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VANCOUVER, BRITISH COLUMBIA, CANADA - August 24, 2016. / TheNewswire / [Northern Iron Corp.](#) ("Northern Iron" or the "Company") (TSX-V: NFE) (FRANKFURT: N8I) is pleased to announce an exploration outline on the lithium brines projects in Nevada and Arizona together with an augering and soil sampling program on the lithium rich claystone project in Arizona.

Basil Botha, President & CEO, said; "The proposed work programs will provide the company with a great deal of data in order to further develop these resources. The fact that all the projects are close to major cities allows us to keep our costs down to a bare minimum relative to Lithium projects at high altitude in Argentina. At the end of the day, it's all about location and logistics".

We are also reviewing a range of processing technologies complementary to our projects as we believe that this will play a big role from a cost and efficiency standpoint as this market evolves. The company believes that with its associated advantages in terms of geological setting and logistics, development timeframes and timeframes to production can be condensed in this favourable geography for end users.

The company aims to be amongst the first to fill the gap in the market with a high quality product. The geological and structural setting as well as the weathering history and brine at Jackpot Lake is highly analogous to the Clayton Valley, where Albemarle has its Silver Peak lithium-brine operation. Albermarle has been in continuous production of lithium carbonate and lithium hydroxide products from Clayton Valley brines since 1967.

Proposed Exploration on the Jackpot Lake lithium property, Nevada

Groundwork will be based on a USGS survey conducted in 1976 whereby 129 core samples, all of which encountered lithium with values up to 550 ppm and an average of 175 ppm are likely contained in buried permeable rock reservoirs. If this is the case, the objective would be to determine the full depth of the sediment basin with seismic surveys, but it is much cheaper to do this with gravity surveys. Gravity traverses across the basin can be modelled in 2D to determine basement depth and variations. It would be fairly typical to expect pinching units of intermediate density within the sedimentary sequence. This complexity would be dealt with in modeling by consulting reference wells drilled to the bottom of the sequence, or perhaps other data types. Gravity is by far the cheapest of the technologies under consideration and should provide the necessary data to determine the extent and location of the buried rock reservoirs. After reviewing the historic data, it has been determined that the logical steps required to locate the brine resource within the sequence will be through gravity surveys and with this information in hand, the permeability of the resource needs to be determined through pump tests, in order that a well plan can be outlined.

Proposed Exploration on the Wilcox Playa Basin lithium property, Arizona

Following a USGS survey report in 1976, the Wilcox Playa was noted as one of the most prospective locations for undiscovered lithium brines and most nearly like the currently exploited brine field in Clayton Valley, Nevada. Airborne electromagnetic prospecting by the USGS identified a 22-square-mile anomaly characterized by high electrical conductivity. The USGS interpreted this anomaly to be caused by a subsurface brine field hosted in sediments beneath the dry playa surface and would begin with a gravity survey to determine the extent and location of the buried rock reservoirs followed by pump tests.

Proposed exploration on the the Little Rock, Arizona

The target was first identified during a helicopter-borne VTEM electromagnetic survey conducted in 2007 while searching for massive copper sulfide deposits. A large, highly electrically conductive body at the south end of the survey area was checked on the ground and found to be a strongly clay-altered rhyolite tuff mostly concealed by a basalt flow. The exploration will begin with a grid pattern of soil sampling together with a hand augering down to a level of three metres. The lithium-rich claystone samples will then be bench tested to substantiate the recovery yield of lithium carbonate directly from the mineralized claystones.

Timothy Marsh PHD, P. Eng, a qualified person as defined in NI 43-101, prepared the disclosures reports related to the above three projects.

NI-43-101 reports have not been prepared on these properties; and the Company has not verified the geological statements referred to above, which are based on historical data.

About Northern Iron Corp.

Northern Iron is 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 area in Ontario where Northern Iron has two near term development projects, the past producing Griffith mine and the Karas property.

Northern Iron is currently working towards the production of Hot Briquetted Iron (HBI), a transportable form of direct reduced iron. HBI is complementary and a viable metallic supplement to scrap steel. Quality scrap is a critical raw material in the steel making process. With the diminishing supply of quality scrap steel and ever increasing market demand, steel producers around the world will be looking to secure alternative supplies of metallic products.

As part of the business plan, Northern Iron has acquired the past producing Griffith mine, which produced pellets and sponge iron (Direct Reduced Iron/DRI) from 1968 to 1986. The mine was owned and operated by STELCO and supplied pellets and sponge iron to the Hamilton and Nanticoke steel mills in Ontario.

Transportation infrastructure is currently in place to ship produced HBI into the North American market via rail and lake barges and into Asian markets via rail through the port of Prince Rupert. Existing infrastructure includes all weather roads, 115kV power line, natural gas line, rail bed and port facilities.

To date, Northern Iron has focused on de-risking the project by seeking out potential joint venture partners, off-take agreements or a combination thereof.

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