

Northern Shield Closes First Tranche of Private Placement

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OTTAWA, Dec. 24, 2018 /CNW/ - Northern Shield Resources Inc. ("Northern Shield" or the "Company") (TSXV: NRN) is pleased to announce that it has closed the first tranche of a multi-faceted, non-brokered private placement financing (the "Offering") of up to 14,000,000 common shares on a non-flow-through and flow-through basis ("Flow-Through Shares") within the meaning of the *Income Tax Act* (Canada). Flow-Through Shares are being offered at \$0.075 per Flow-Through Share with respect to the Company's properties located in the Province of Quebec ("Quebec Flow-Through Shares") and Flow-Through Shares are being offered at \$0.07 per Flow-Through Share with respect to the Company's property located in the Province of Nova Scotia ("Federal Flow-Through Shares"). The Company is also offering units at \$0.055 per Unit (each a "Unit"). Each Unit consists of one common share in the capital of the Company (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 \$0.10 per share within 12 months of the closing of the Offering. The Offering is subject to final approval of the TSX Venture Exchange.

The first tranche consisted of 1,333,333 Quebec Flow-Through Shares issued at \$0.075 for proceeds of \$100,000 and 1,428,570 Federal Flow-Through Shares issued at \$0.070 for proceeds of \$99,999.90. All Common Shares issued as part of the Offering are subject to a statutory hold period of four months and one day from the date of closing of the Offering. The Company may pay a 6% cash finders fee where applicable to certain registered brokers and dealers.

All proceeds from the sale of the Quebec Flow-Through Shares will be used to incur eligible Canadian exploration expenses (the "Qualifying Expenditures") at the Company's newly acquired gold projects in the Gaspesie region of Quebec and the proceeds of the sale of all Federal Flow-Through Shares will be used to incur Qualifying Expenditures at the Company's gold projects in the Province of Nova Scotia, prior to December 31, 2019. The Corporation will renounce the Qualifying Expenditures to subscribers of the Flow-Through Shares for the fiscal year ended December 31, 2018.

None of the securities sold in connection with the Offering will be registered under the *United States Securities Act of 1933*, as amended, and no such securities may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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.

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.

Cautionary Statement Regarding Forward-Looking Statements

This news release contains forward-looking information which is subject to a variety of risks and

uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements. Forward looking statements in this press release but are not limited to, statements with respect to the expectations of management regarding the proposed Offering, the expectations of management regarding the use of proceeds of the Offering, closing conditions for the Offering, and Exchange approval of the proposed Offering. These forward-looking statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Risks that could change or prevent these statements from coming to fruition include the Company may not complete the Offering on terms favorable to the Company or at all; the Exchange may not approve the Offering; the proceeds of the Offering may not be used as stated in this news release; the funds raised from the sale of the Flow-Through Shares may not be renounced in favour of the FT Share holders; the Company may be unable to satisfy all of the conditions to the closing. The forward-looking information contained herein is given as of the date hereof and the Company assumes no responsibility to update or revise such information to reflect new events or circumstances, except as required by law.

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