

Northern Shield Identifies High Quality VTEM Targets at Séquoi

Ottawa, Ontario (August 8, 2016) - Northern Shield Resources Inc. ("Northern Shield" or the "Company") [TSX-V: NRN] is very pleased to announce the results of the interpretation and modeling of the VTEM survey from the Séquoi Property in the Labrador Trough of Quebec. Séquoi is owned 100% by Northern Shield and is being explored for Noril'sk style Ni-Cu-PGE massive sulphides.

After geophysical modelling and interpretation of the VTEM data from Séquoi, six VTEM anomalies of significant interest have been identified. Modelled conductivities are all greater than 3000 Siemens and modeled thicknesses range between 50 and 100 meters. Strike lengths of individual conductors range from 200 to 1100 meters. Most of the conductors are associated with relatively high magnetism. Modelling and interpretation of the data is on-going. Examples of some of the conductors are given on the Company's website: www.northern-shield.com

"The VTEM results are quite remarkable. One rarely sees geophysical results fit the geological model so well, especially in a blind environment," explains Northern Shield President and CEO, Ian Bliss. "We have a string of very strong and sizeable conductors. Their relative locations, geometry and conductance are consistent with our conduit model for magmatic massive Ni-Cu-PGE sulphides. We really could not be more pleased with the VTEM results and look forward to drill testing them."

It is currently planned that several of these targets will be drill tested on completion of the Huckleberry drill program in late September. However, inclement seasonal weather, common at that time of year, could affect the timing of the Séquoi drill program.

Final VTEM data from Idefix and Sé2 is expected shortly. An initial review of the survey data shows numerous strong conductors and several very strong conductors of interest at Sé2, and a 3 kilometer long coincident magnetic-EM anomaly at Idefix that appears to underlie the Ni-Cu-PGE mineralization previously identified by Northern Shield; however, full modelling of the data is required to better ascertain the sources of these anomalies.

Also, the Company is pleased to announced that all warrants issued as part of the two-tranche financing that closed in April have been exercised for gross proceeds of \$416,667

The drill program at Séquoi will be overseen by Christine Vaillancourt, P. Geo., a Qualified Person under National Instrument 43-101. The VTEM survey was flown by Geotech Ltd of Markham Ontario at 150 meter line spacing.

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 Cu-Ni-PGE and other mineralization at the Company's southern Labrador Trough properties, geological, and geometrical analyses of the southern Labrador Trough properties and comparisons of the properties to known Cu-Ni-PGE deposits, and other expectations, 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

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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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