



Northern Iron Corp. Appoints New Director to Leverage Asian Markets For Lithium Products

Second Tranche of Fully Subscribed Private Placement Closes

VANCOUVER, BRITISH COLUMBIA, CANADA – November 2, 2016

Northern Iron Corp. ("Northern Iron" or the "Company") (TSX-V: NFE) (FRANKFURT: N8I) today announced the appointment of Huaiguo Shen to the board of directors.

Mr. Shen worked with SQM in China for 6 years before founding his own business as a distributor for SQM's lithium products in China. In 2014, Mr. Shen invested in three plants to produce cathode material for lithium ion batteries. Mr. Shen is currently a supplier of lithium products to many of China's leading battery manufacturers and consumers of lithium.

Immediately after graduation, Mr. Shen joined SINOCHEM, a leading, state-owned company involved in trading and manufacturing of petrochemicals and fine chemicals. 10 years later he joined SQM S.A., a world leading manufacturer of special fertilizer, lithium and iodine products.

Basil Botha, Chairman of the Company, said; "Huaiguo is a tremendous addition to our team. He has more than 14 years' experience in trading and manufacturing lithium products and has a wealth of industry knowledge. He has excellent relations with a number of lithium providers, but more important are his connections in the downstream production chain. These include manufacturers of cathodes, anodes, electrolytes, and batteries all of which are lithium consumers. We plan to leverage these relationships to find strategic partners and off-take agreements."

Private Placement

The Company is pleased to announce the closing of the second tranche of a non-brokered private placement financing for aggregate gross proceeds of \$1,345,000 (the "**Second Tranche**"). The Second Tranche consisted of 26,900,000 units of the Company ("**Units**") at a price of \$0.05 per Unit. Each Unit consists of one common share in the capital of the Company ("**Common Share**") and one Common Share purchase warrant ("**Warrant**"). Each Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.10 for a period of three (3) years from the date of issuance.



The Second Tranche is subject to the final acceptance of the TSX Venture Exchange (the “TSXV”), and all securities issued pursuant to the Second Tranche are subject to a four month and one-day hold period in compliance with Canadian securities laws.

Early Warning Report

As part of the Second Tranche, Hugh Business Enterprise Limited (“**Hugh Limited**”), a company controlled by Huaiguo Shen, acquired 25,900,000 Units. This press release is being disseminated as required by National Instrument 62-103 *The Early Warning System and Related Take Over Bids and Insider Reporting Issues* in connection with the filing of an early warning report (the “**Early Warning Report**”) regarding the acquisition of securities of the Company by Hugh Limited.

Following the completion of the Second Tranche, Hugh Limited beneficially owns, controls or directs, directly or indirectly, 25,900,000 Common Shares and 25,900,000 Warrants exercisable to purchase up to 25,900,000 Common Shares, representing approximately 15.3% of the issued and outstanding Common Shares on a non-diluted basis, and 26.6% on a partially diluted basis, assuming exercise of the Warrants held by Hugh Limited. The Warrants issued to Hugh Limited are subject to a restriction such that without first obtaining approval of the holders of Common Shares (“**Shareholders**”) for the creation of Hugh Limited as a new Control Person (as such term is defined in the policies of the TSXV), Hugh Limited shall only be entitled to exercise that number of Warrants which would result in Hugh Limited, following such exercise, holding 19.90% of the issued and outstanding Common Shares on an undiluted basis. At the upcoming special meeting of Shareholders to be held on November 30, 2016, the Company will be seeking Shareholder approval for the creation of Hugh Limited as a Control Person.

Hugh Limited acquired the Units for investment purposes and has no present intention to acquire additional securities of the Company but may acquire additional securities of the Company, dispose of some or all of the securities now owned or controlled, or continue to hold its current position in the future. A copy of the Early Warning Report for Hugh Limited can be found under the Company’s profile at www.SEDAR.com.

About Northern Iron Corp.

Northern Iron Corp has 3 highly prospective lithium properties in Nevada and Arizona.

Jackpot Lake –Moapa Valley, Nevada

- 100% owned -2800 acres – 140 claims;
- 35 km NE of Las Vegas;
- 1976 USGS completed 129 core samples;



- Spectrographic and atomic-absorption analyses of 135 stream sediment samples confirmed potential for lithium mineral deposits;
- Highest Lithium value was 550ppm, average 175 ppm.

Wilcox Playa –Arizona

- 1400 acres on shore of Wilcox Playa – Dry lake bed
- In 1976 USGS identified this area as one of the most prospective locations for lithium brines and highly analogous to Clayton Valley
- USGS has identified a 22 sq. mile anomaly with high electrical conductivity, interpreted as subsurface brine field with no hydrological outlet.

Little Rock Lithium Target - Yavapai County – Arizona

- High grade, lithium rich lacustrine clay
- Target is 2500 metres along strike ~ 20 metres thick
- Identified via electromagnetic survey in 2007
 - Large, highly electrically conductive body
 - Clay-altered rhyolite tuff.
- Grab sample 172 ppm Li
 - Clayton Valley sediments are between 73 and 220ppm

Timothy Marsh PHD, P. Eng QP prepared the disclosures and reports related to these projects

Northern Iron is also the owner of five iron (magnetite) properties in the Red Lake District in the Province of Ontario. The Red Lake District is an established mining region where Northern Iron has two near term development projects, the past producing [Griffith](#) mine and the [Karas](#) property.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

For further information, please contact:

Basil Botha
President & CEO
Northern Iron Corp.

Tel: 604-566-8570

Fax: 604-602-9868



Email: bbotha@northernironcorp.com

Website: www.northernironcorp.com

For up to the minute news, industry analysis and feedback follow us on [Facebook](#), [Twitter](#), [LinkedIn](#), [Google Plus](#) and [YouTube](#).

27544741.1