

Northern Shield Intersects Large Epithermal Veins at Shot Rock Gold Property, Nova Scotia

Ottawa, Ontario (July 23, 2020) - Northern Shield Resources Inc. ("Northern Shield" or the "Company") [TSX-V: NRN] is pleased to provide an update on the Phase 2 drilling program currently underway at the Shot Rock Property ("Shot Rock") in Nova Scotia based on visual observations of drill core. Shot Rock is being explored for low-sulphidation epithermal (LSE) gold. Northern Shield can earn an 80% interest in Shot Rock Property.

To date, approximately 700 metres of the planned 2,500 to 3,000 metre Phase 2 diamond drilling program has been completed at the Highway Zone, with the third hole still in progress at the time of writing.

Of significance, the third drill hole of the second phase of drilling, drill hole 20SR-11, intersected significant widths of veining between a down-hole depth of 162 to 177 m (Figure 1a). This intercept consists of small-scale crustiform-colloform banded stockwork veins composed of quartz-chalcedony and jasperoid from 162 to 166 metres. This was followed by three metres of a silicified breccia zone with small-medium sized crustiform-colloform quartz-chalcedony veins with dark grey rims. The last eight metres, from 169 m to 177 m, consisted almost entirely of brecciated colloform-crustiform banded quartz veins (Figure 1b and 1c) containing quartz, chalcedony, hematite, jasperoid, adularia, pyrite and an unidentified silver-coloured mineral. True width of the vein system is not known at this time.

The first drill hole of this second round of Shot Rock drilling, 20SR-09, targeted the continuity of gold-bearing stockwork observed at surface but did not hit significant veining or mineralization. Drill hole 20SR-10 was positioned to intersect the same structure that hosts the high-grade gold mineralization reported from 20SR-04 from the first phase of drilling (see press release February 28, 2020) but approximately 75 m deeper. Several intervals of stockwork and disseminated sulphides were observed over intervals 85-89 m, 142-148 m and 164-174 metres. The latter is at the projected intercept depth of the targeted structure. Some of the veins contain adularia and sulphides and are similar to those observed near the gold mineralization in drill hole 20SR-04.

A drill hole plan map (Figure 2a) accompanying this release shows the collar locations and drill hole traces for holes completed to date. Pictures showing representative sections of core from some of the above-mentioned intervals are also appended to this news release.

"We are very pleased with the visual observations to date from the second phase of drilling program at Shot Rock, especially drill-hole 20SR-11, which is on-going. The significant increase in vein density compared to the other nearby drill-holes is impressive and suggest we are vectoring in the right direction. The observed presence of the mineral adularia in the last two holes is also a good sign, as on-going research being conducted at St Mary's University in Halifax, from samples from the Phase 1 drilling program, shows a good correlation between gold (electrum) and adularia."

- **Northern Shield President and CEO, Ian Bliss**

The drilling program is contracted to Logan Drilling Group based in Stewiacke, Nova Scotia, and is overseen by Christine Vaillancourt, P. Geo., the Company's Chief Geologist and a Qualified Person under National Instrument 43-101.

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 programs using a model driven approach. Seabourne Resources Inc. is a wholly-owned subsidiary of Northern Shield focussing on epithermal gold and related deposits in Atlantic Canada.

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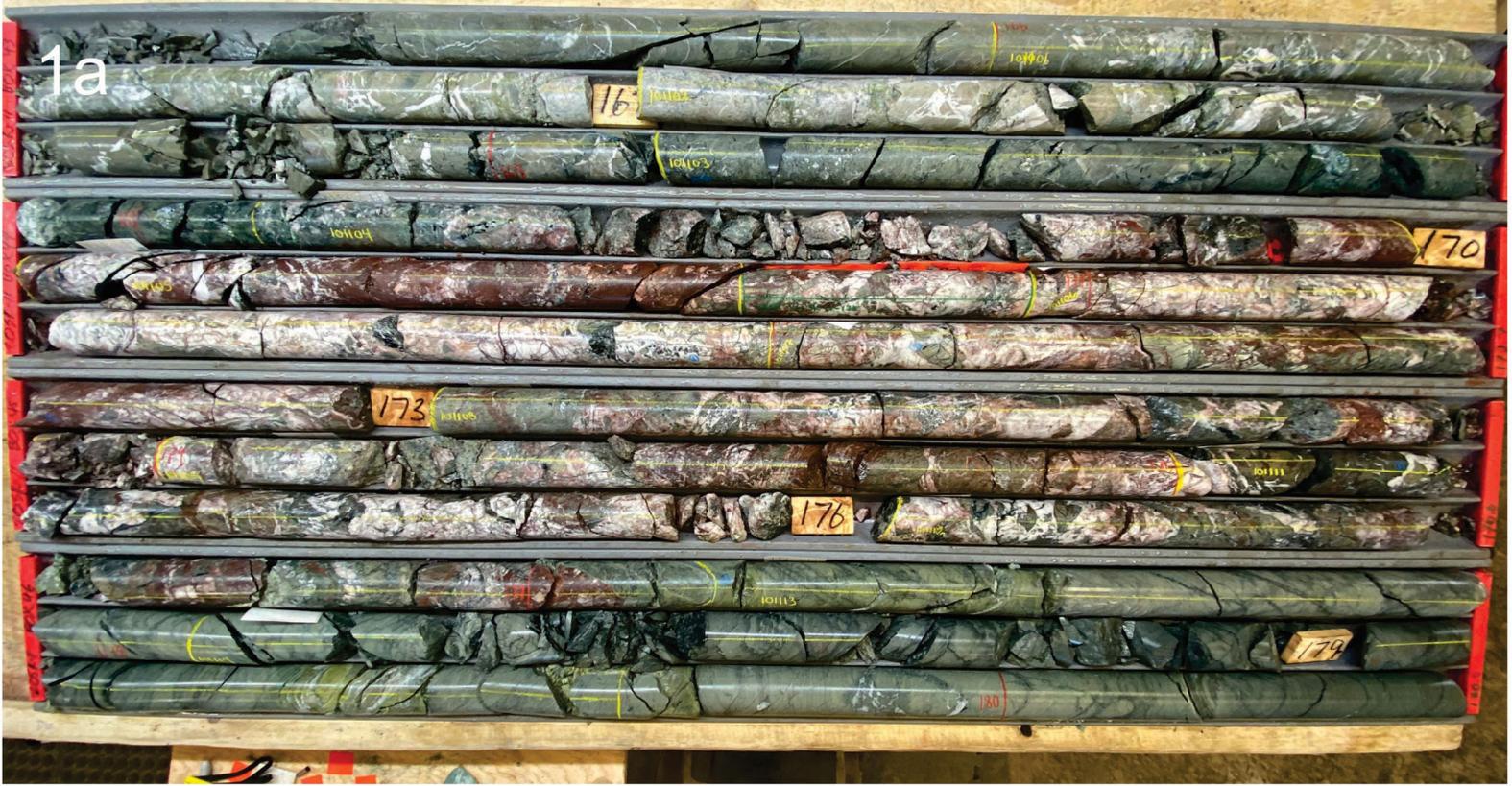
Forward-Looking Statements Advisory

This news release contains statements concerning the exploration plans, results and potential for epithermal gold deposits, and other mineralization at the Company's Shot Rock property in Nova Scotia, geological, and geometrical analyses of the properties and comparisons of the properties to known epithermal gold deposits and other expectations, plans, goals, objectives, assumptions, information or statements about future, 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.

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.



Photos of core from thick zone of quartz vein breccia, drill-hole 20SR-11

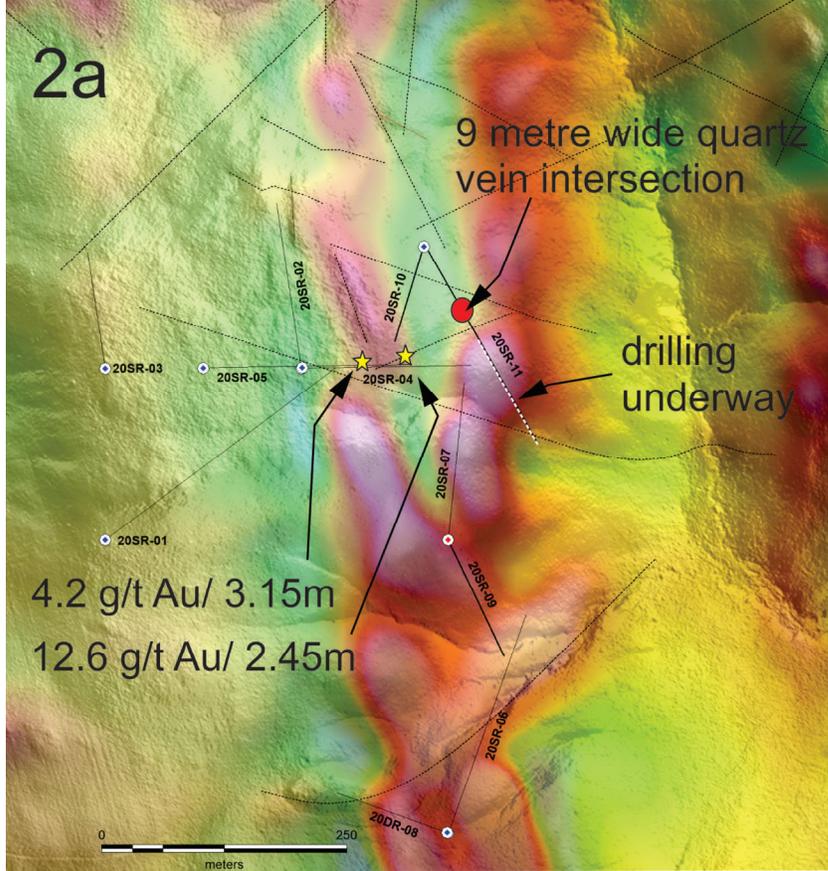


Figure 2a: First vertical derivative magnetic image draped over shaded digital elevation model with drill-hole locations and traces shown

2b and 2c: Epithermal textured quartz veins from DDH 20SR-10