Inc (“CIMI”), a wholly-owned subsidiary of NFE incorporated by NFE as the holding company to hold the Griffith property and the Karas property, with an option to acquire up to 70% of the issued and outstanding shares of CIMI subject to certain conditions;

(b) an option pursuant to which, subject to certain conditions, OMC or an affiliate of OMC, will have the right to acquire up to 90% of the issued and outstanding shares of another wholly-owned subsidiary of NFE to hold the El Sol property.

**(9) Names of any joint actors in connection with the disclosure required by this report**

Not applicable.

**(10) In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value, in Canadian dollars of the consideration paid by the offeror**

See disclosure in item 2 above.

**(11) If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities**

Not applicable.

**(12) If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting the reliance**

DATED this 1<sup>st</sup> day of December, 2014.

**OMC Investments Limited**

By: “Changxian LI”  
Name: Changxian LI  
Title: Authorized Signatory