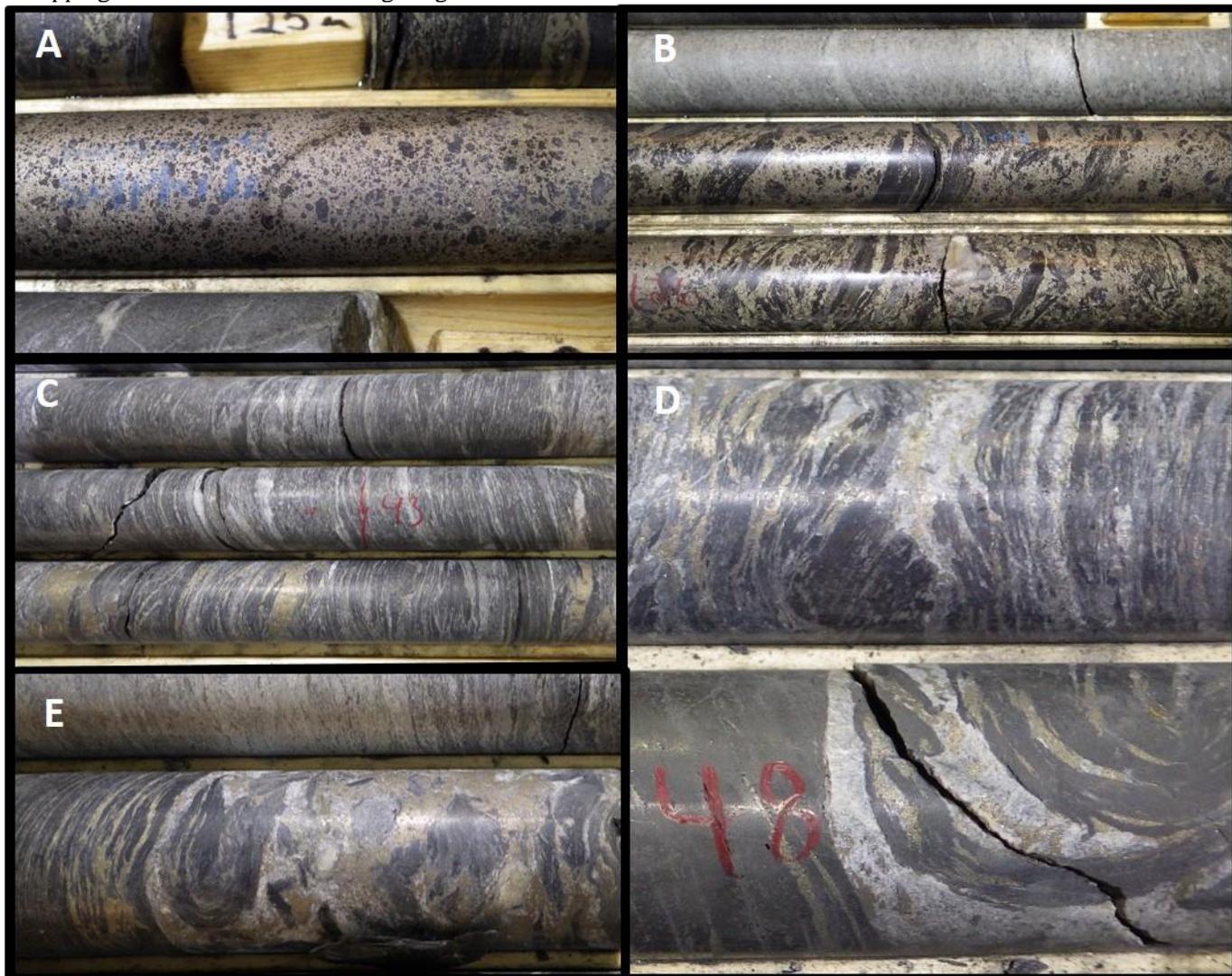


## Northern Shield Completes Séquoi Drill Program; Assays Pending

**Ottawa, Ontario (December 22, 2016)** - Northern Shield Resources Inc. ("Northern Shield" or the "Company") [TSXV: NRN] is pleased to announce that its six hole drill program at Séquoi has been completed. All drill-holes tested different geophysical targets.

The second of six drill-holes, 16SQ-02, intersected 5 meters (121.5m to 126.5m ) of what the Company believes to be brecciated, massive, semi-massive, stringer and disseminated sulphides, dominated by pyrrhotite with some identifiable pyrite and minor chalcopyrite (see photos below). The base of the massive sulphides appears to include grains of serpentinized olivine and the overlying rocks appear to be talc and serpentine altered. This is suggestive of an ultramafic origin and is supported by the presence of less altered and identifiable mafic/ultramafic cumulate intrusive rocks lower down in the drill-hole. The upper portion of the brecciated massive sulphide zone includes fragments of altered sedimentary rocks and quartz. The immediate footwall to the massive sulphides appears to be a sedimentary unit. Based on the drilling, the Company believes that the overall geology and style of mineralization in the Séquoi area may be more suggestive of a Thompson-style model rather than Noril'sk as previously thought. Assays are pending.

Also of potential importance, is the 15 metre intersection (from 41 to 56 m) of a shear zone containing what appears to be appreciable sulphide veins and quartz-carbonate veins (see photos below). The samples from this intersection are being rushed to the lab for gold analysis. A till sample collected nearby to this drill hole earlier this year assayed over 100 ppb gold and contained visible gold grains.



A; Base of massive sulphide unit (46.5 m). B; Brecciated massive sulphide unit. C; Sulphide and quartz-carbonate veins in shear zone (41-44.5 m). D; Brecciated and sulphide-bearing quartz-carbonate veins in shear zone (46.5 m) and sulphide-bearing quartz-carbonate veins filling fold-hinge (48 m). E; Pyrrhotite laminations and brecciated sulphide-bearing quartz-carbonate vein (47 m).

The other holes intersected what appear to be shear zones, some of which the Company believes host sulphide-bearing quartz veins and zones of brecciated graphite fragments in a matrix of pyrrhotite and minor chalcopyrite and will also be analysed for gold. Other than drill-hole 16SQ-02, no visually identifiable mafic-ultramafic intrusive rocks were intersected in the other holes.

Samples are on their way to the laboratory and assays will be released when available along with further interpretation and details on the 2017 plans for Séquoi and Sé2.

The drill program at Séquoi was overseen by Christine Vaillancourt, P. Geo., a Qualified Person under National Instrument 43-101, who approved the disclosure of the results provided in this press release.

Northern Shield Resources Inc. is a Canadian-based company focused on exploring for platinum group element ("PGE") and nickel-copper-PGE deposits. It is known as a leader in grass roots exploration for Ni-Cu-PGEs and the understanding of magmatic systems as it applies to exploration.

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#### **Forward-Looking Statements Advisory**

This news release contains statements concerning the exploration plans, results and potential mineralization at the Company's Sequoi property, geological and geometrical analyses of the Sequoi property and the drill core from the recently completed drill program at Sequoi and comparisons of the property and its potential mineralization to known mineral deposits, and other exploration and drilling plans, goals, objectives, assumptions, information or statements about future events conditions, results of exploration or performance that may constitute forward-looking statements or information under applicable securities legislation. Such forward-looking statements or information are based on a number of assumptions, which may prove to be incorrect.

Although Northern Shield believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward looking statements because Northern Shield can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Northern Shield and described in the forward looking statements or information. These risks and uncertainties include, but are not limited to, risks associated with geological, geometrical and geophysical interpretation and analysis, the ability of Northern Shield to obtain financing, equipment, supplies and qualified personnel necessary to carry on exploration and the general risks and uncertainties involved in mineral exploration and analysis.

The forward-looking statements or information contained in this news release are made as of the date hereof and Northern Shield undertakes no obligation to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws

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