

Northern Shield Completes First Phase of Drilling at Huckleberry; Prepares for Drilling at Séquoi

Ottawa, Ontario (October 5, 2016) - Northern Shield Resources Inc. ("Northern Shield" or the "Company") [TSX-V: NRN] is pleased to announce that the initial drill program has been completed at the Company's Huckleberry property. Seven holes totaling 2,053 meters were drilled, including one hole abandoned for technical reasons. A first batch of samples is in process at the analytical lab and the remainder are in transit. The drilling program is being executed under the terms of the option agreement with South32 Limited, announced on June 7, 2016.

The drill-hole locations were selected to test certain electromagnetic ("EM") anomalies identified from the VTEM (Versatile Time Domain Electromagnetic) survey as well as to add geological knowledge from different portions of the Huckleberry intrusion. While more detailed interpretation and analysis will be provided on receipt of assay results, drilling continues to show the olivine melagabbro and peridotite of the western copper zone to be the primary target of interest.

In addition, a 1,000-1,500 meter drill program at the Company's 100% owned Séquoi property is expected to commence in mid-November after the ground has frozen and the weather stabilized.

"We look forward to the Huckleberry results and the start of the Séquoi drill program," said Northern Shield President and CEO, Ian Bliss: "Recent modelling of the magnetic data is very supportive of these EM targets at Séquoi being magmatic in origin - with the magnetic inversion seemingly showing a magma chamber and feeder-dike below and adjacent to the EM plates."

The drilling program at Huckleberry was overseen by Christine Vaillancourt, P. Geo., a Qualified Person under National Instrument 43-101.

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 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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