Northquest Discovers a Large, Strong, Gold Dispersal Train at The Pistol Bay Gold Project

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GOLD GRAIN DATA OUTLINE A MAJOR NEW DISPERSAL TRAIN SIMILAR TO THOSE ASSOCIATED WITH SOME OF CANADA'S LARGEST GOLD DEPOSITS

TORONTO, December 15 2015 - Northquest Ltd. (TSX.V-NQ) (FWB-N3Q) ("Northquest" or "the Company") is pleased to announce the results of a glacial till sampling program that was completed on the Pistol Bay gold project in the period July to September, 2015. The Pistol Bay gold project covers a 90 kilometre strike length of a gold bearing trend known as the Pistol Bay Trend, which contains a west-trending series of gold occurrences and gold zones intersected in holes drilled by Northquest in 2011, 2012, 2013, and 2014. In the past 5 years, since field operations commenced in April 2011, the Company has completed three airborne geophysical surveys and 21,750 metres of diamond drilling in 100 drill holes, of which 17,195 metres of drilling and 69 drill holes were completed at the Vickers Gold Zone.

In 2015, the Company reserved approximately $500,000 of the annual exploration budget for geochemical surveying of promising gold targets that were concealed by glacial overburden (also known as "till") and the Company is pleased to report the results of the till indicator mineral survey of the Pistol Bay gold project. The target metal in the survey was gold.

An initial 40-sample pilot survey was conducted in July to test the gold grain responses of the Vickers gold zone and Bazooka gold occurrence. This was followed in August and September by a larger, 424-sample survey. Laboratory results including gold grain counts and gold geochemical analyses have now been received for all 464 samples. The gold grain data outline a major new dispersal train similar to those associated with some of Canada's largest gold deposits, for example New Gold Inc.'s Blackwater Gold Deposit of 8.17 million ounces of gold at 0.74 ppm gold (Reserves excluding Indicated and Inferred resources and excluding silver credits), New Gold Inc.'s Rainy River Deposit 3.77 million ounces of gold at 1.13 ppm gold (Reserves excluding Indicated and Inferred resources and excluding silver credits) (www.newgold.com), and Agnico Eagle's Meliadine Deposit (3.34 million ounces of gold at 7.44 ppm gold excluding Indicated and Inferred resources) (www.agnico eagle.com).

Surficial Geological Conditions Governing Till Sampling at the Pistol Bay Gold Project

Bedrock outcrops occur only in isolated areas of the Pistol Bay property. On most of the property, the bedrock surface is covered by several metres of till that was deposited during final meltdown of the continental ice sheet approximately 8,000 years ago. Hudson Bay then spread inland over the land surface that was depressed more than 100 metres by the extreme weight of the ice sheet. The property remained under seawater for over 3,000 years as the land slowly rebounded. Hundreds of marine sand and gravel beaches were deposited on the till at successively lower elevations as the bay receded to its present limits. The pilot sampling program was performed to determine whether: (a) till is exposed sufficiently between the paleomarine beaches to permit sampling at the desired spacing; (b) thawed frost boils are sufficiently common to allow sampling of the otherwise permanently frozen till; and (c) the overall composition and gold content of the till adequately reflect those of the underlying bedrock.

Results of the Pilot Survey

In the pilot survey, 20 till samples weighing approximately 12 kilograms each were collected from frost boils in each of the Vickers and Bazooka test areas. These samples were collected at 200 metre intervals on lines 500 metres apart and oriented northeast, perpendicular to the southeast glacial ice flow path. Both till exposure and frost boil development were found to be adequate for the 200 x 500 metre sampling pattern. The gold background of the till was found to be higher than normal, ranging up to 40 to 50 grains per sample, suggesting that the property is unusually gold fertile. At Vickers, a 200 metre wide gold dispersal train with gold counts up to 731 grains per sample was identified and traced 500 metres along the south-easterly direction of glacial ice flow. At the Bazooka gold occurrence, a 1 kilometre wide gold grain anomaly with counts up to 358 grains per sample was identified. This anomaly covered an area much larger than the relatively small Bazooka gold occurrence and extended glacially up-ice beyond the showing, indicating a

previously unknown bedrock source to the northwest. The great width of the anomaly further suggested that the bedrock source mineralization trends northeast, perpendicular to the southeast direction of ice flow.

Results of the Detailed Survey

Based on the success of the pilot survey, an additional 50 square kilometres were surveyed around each of the Vickers and Bazooka areas using the same sample spacing. At Vickers, the dispersal train from the known gold deposit was delineated more precisely but only a few small outlying gold grain anomalies were encountered. At Bazooka, however, the newly discovered gold grain anomaly was shown to be part of a very large and systematic dispersal train - now known as the Howitzer Anomaly - that is similar to those associated with the major Meliadine, Rainy River, and Blackwater gold deposits elsewhere in Canada (cf. www.agnico-eagle.com; www.newgold.com). This dispersal train was traced 3 kilometres up-ice across a sheared and altered quartz diorite intrusion to the contact of the quartz diorite with a sterile granitic pluton.

Systematic outcrop examinations were not made due to the shortness of the sampling season but several outcrops of quartz diorite that resemble the host rocks of the Vickers gold zone were noted near the head of the gold dispersal train. A sample of silicified diorite containing 2% finely disseminated pyrite from one of these outcrops returned a gold analysis of 1.70 ppm gold. In addition, a sample collected during a reconnaissance sampling survey in 2013 in the source area of the gold dispersal train contained 12.20 ppm gold.

The 1 x 3 kilometre dimensions of the Howitzer gold dispersal train closely match those of the train from the Blackwater gold deposit in British Columbia (144.60 million tonnes grading 0.89 ppm gold in the Proven category plus 199.80 million tonnes grading 0.63 ppm gold in the Probable category for a combined total Proven and Probable of 344.40 million tonnes grading 0.74 ppm gold for 8.17 million ounces of gold (www.newgold.com)). Most importantly, the Howitzer train is three times stronger, both; i) mineralogically with many samples exceeding 500 gold grains and a peak count of 1,847 grains versus 652 at Blackwater, and ii) geochemically, with the major silt fraction of the till commonly containing greater than 50 ppb gold with a peak value of 221 ppb gold compared to a maximum of 74 ppb gold at Blackwater. The gold grains are significantly finer than those in the Blackwater, Meliadine and Rainy River trains and account for only 15 percent of the total gold detected by geochemical analysis. The balance of the gold was probably once held in pyrite grains that were dispersed together with the gold grains but subsequently degraded by post-glacial oxidation of the till.

A presentation of the data in connection with this work has been uploaded to www.northquest.biz under the Investors/Presentations tab.

Next Steps

These data provide sufficient density of sampling to allow the establishment of drill collars for the initial testing of the Howitzer Anomaly. As soon as possible in 2016, geologists will map and sample the outcrops in the source area of the gold dispersion train and lay out the first bank of drill holes. It is expected that the initial drilling will commence in June, 2016. Given the large size of the anomaly (1 x 3 kilometres), it is anticipated that a minimum of 10,000 metres of drilling will be required for the initial evaluation of the anomaly.

Jon North, CEO, stated, "The discovery of the Howitzer Anomaly by Overburden Drilling Management is an astonishing development for the Pistol Bay Project and reinforces our contention that this project will evolve into a series of gold deposits within the fertile Pistol Bay Trend. Moreover, the fact that this new discovery is associated with a large area of mineralized intrusive rocks that resemble those at the Vickers gold zone is particularly encouraging and we look forward to drilling the first holes at the Howitzer Anomaly in 2016."

Stu Averill, Chairman of Overburden Drilling Management, added, "We quickly found that till conditions at Pistol Bay are ideally suited both for detecting hidden gold deposits and pinpointing their locations. To advance from pilot testing to identifying a gold grain anomaly of Howitzer calibre and tracking it 3 kilometres to its bedrock source in just three months on a $500,000 budget is both a rare feat in Canadian mineral exploration and a testament to the gold potential of Northquest's Pistol Bay gold project."

Information in this press release relating to exploration results is based on data collected under the direct

supervision of Donald Holmes, P.Geo. and David Hozjan, P.Geo. who are Qualified Persons within the meaning of National Instrument 43-101. ODM has approved the disclosure contained in this press release and has verified the scientific and technical data contained herein.

There has been insufficient exploration to define a mineral resource at the Pistol Bay Project to date, and it is uncertain if further exploration will result in the target being delineated as a mineral resource. Northquest is a mineral exploration company focused on the acquisition, exploration and development of properties for the mining of gold and other minerals. Northquest has 106,353,706 shares outstanding (117,782,186 shares on a fully diluted basis). For further information please visit www.northquest.biz.

Sampling and Sample Processing Protocols

The sampling procedures were based on the knowledge that till is an unsorted, bimodal sediment dominated by fine, silty rock flour particles and large boulders, with the silt fraction comprising 30-40% of the matrix and containing over 90% of the gold grains. Field-screened samples weighing approximately 12 kilograms and containing approximately 10 kilograms of minus 2 millimetre sand and silt-sized particles were collected. Duplicate samples were collected at approximately 30 sample intervals. The program was designed and implemented by Overburden Drilling Management Limited ("ODM"), a company licenced by the Association of Professional Geoscientists of Ontario. Donald Holmes, P.Geo. and David Hozjan, P.Geo. supervised collection of the samples.

The samples were processed in Ottawa by ODM, under the supervision of Remy Huneault, P.Geo. to obtain: (a) a 30 to 40 gram aliquot of the minus 0.063 millimetre silt fraction from a 300 gram split of the parent sample; and (b) a detailed count and description of the gold grains present in the rest of the sample. The silt aliquot was analyzed for gold and other elements of interest by Actlabs Ltd. in Ancaster using a combination of Instrumental Neutron Activation and ICP-MS methods. Quality assurance was obtained from the field sample duplicates, a blind silt standard inserted by ODM, and Actlabs' internal standards. The gold grain and analytical data were interpreted primarily by Stuart Averill, P.Geo.

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