

Northern Shield Completes First Tranche of Financing for Gross Proceeds of \$1,000,000

Ottawa, Ontario (June 30, 2016) - Northern Shield Resources Inc. ("Northern Shield" or the "Company") [TSX-V: NRN] is pleased to announce that it has completed the first tranche of a non-brokered private placement (the "Private Placement") of 6,250,000 units ("Units") at a price of \$0.16 per Unit for aggregate gross proceeds of \$1,000,000. Each Unit is comprised of one common share in the capital of Northern Shield (a "Common Share") and one half of one Common Share purchase warrant (a "Warrant"). Each whole warrant is exercisable for one Common Share at a price of \$0.22 per share until July 1, 2019 provided that should the Common Shares trade on the TSX Venture Exchange (the "TSXV") for 20 consecutive trading days at a price equal to or more than \$0.50, the Warrants will expire five days later. The Common Shares and Warrants underlying the Units are subject to a four month hold period from the date of issuance and the Private Placement remains subject to the final approval of the TSX Venture Exchange.

The Commodity Discovery Fund ("CDF") was the sole subscriber in the first tranche of the Private Placement. A second tranche is expected to close within two weeks. The Commodity Discovery Fund is a highly regarded investment fund based in the Netherlands with a strong focus on creating value at the discovery stage of the mining cycle. CDF has an impressive track-record of success with thirty-seven of the junior mining companies in its portfolio having been taken-over since the funds inception in 2008, which translates to about a one-in-three ratio of junior companies being acquired after a discovery success.

"We are very happy to add the Commodity Discovery Fund to our portfolio of high caliber shareholders and have their support," says Northern Shield President and CEO, Ian Bliss. "They have an enviable success ratio and we appreciate their support as we continue our intensive, science-driven exploration programs on our Labrador Trough Ni-Cu-PGE properties."

CDF Director Andor Lips (MSc and PhD Structural Geology, FIMMM), confirms: "We are pleased to become a significant supporter at this stage in Northern Shield's development. We are excited about the discovery potential for a well-developed magmatic Ni-Cu-PGE system of both the Huckleberry and Séquoi projects. We expect that the 2016 field season and drilling campaign will help to further reveal this potential."

The Private Placement is subject to a commission equal to 312,500 common shares in Northern Shield at a deemed price of \$0.16/share.

The programs at Huckleberry and Séquoi will be overseen by Christine Vaillancourt, P. Geo., a Qualified Person under National Instrument 43-101.

Northern Shield Resources Inc. is a Canadian-based mineral exploration company built around its platinum group element (PGE) expertise, which forms the basis of its exploration in eastern Canada.

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