

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

High North Resources Ltd. (TSX VENTURE:HN) (the "Company" or "High North") is pleased to announce the completion of the previously announced plan of arrangement (the "Arrangement") under the *Business Corporations Act* (British Columbia) (the "BCBCA") with holders ("Debentureholders") of its 12.00% convertible unsecured subordinated debentures (the "Debentures"). The Arrangement was effective as at 12:01 a.m. (Vancouver time) (the "Effective Time") on July 15, 2015 (the "Effective Date").

The Arrangement was approved at an extraordinary meeting of the Debentureholders on June 4, 2015, and a final order approving the Arrangement was granted by the Supreme Court of British Columbia on June 8, 2015 in accordance with Part 9 of the BCBCA. Under the Arrangement, Debentureholders had the opportunity to elect to tender their Debentures, for certain options, as set out in the information circular of High North dated April 30, 2015 (the "Information Circular"). 4,011 Debentures in the principal amount of \$4,011,000 were tendered to Option A, and 4,659 Debentures in the principal amount of \$4,659,000 were tendered to Option B.

Pursuant to the Arrangement, the following principal steps were completed on the Effective Date: (i) the 4,011 Debentures tendered to Option A were redeemed by High North in exchange for 66,850,000 common shares of the Company (the "Common Shares"); (ii) 4,659 Debentures were tendered to Option B and the terms of the Debentures were amended and shall be governed by the convertible debenture indenture dated as of April 4, 2014 between High North and Computershare Trust Company of Canada, as trustee (the "Trustee"), as amended by the first supplemental debenture indenture dated effective April 4, 2015 between High North and the Trustee (the "Amended Debentures"), and filed under High North's SEDAR profile at www.sedar.com. The Amended Debentures mature on October 4, 2016 and bear interest at a rate of 6.00% per annum calculated annually, and not in advance, not compounded and payable in cash only, effective from April 4, 2015. Each Amended Debenture will be convertible at the holder's option into Common Shares at any time after the Effective Time and prior to 4:30 p.m. (Eastern time) on September 30, 2016 at the conversion price of \$0.10 per Common Share, subject to customary anti-dilution adjustments in the event of stock consolidation, stock splits, stock dividends and other such events. The Amended Debentures will not be listed on the TSX Venture Exchange, however, any Common Shares issuable upon conversion, redemption or maturity of the Amended Debentures will be listed on the TSX Venture Exchange; (iii) Debentureholders were issued an aggregate of 8,670,000 Common Shares as payment for the accrued and unpaid interest on the Debentures at a rate of 12.00% per annum due April 4, 2015; and (iv) Debentureholders who tendered their Debentures to Option A were issued an aggregate of 1,120,882 Common Shares as payment for the accrued and unpaid interest at a rate of 6.00% per annum from April 4, 2015 up to but not including the Effective Date.

As of the closing of the Arrangement, High North has a total of 148,740,934 Common Shares issued and outstanding.

Further details regarding the Arrangement are set forth in the Information Circular which has been filed under High North's SEDAR profile at www.sedar.com.

High North is a Calgary-based company that explores, develops and produces oil and natural gas in Western Canada. High North trades on the TSX Venture Exchange under the symbol HN.

Additional information about the Company is available under High North's SEDAR profile at www.sedar.com.

Forward-looking Statements and Information

This news release contains certain "forward-looking statements" or "forward-looking information" (collectively referred to herein as "forward-looking statements") within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of High North. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or are events or conditions that "will", "would", "may", "could" or "should" occur or be achieved. This news release contains forward-looking statements pertaining to, among other things, that the Common Shares issuable upon conversion, redemption or maturity of the Amended Debentures will be listed on the TSX Venture Exchange. Forward-looking statements contain significant risks and uncertainties. A number of circumstances could cause results to differ materially from the results discussed in the forward-looking statements including, without limitation regulatory changes and certain other risks detailed from time to time in High North's public disclosure documents, copies of which are available on High North's SEDAR profile at www.sedar.com.

Although High North believes that the material factors, expectations and assumptions expressed in such forward-looking statements are reasonable based on information available to it on the date such statements were made, no assurances can be given as to future results, levels of activity and achievements and such statements are not guarantees of future performance. High North's actual results may differ materially from those expressed or implied in forward-looking statements and readers

should not place undue importance or reliance on the forward-looking statements. Statements including forward-looking statements are made as of the date they are given and except as required by applicable securities laws, High North disclaims any intention or obligation to publically update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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