OTTAWA, July 18, 2016 /CNW/ - Northern Shield Resources Inc. ("Northern Shield" or the "Company") (TSXV: NRN) is pleased to announce that it has completed a second tranche of a non-brokered private placement (the "Private Placement") of 2,680,000 units ("Units") at a price of $0.16 per Unit for aggregate gross proceeds of $428,800. Each Unit is comprised of one common share in the capital of Northern Shield (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 $0.22 per share until July 16, 2019; provided that should the Common Shares close on the TSX Venture Exchange at or above $0.50 per Common Share during any period of 20 consecutive trading days, the Warrants will expire five days later. The Common Shares and Warrants underlying the Units are subject to a four month hold period from the date of issuance and the Private Placement remains subject to the final approval of the TSX Venture Exchange. A total of $10,248 in finder's fee and administration fees were paid and 45,300 broker warrants were issued in connection with the financing. In total, $1,428,800 was raised from the two tranches.

SIDEX, a Quebec institutional fund subscribed for $100,000 of the private placement under the "Field Action 2016" program. The mission of SIDEX is to invest in companies engaged in mineral exploration in Quebec in order to diversify Quebec's mineral base and open new territories. Field Action 2016 is a $3-Million financing program launched by SIDEX for the third year in a row to encourage junior mineral exploration companies to pursue field work in Québec, hire young professionals, employ service companies, and make new discoveries.

Northern Shield is also pleased to announce the appointment of Mr Russell M. Richards to the board of directors of Northern Shield. Mr. Richards is the Vice President of Quest Capital Corp., a private investment company. Prior to Quest Capital, Mr. Richards was an investment banker with SunTrust Robinson Humphrey, Inc. in Atlanta, then Afrinvest Limited in London, and most recently Afrinvest (West Africa) Limited in Lagos. Mr. Richards earned an A.B. in Public Policy Studies from Duke University.

The Company has granted options to acquire a total of 350,000 common shares pursuant to its shareholder approved stock option plan (the "Stock Option Plan"). Each option entitles the holder to acquire one share for $0.17 per share for a period ending July 14, 2021.

Northern Shield Resources Inc. is a Canadian-based mineral exploration company built around its platinum group element (PGE) expertise, which forms the basis of its exploration in eastern Canada.

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.

SOURCE Northern Shield Resources Inc.

Contact
Northern Shield Resources Inc., Ian Bliss, President and CEO, Tel.: (613) 232-0459, Fax: (613) 232-0760, info@northern-shield.com