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Northern Shield Closes Final Tranche of Private Placement for Aggregate Total of \$1,724,836

Ottawa, Ontario (December 17, 2019) - Northern Shield Resources Inc. ("Northern Shield" or the "Company") [TSX-V: NRN] is pleased to announce that it has closed the final tranche of a multi-faceted, non-brokered private placement financing for proceeds of \$446,040 bringing the aggregate total from the first and second tranche to \$1,724,836 (the "**Offering**"). The Offering size was increased from \$1,325,000 to accommodate strong demand.

The final tranche was comprised of: i) 600,000 units ("**Units**") at \$0.05 per Unit for aggregate gross proceeds of \$30,000, with each Unit comprised of one common share in the capital of the Company (a "**Common Share**") and one-half of one Common Share purchase warrant (a "**Warrant**"); ii) 3,500,000 flow-through units ("**Flow-through Units**") at \$0.07 per unit for aggregate gross proceeds of \$245,000, with each Flow-Through Unit comprised of one Common Share issued on a flow-through basis within the meaning of the *Income Tax Act* (Canada) (each a "**Flow-Through Share**") and one-half of one Warrant; and iii) 2,850,670 Flow-Through Shares at a price of \$0.06 per share, for aggregate gross proceeds of \$170,040. Each whole Warrant is exercisable for one Common Share at a price of \$0.10 per share for a period of 24 months from closing. Proceeds from the Offering will be used for working capital purposes and to incur eligible exploration expenses at the Shot Rock and Root & Cellar Properties.

An insider of the Company acquired 2,175,926 Units for proceeds of approximately \$108,796 in the first tranche. The issuance of securities to insiders pursuant to the Offering (the "Insider Participation") constitutes a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 ("MI 61-101"). The Company has relied on exemptions to the formal valuation and minority shareholder approval requirements contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of the Insider Participation as neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the Insider Participation, insofar as it involved related parties, exceeded 25% of the Company's market capitalization. Further details will be included in a material change report to be filed by the Company in due course. The material change report will not be filed more than 21 days prior to the closing of the Offering as the level of insider participation was not known at that time.

The Offering is subject to final approval of the TSX Venture Exchange. The Company paid an aggregate of \$9,540 in finders fees and issued 157,500 finders Warrants in connection with this tranche. Securities issued under the Offering are subject to restrictions on resale for a period of four months from the date of closing.

About Northern

Northern Shield Resources Inc. is a Canadian-based company focused on generating high-quality exploration programs with experience in many geological terranes. It is known as a leader in executing grass roots exploration program for Ni-Cu-PGEs and utilizing expertise and innovation toward working on other deposit types. Seabourne Resources Inc. is a wholly-owned subsidiary of Northern Shield focussing on epithermal gold and related deposits in Atlantic Canada and elsewhere.

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None of the securities sold in connection with the Offering will be registered under the United States Securities Act of 1933, as amended, and no such securities may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statement Regarding Forward-Looking Statements

This news release contains forward-looking information which is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements. Forward looking statements in this press release but are not limited to, statements with respect to the expectations of management regarding the proposed Offering, the expectations of management regarding the use of proceeds of the Offering, closing conditions for the Offering and TSX Venture Exchange approval of the proposed Offering. These forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Risks that could change or prevent these statements from coming to fruition include the Company may not conclude the Offering on terms favorable to the Company or at all; the TSX Venture Exchange may not provide final approval of the Offering; the proceeds of the Offering may not be used as stated in this news release; the funds raised from the sale of the Flow-Through Shares may not be renounced in favour of the holders; the Company may be unable to satisfy all of the conditions to the closing. The forward-looking information contained herein is given as of the date hereof and the Company assumes no responsibility to update or revise such information to reflect new events or circumstances, except as required by law.