

Toronto, Ontario--(Newsfile Corp. - December 7, 2015) - [Northern Sun Mining Corp.](#) (TSXV: NSC) (the "Company" or "Northern Sun") announces that it has suspended custom milling operations at the Company's Redstone Mill in Timmins, Ontario. Operations were suspended earlier this month with process concentrate inventories currently being prepared for final shipment.

Since July 2014, Northern Sun has been treating ore sourced from Wallbridge Mining Company's ("Wallbridge") Broken Hammer deposit in Sudbury, Ontario. Since that time, Northern Sun has treated nearly 300,000 tonnes of ore while the original contract with Wallbridge was for 200,000 tonnes of ore. The ore body at the Broken Hammer deposit has been exhausted and Wallbridge ceased mining at the end of October 2015.

Originally designed and operated as a nickel mill, Northern Sun's Redstone processing facility quickly made the transition in 2014 to process Wallbridge's copper and precious metals ore. The Redstone Mill is now fully capable of processing gold, base metals and platinum group element ores. The Company wishes to acknowledge Wallbridge for the opportunity to custom mill the Broken Hammer ore.

The Company continues to seek other potential feed sources for its 1500 tonne per day Redstone processing facility. Discussions continue with a number of potential suppliers of ore, and also, Northern Sun is considering other business development opportunities in order to fully utilize its capabilities as a mining and processing company.

Exploration Update

The Company has undertaken exploration programs on both its McAra property (located 25 kilometers from Shining Tree, Ontario) and Groves property (located approximately 10 kilometers from Gogama, Ontario) in 2014 and 2015.

Mineralization on the McAra property consists of a number of surface showings and drill intercepts of high grade but narrow cobalt (up to 7% cobalt, in core intercept lengths of 1 metre and less). Drilling conducted by a previous operator on the property in 2003 also intercepted gold, with the best intercept being 3.07gpt Au over 4.0 metres core length. Field work completed in 2014 consisted of surveying all historic drill holes and trenches for entry into database systems to allow for geological synthesis of the property. Also, follow-up was completed on areas of interest generated from 2013 ground geophysical surveys. An internal review conducted in Q3 2015 concluded that the cobalt mineralization found to date does not represent an advanced exploration target at this time. Potential exists to extend the cobalt mineralized zone both down dip and along strike however. The internal review also identified that a prospective gold zone exists on the property, located to the southeast of the main area of cobalt mineralization. The gold is interpreted to be hosted within a shear zone and thus far has been intercepted with four drill holes over a 300m strike length and within 65m of surface. Considerable potential exists for this zone to host additional gold mineralization along strike and at depth.

On the Groves property, field work completed in 2014 and 2015 focused on follow-up of selected airborne geophysical (Versatile Time Domain Electromagnetic or "VTEM") targets and the historical Groves copper-nickel occurrence, as well as completed reconnaissance over other prospective areas. VTEM surveying was completed over the Groves property in 2008. Field work completed between June and October 2014 consisted of linecutting, Induced Polarization ("IP") surveying, beep mat surveying (an electromagnetic surveying tool), prospecting, and hand trenching of prospective geophysical targets.

Early in 2015, geophysics in the form of borehole electromagnetics was completed in three drill holes at the historic Groves copper-nickel occurrence. The results of the borehole survey did not indicate significant extensions to the known mineralization.

Elsewhere on the Groves Property, an exploration target known as VTEM "Anomaly B", located approximately 700 metres from the historic Groves copper-nickel occurrence has been identified as of particular interest to the Company. The VTEM profile for this anomaly is interpreted to represent a near surface conductor with a potential depth of 300 meters or more and a strike length of approximately 400 metres. Follow-up exploration conducted on Anomaly B during September and October 2015 consisted of ground geophysics (beep mat surveying), prospecting, and hand trenching. Beep mat surveying was used over general areas of interest to more specifically locate areas for prospecting and hand trenching. From this, several gossanous mineralized boulders were found near the southern edge of VTEM Anomaly B which are believed to be located near their bedrock source. Grab samples (identified as samples E5449590 through E5449593 in Table 1 below) were taken from the gossanous mineralized boulders found in the hand trenches with the highlights of results summarized in Table 1 below. Of note, the mineralization found in the listed samples is similar to that of the historic Groves copper-nickel occurrence.

Table 1: Analytical Results for Samples taken from Surface Boulders near VTEM Anomaly B

Sample No.	Nickel (%)	Copper (%)	Cobalt (%)	Gold (ppm)	Platinum (ppm)	Palladium (ppm)
E5449590	1.47	1.32	0.156	0.099	0.217	0.181
E5449591	2.75	0.45	0.054	0.102	0.060	0.367
E5449592	1.85	0.80	0.036	0.032	0.219	0.268
E5449593	1.63	0.82	0.119	0.180	0.100	0.217

Notes: Nickel, Copper and Cobalt contents reported above were analyzed using Aqua Regia digestion - ICP-OES finish. Gold, Platinum and Palladium contents reported above were analyzed using Fire Assay - ICP-OES finish. Includes highlights of analytical results received as of November 30, 2015.

In one of the recently hand-dug trenches, Northern Sun believes gossanous mineralization has also been located in either bedrock or a very large boulder. Sampling has recently been completed in this hand trench, but analytical results for those samples (from the possible bedrock source) have not been received at time of writing. Additional line cutting and ground geophysics were conducted in the vicinity of VTEM Anomaly B in November 2015 in order to better define the VTEM anomaly. Preliminary results of this ground geophysics were received on November 25 and the significance of the results is being assessed by the Company at time of writing.

Northern Sun has identified further exploration potential on both its McAra and Groves properties. Market conditions remain very challenging to provide the financial support for further exploration. As noted, the milling operation has been placed on care and maintenance and sources of funding remain scarce. As well, further discussions below highlight the sense of urgency around the Company's debt load and remedies around it. Northern Sun is considering various vehicles for funding further exploration which may include but not limited to joint ventures, property option agreements and potential selling of these assets while retaining certain rights.

Corporate Update

As of September 30, 2015, the Company had secured debt of \$153,479,166 ("Secured Debt") owing to Jien International Investment Limited ("JIIL") with a maturity date of December 31, 2015 ("Maturity Date"). JIIL also owns approximately a 60% common equity holding in Northern Sun. JIIL is a wholly-owned subsidiary of Jilin Jien Nickel Industry Co., Ltd. ("JJNICK"), the ultimate controlling party of Northern Sun.

With the high debt load noted and the pending maturity, there exists significant doubt as to the ability of the Company to continue to meet its obligations as they come due and hence function as a "going concern". In all likelihood, the Company will be unable to repay the Secured Debt by the Maturity Date and it will be in default.

The following lists the securities held by JIIL in respect of the Secured Debt:

- a) A debenture dated May 25, 2009 providing for a fixed and floating charge on all of the Company's existing and after-acquired real and personal property;
- b) A supplemental debenture in favour of JIIL providing for a fixed and floating charge on all of the Company's existing and after-acquired real and personal property;
- c) A share-pledge of Company's shares in Liberty Cobalt Inc. and 2004428 Ontario Inc. in favour of JIIL;
- d) A demand debenture of US \$200,000,000 or a lesser amount and interest of 25% or a lesser rate on default of the agreement entered between the Company and JIIL dated June 30, 2011; and
- e) Other security interest entered by the Company in favour of JIIL.

The management of Northern Sun is in discussions with JIIL and JJNICK and is planning to form a special committee and potentially hire external legal and financial advisors to consider possible routes to address the maturing Secured Debt. Northern Sun is conducting a strategic review of any third parties who could be interested in purchasing its assets or shares.

About Northern Sun Mining Corp.

Northern Sun owns the Redstone Mill which it has operated since 2007. The Mill was originally designed with milling capacity capable of processing 1500 tonnes per day ("tpd") of ore. The Redstone Mill currently completed a contract with Wallbridge utilizes slightly more than half of the mills capacity or about 800 tpd of ore. The Redstone Mill produced two products from the Wallbridge Copper-PGE ore; a copper concentrate which was sent to a third party copper smelter, and a precious metal concentrate which is processed by a third party precious metal refinery. Metal recoveries through the Redstone Mill have been "world class" and have exceeded original lab scale testing done in 2014.

Northern Sun also owns two former producing nickel mines and a large, prospective, land package in the Shaw Dome area, a prospective nickel belt near Timmins, Ontario.

Heather Miree, P. Geo., is a Qualified Person as such term is defined under National Instrument 43-101 ("NI 43-101") and has reviewed and approved the technical information related to geology and exploration in this news release.

For further information:

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