

Northern Shield Provides Update to Gold-Bearing Epithermal Quartz System at Shot Rock, Nova Scotia

Ottawa, Ontario (January 7, 2019) - Northern Shield Resources Inc. ("Northern Shield" or the "Company") [TSX-V: NRN] is pleased to announce results from on-going exploration at the Shot Rock Property (the "Property") in Nova Scotia. These latest results show the continued identification of gold-anomalous to gold-bearing quartz veins in outcrop and boulders that have expanded the foot-print of the gold anomalous zone by 650 metres to the northeast. Shot Rock is being explored for low sulphidation epithermal gold mineralization through Northern Shield's wholly-owned subsidiary, Seabourne Resources Inc., which can earn up to an 80% interest in the Property.

Fifteen of the 70 samples of quartz vein material recently submitted for analysis returned anomalous gold (>0.025 g/t Au). Gold anomalous samples were identified in three of the four areas targeted within the Highway Zone. The highest assay of 1.03 g/t Au and 5.0 g/t Ag came from a large angular boulder composed of vuggy quartz veins hosting minor hematite and possible jarosite (formed from the oxidation of iron sulphides). The core area of gold-anomalous to gold-bearing quartz veins in outcrop and boulders now measures about 900 x 2,000 metres, with other satellite occurrences located approximately 600 metres north and up to 2,500 metres west of the core area.

On-going and preliminary interpretation of the data and geology suggests that the eastern portion of the Highway Zone may be capped by the remnants of rock units that have been thrust on top of the epithermal system along a low angle thrust fault. This thrust block would have protected the epithermal system from erosion, which could explain why the epithermal gold system largely appears to be intact at Shot Rock.

Compilation of all data also continues to highlight how distinctly anomalous the Highway Zone is in many of the pathfinder elements often associated with low sulphidation epithermal gold systems. Zonation at the Highway Zone shows a classic outer halo of Hg enrichment with progressively higher Ba and As inward and, finally, a core of Sb, Mo and K enrichment associated more tightly with the Ag-Au mineralization. (see maps at northern-shield.com)

A high resolution airborne magnetic survey is currently being planned for the Highway Zone at Shot Rock along with further ground exploration. The airborne survey is anticipated to commence in February but this timeline could change due to factors outside of the Company's control.

The textures and mineralogy of the quartz veins in outcrop and boulders from the Property are believed by Northern Shield to be consistent with the upper levels of epithermal gold systems, likely above the boiling cap. In typical epithermal systems, only modestly anomalous gold is expected to be seen above the boiling cap. If higher grades exist, they are usually found below, or at the level of the boiling cap.

The exploration programs are being overseen by Christine Vaillancourt, P. Geo., the Company's Chief Geologist and a Qualified Person under National Instrument 43-101. Samples from the program will be analyzed by ALS Global in Sudbury, Ontario and in Vancouver, BC, for Au by Fire Assay with ICP-AES finish and base metals by four acid digestion and ICP-AES. All standards and duplicates by ALS Global meet targeted values.

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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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 Nova Scotia properties, geological, and geometrical analyses of the properties and comparisons of the properties to known epithermal gold deposits in Nevada and elsewhere, 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.

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