



TSXV:NAR

North Arrow

MINERALS INC.

Exploring Diamond Opportunities in Canada

*Corporate Update
May 2016*



CAUTIONARY STATEMENT

North Arrow

MINERALS INC.

**Forward
Looking
Information**

This presentation contains projections and forward looking information that involve various risks and uncertainties, including, without limitation, statements regarding the potential extent of mineralization, resources, reserves, exploration results and plans and objectives of North Arrow Minerals Inc. These risks and uncertainties include, but are not restricted to, the amount of geological data available, the uncertain reliability of drilling results and geophysical and geological data and the interpretation thereof and the need for adequate financing for future exploration and development efforts. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward looking statements should circumstances or management's estimates or opinions change.

**Qualified
Person under
NI 43-101**

Disclosure of a scientific or technical nature related to North Arrow's projects in this presentation has been reviewed and approved by Ken Armstrong, P.Geo. President and CEO of North Arrow and a Qualified Person under NI 43-101.



THE OPPORTUNITY

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- **EXPERIENCED TEAM** – Successful exploration and development (Aber; Diavik; Lucara; Stornoway; SouthernEra)
- **LEVERAGED EVALUATION** - Canadian diamond projects developed over years of exploration by past companies at costs in excess of \$40 million dollars
- **SOLID FINANCIAL BACKING** - >\$18M raised over last three years while maintaining an attractive share structure - ~54.2M shares o/s; ~59.5M shares f/d
- **NEW DISCOVERIES** – Discovered Canada’s newest diamond district at Pikoo Project, SK; more kimberlites to be discovered here and other NAR properties
- **PROJECT PORTFOLIO** – Seven core project areas
- **PURE DIAMOND PLAY** – Solely focused on diamond projects located in Canada at a time where diamond fundamentals are robust and predicted to remain so for the foreseeable future



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Corporate Highlights

■ Capitalization

Listing:	TSX Venture - NAR	
Issued:	54.2 M	
Options:	4.3 M	
Warrants:	1.0 M	\$0.25 & \$0.65
Fully diluted:	59.5 M	
Estimated Working Capital:	~\$2.5 M	<i>(as of May 1, 2016)</i>

■ Main Shareholders

Management/Directors ~16.5 %

Zebra Holdings & Investments ~18.3%

controlled by a trust settled by the late Adolf H. Lundin



CORPORATE OVERVIEW - PEOPLE

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Management Highlights

D. Grenville Thomas (Chairman) Founder of Aber Resources (now Dominion Diamond Corporation), discoverer of the Diavik Diamond Mine and 2009 Canadian Mining Hall of Fame inductee.

Ken Armstrong P.Geo.(ON) (President, CEO, Director and Qualified Person under NI 43-101) Diamond exploration and evaluation experience with Diavik Diamond Mines Inc., Aber Resources, De Beers, Navigator Exploration, and Stornoway Diamond Corporation.

Christopher Jennings (Director) Founder of SouthernEra Diamonds Inc., consultant to Aber Resources; former positions with International Corona Corp., BP Minerals (Canada) and Falconbridge Ltd.

William Lamb (Director) President and CEO of Lucara Diamond Corp., 20+ years project development experience with Lucara, De Beers, Kvaerner and Rand Mines.

Blair Murdoch (Director) More than thirty years experience in senior management of private and public companies.

Eira M. Thomas (Advisor) Extensive diamond exploration and development experience in Canada and Africa. Former officer and director of Aber Resources; founder of Lucara Diamond Corp and Stornoway Diamond Corporation. Currently CEO of Kaminak Gold Corporation and director of Suncor and Lucara.



CORPORATE OVERVIEW – PROJECTS

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Redemption (NT)

- Near Diavik & Ekati mines
- Unexplained KIM trains
- Earning 55% from Arctic Star

Lac de Gras (NT)

- >300,000 acres
- Near Diavik & Ekati mines
- 45/55 JV with Dominion
- \$1.28 M budget for 2016

Pikoo (SK)

- Diamondiferous kimberlite field
- JV with Stornoway (~85% NAR)
- Microdiamond results pending

Qilalugaq (NU)

- Big kimberlite on tide water
- Fancy orangey yellow diamonds
- Potential for high value stones
- JV with Stornoway (80% NAR)

Mel (NU)

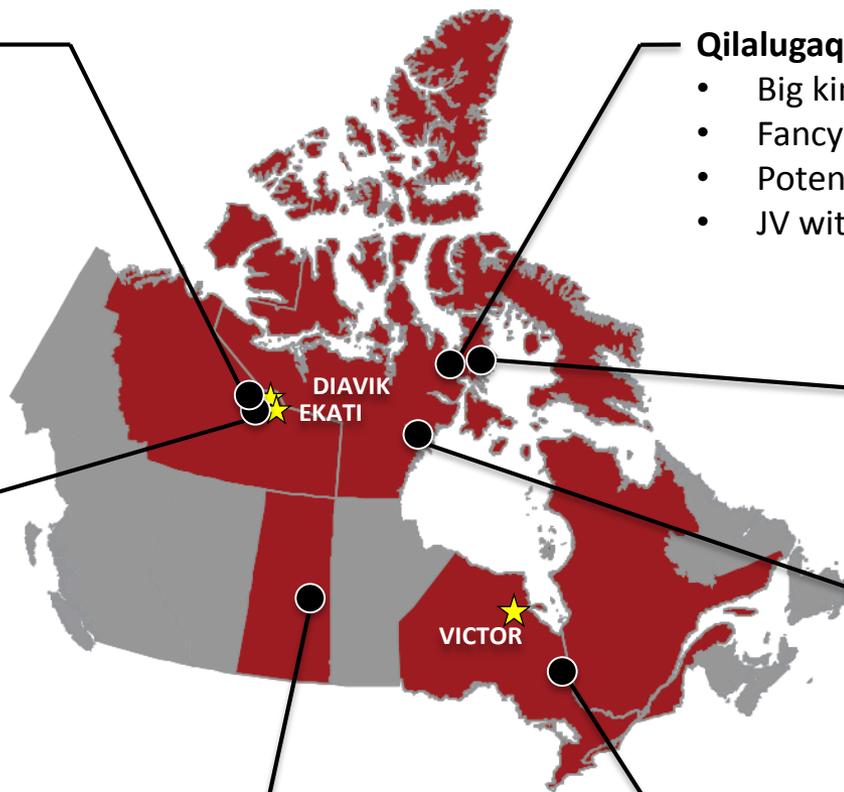
- Two well-defined KIM trains
- 100% NAR

Luxx (NU)

- Drill ready targets w/ KIM support
- 100% NAR

Timiskaming (ON)

- Unsourced KIM trains; large database
- JV with Stornoway





PIKOO PROJECT, SK

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- North Arrow (~85%)/Stornoway (~15%) Joint Venture.
- Good local infrastructure; within 10 km of SK Hwy 911– more than 200 km from nearest kimberlite field (FALC).
- 10 discrete kimberlites discovered to date. Four tested and proven diamondiferous, one with results pending.
- PK150 – most significant diamond discovery; 1,232 diamonds > 0.106 mm from 531 kg; new microdiamond results pending.
- 2016 drill program discovered several new kimberlites, the most significant being PK 346.



23 +0.85 mm stones recovered
from initial 2013 209 kg PK 150 sample

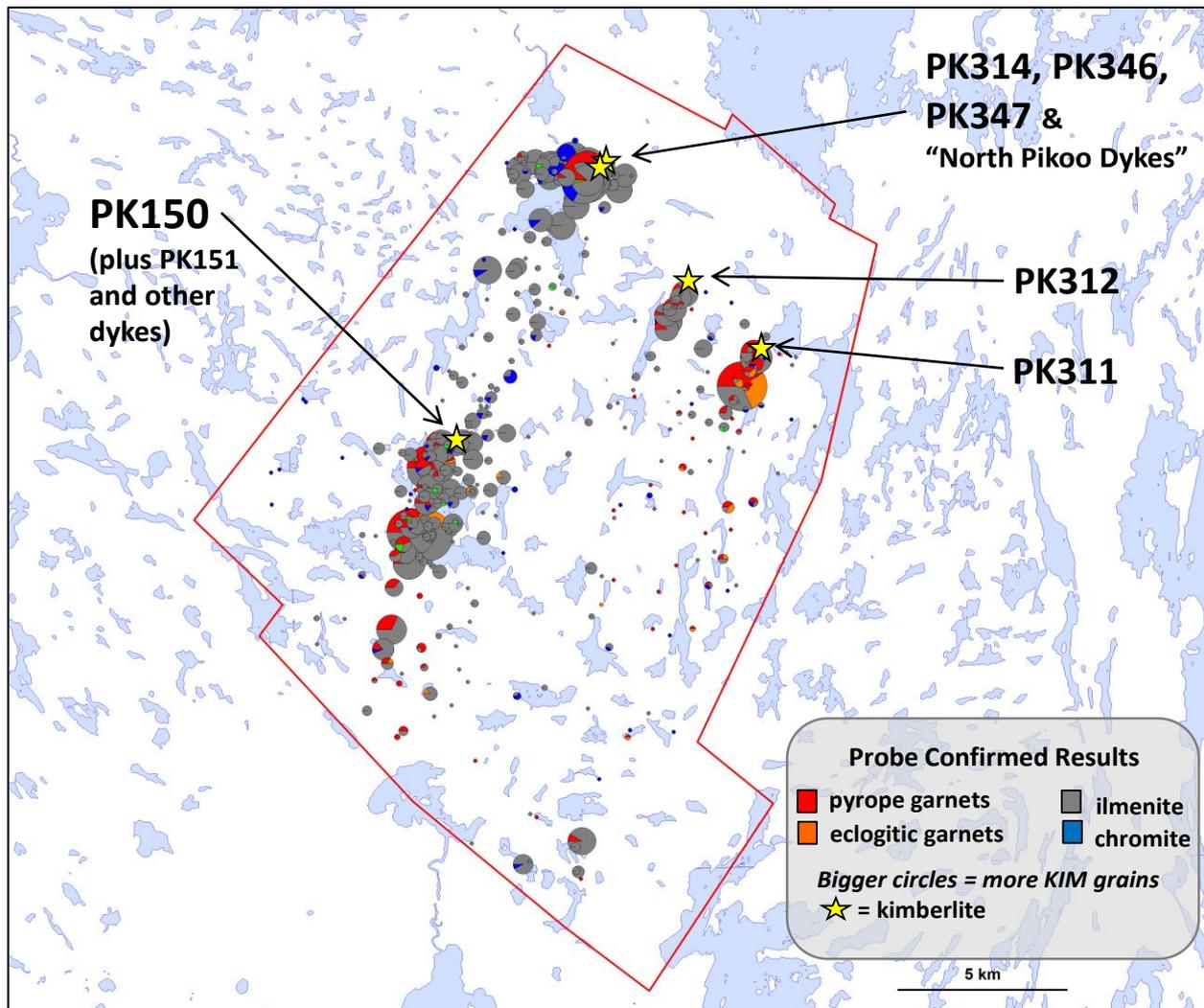


PIKOO PROJECT – KIMBERLITE INDICATOR TRAINS

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- Till sampling works; Five discrete trains identified from 977 till samples.
- Positive samples range from 1 to 100's of KIM grains.
- Excellent chemistry - kimberlite indicator minerals are probe-confirmed as derived from diamond stable mantle.
- PK150, PK314, PK312 and PK311 all proven to be diamondiferous; PK346 pending



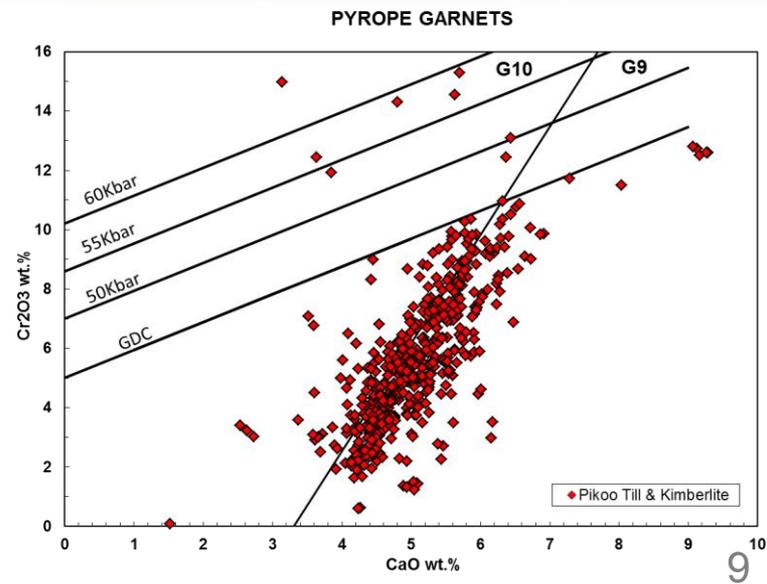
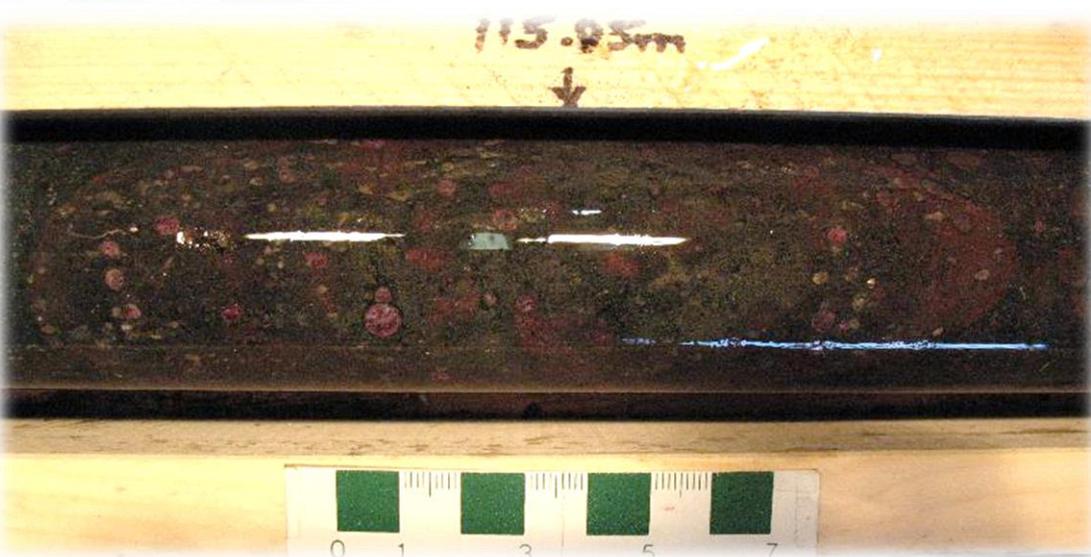


PIKOO KIMBERLITES – MANTLE SAMPLE

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145
NOD ↓

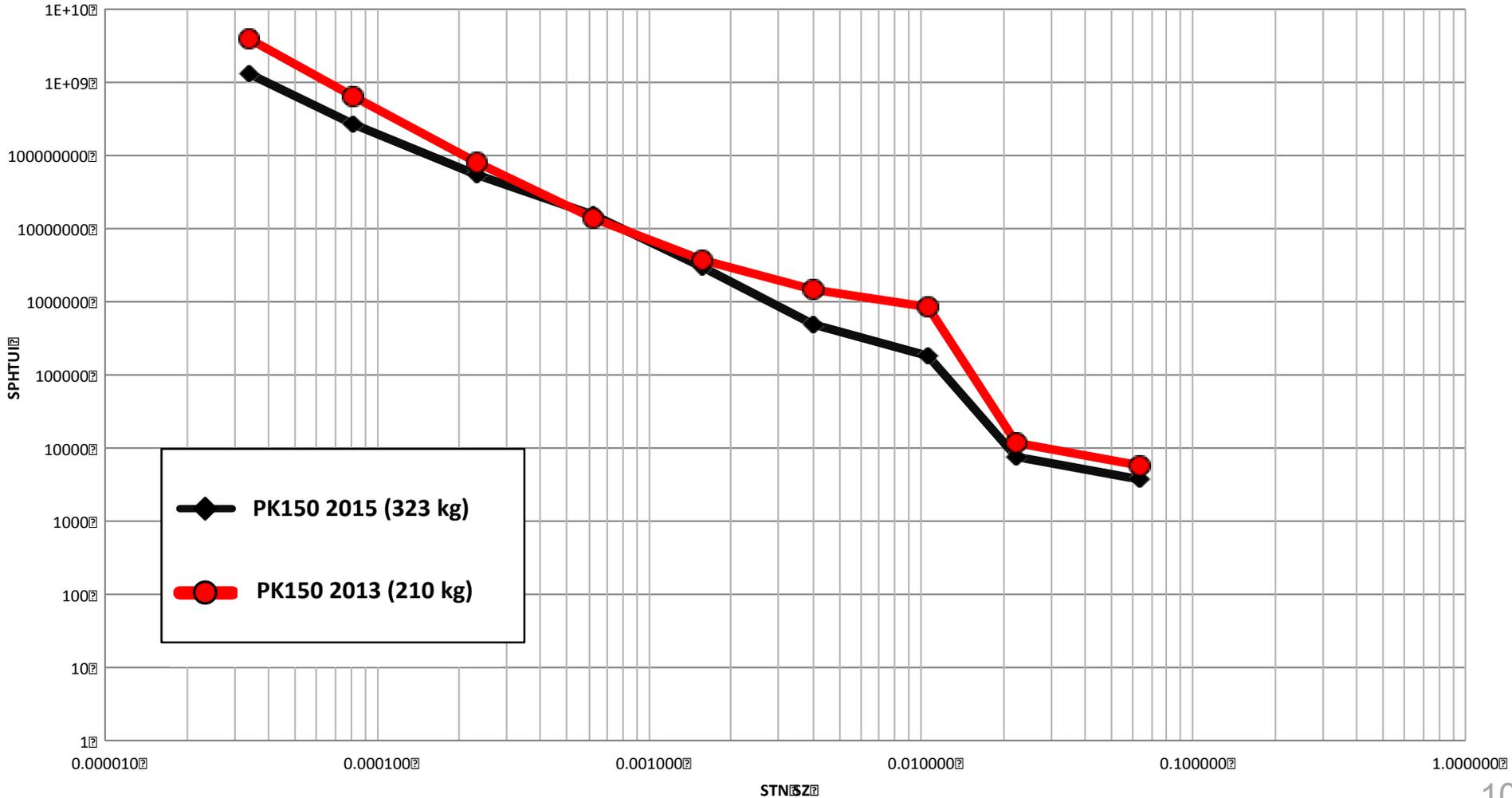




PK150 MICRO DIAMOND RESULTS – 2013 vs. 2015

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Microdiamond Results (Stones Per Unit Interval)



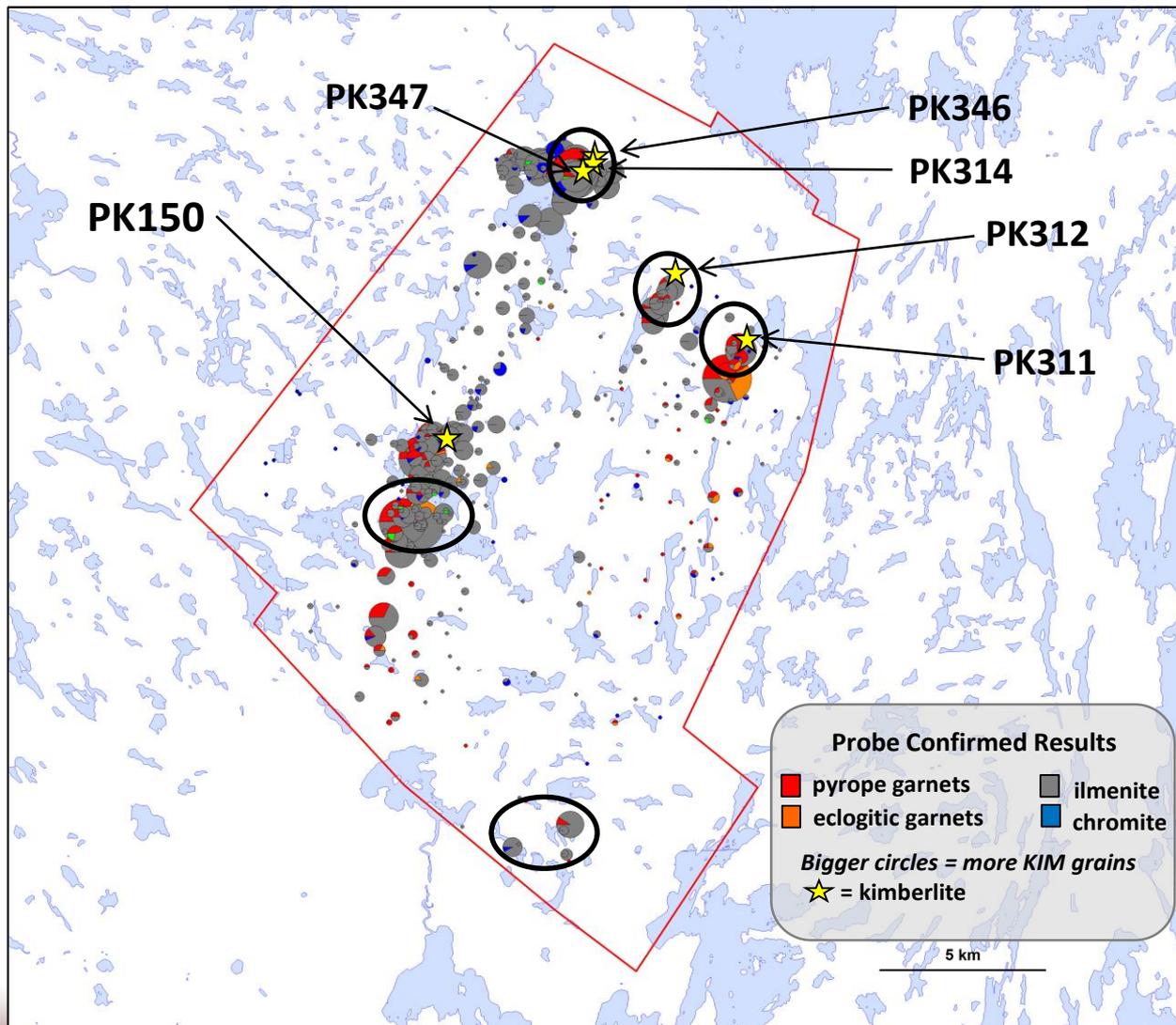


PIKOO PROJECT – THE WAY FORWARD

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- Infill till sampling program this summer.
- All indicator trains require increased sample density: North Pikoo, South Pikoo (recharge area) PK312 and PK311.
- Pending diamond results – is PK346 significantly diamondiferous? If not where is the source of high interest KIMs?
- Can more diamondiferous kimberlites be found?



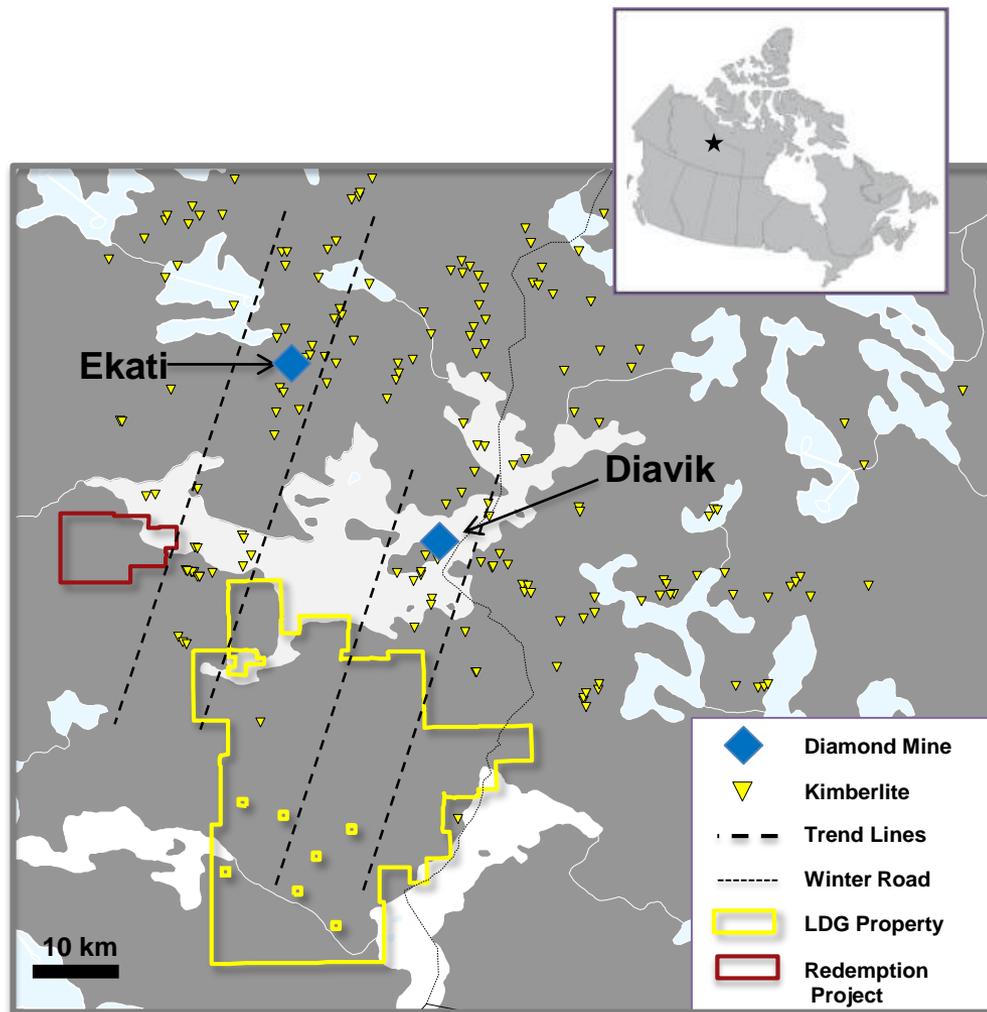


REDEMPTION & LDG PROJECTS, NT

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- Southwestern end of the Lac de Gras kimberlite field.
- LDG : 45/55 JV with Dominion Diamond Corporation – part owner of the Ekati & Diavik diamond mines; \$1.28 million 2016 budget.
- Redemption : under Option from Arctic Star Exploration; NAR can earn 55% by spending \$5 million; drill program recently completed.
- Both projects host unsourced kimberlite indicator mineral trains; will benefit from ongoing comprehensive surficial geology study funded by Government.



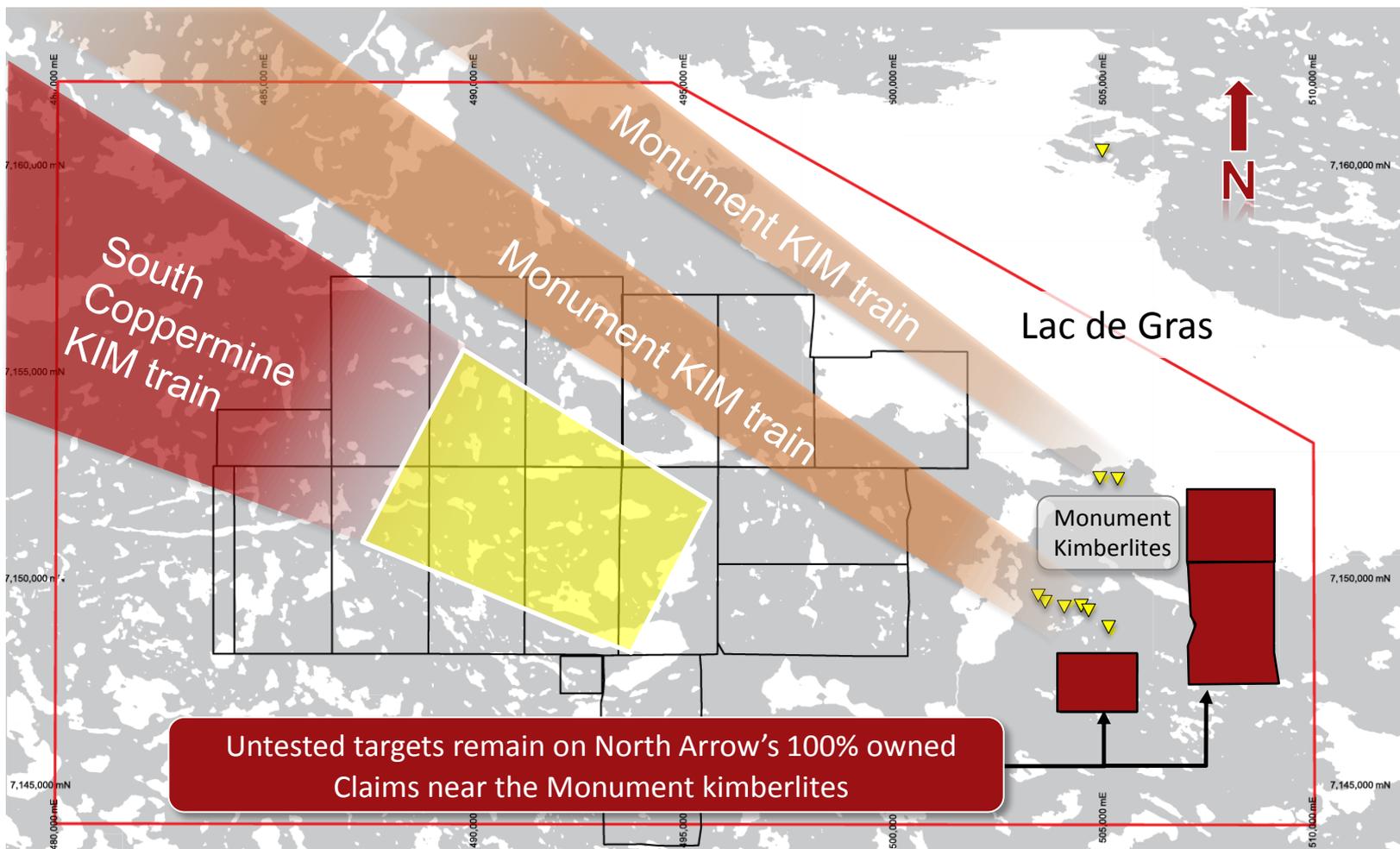


REDEMPTION - 2016 DRILLING PROGRAM

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Drilling consisted of 28 diamond & RC drill holes (1577 m); no kimberlite; South Coppermine KIM Train remains unexplained



● Approximate focus area for 2016 core and RC drilling.

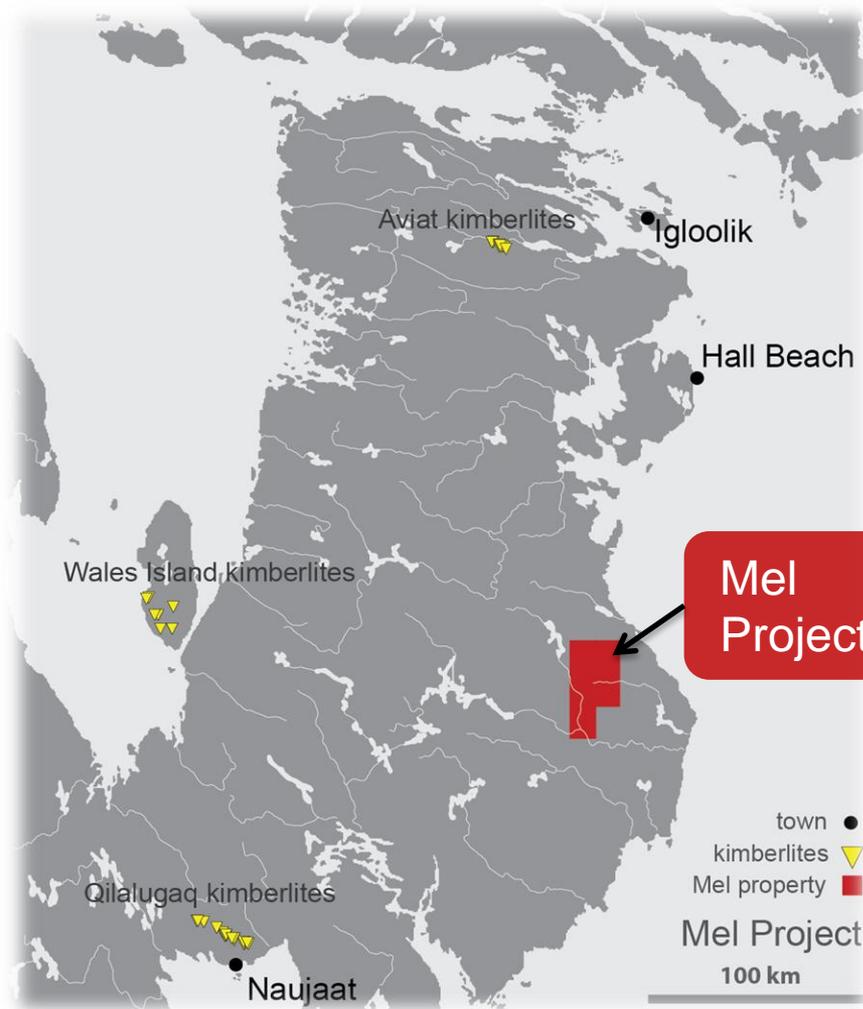


MEL PROJECT - NU

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- 100% owned.
- Unsourced KIM trains.
- Target area 1 is a 15km long multi-sample ribbon like mineral train up to 2.5km wide.
- May diverge into multiple narrower trains suggestive of multiple sources.
- Up-ice till sample line 4km away is barren
- Excellent mineral chemistry.
- 227 till samples collected in 2015 – doubled project database.



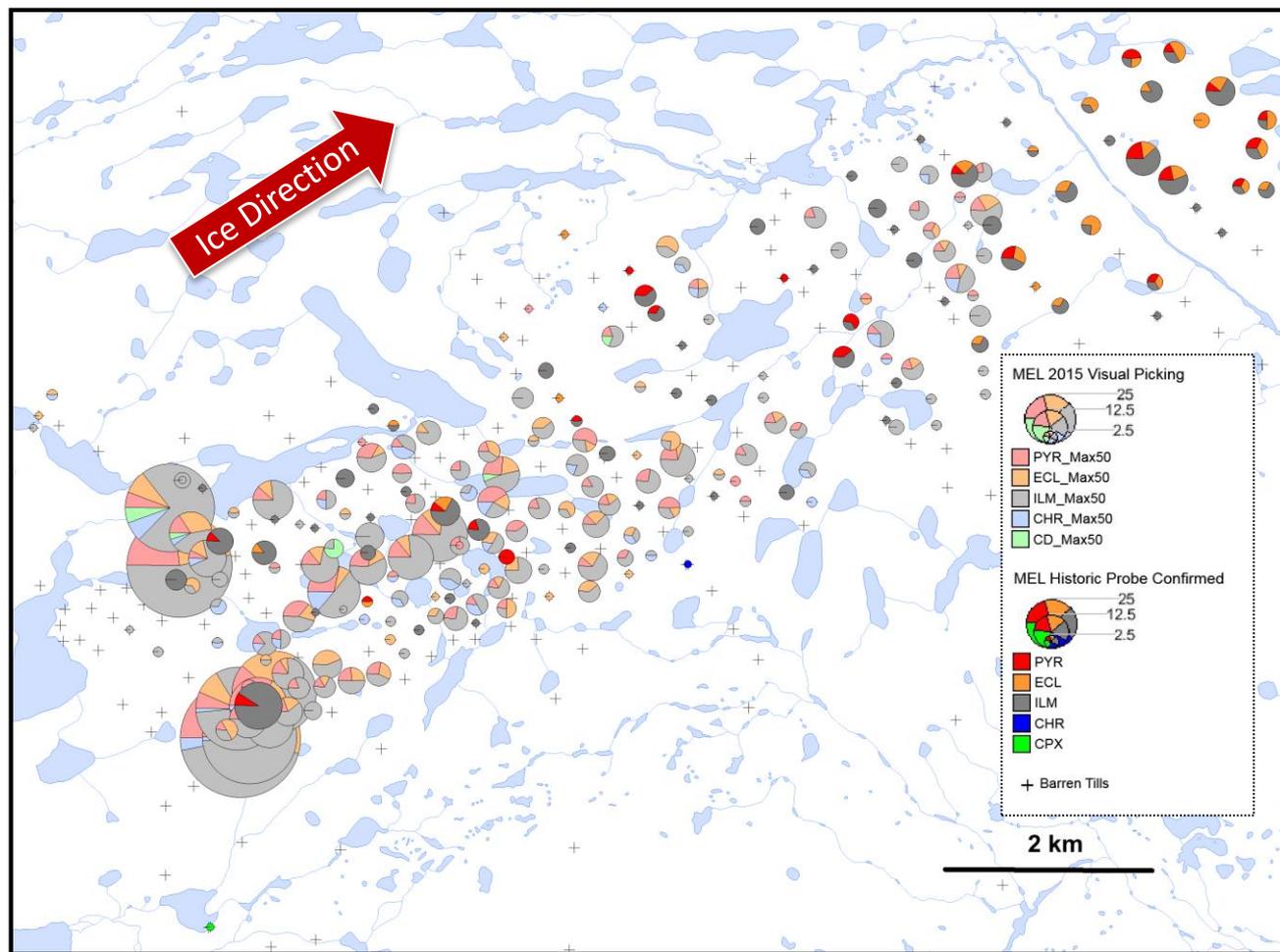


MEL PROJECT – NORTH TRAIN

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- Work up to 2014 displayed a 2.5 km wide, 15 km long KIM train.
- 2015 samples returned order of magnitude more KIMs and suggest the potential of multiple source areas.
- Some infill sampling still required followed by ground geophysics and drilling.



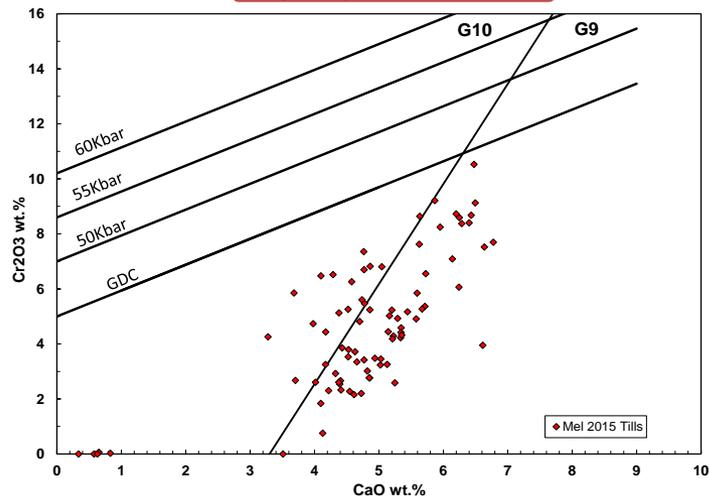


MEL PROJECT – GEOCHEMISTRY

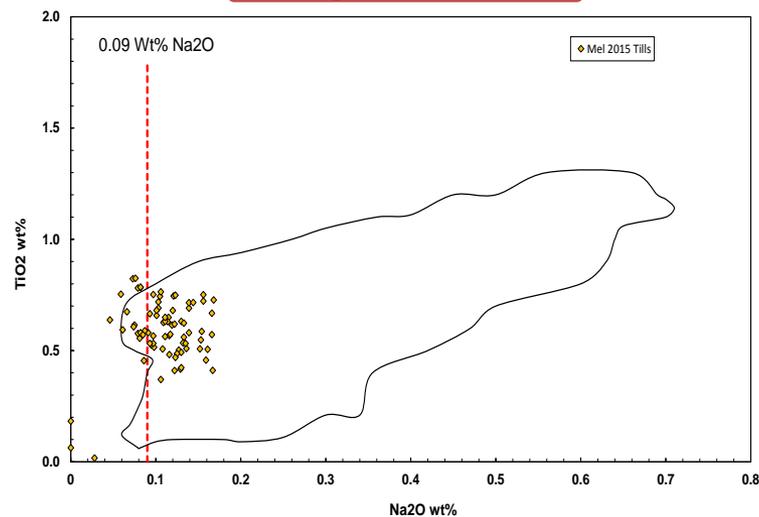
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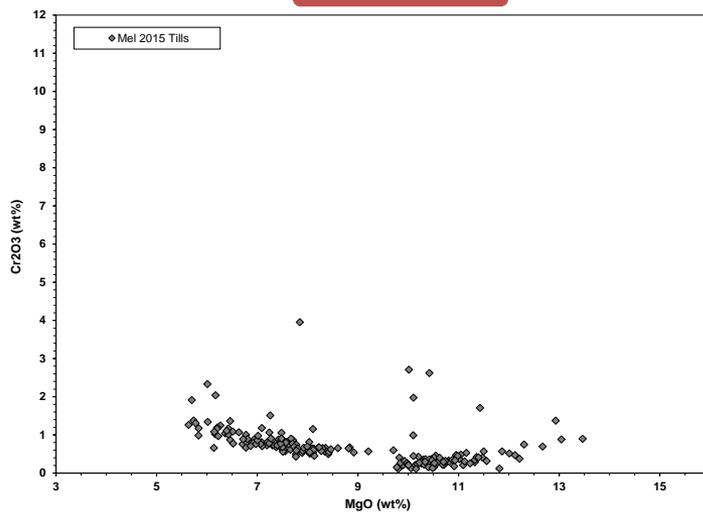
Pyrope Garnet



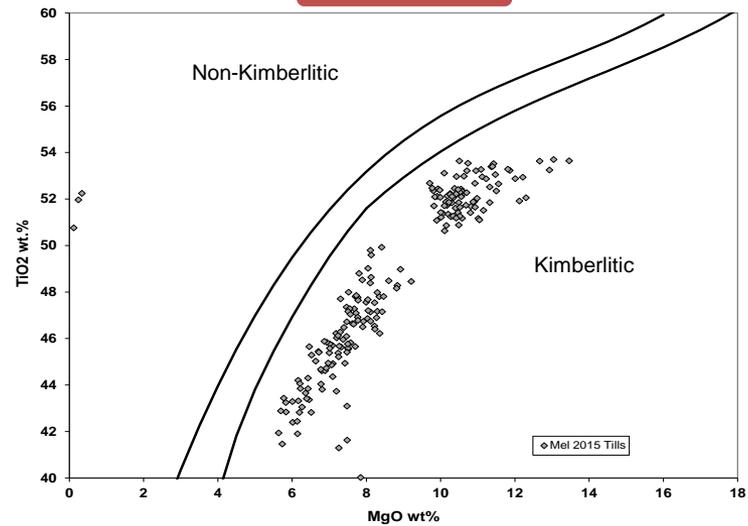
Eclogitic Garnet



Ilmenite



Ilmenite



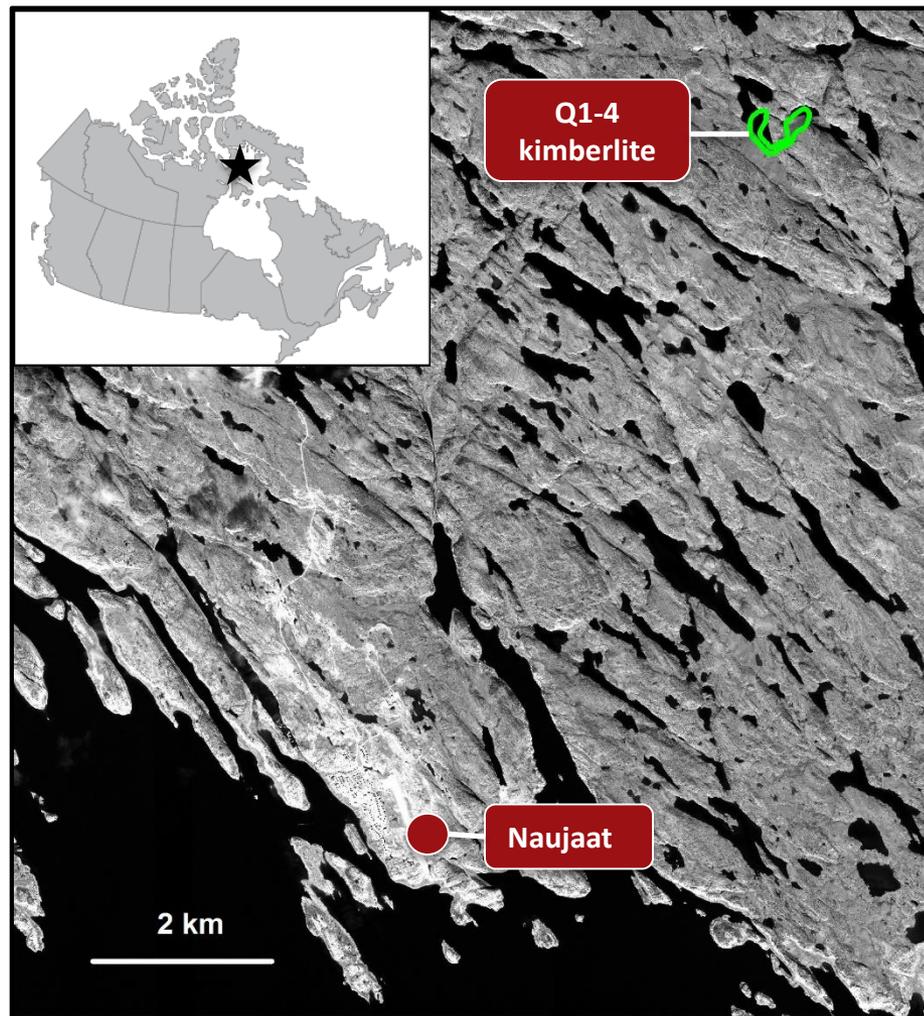


QILALUGAQ PROJECT, NU

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- ✓ **Jurisdiction**- Settled land claim
- ✓ **Near tide water** - improved logistics; sealift available; proximity to workforce
- ✓ **Large tonnage** – 48.8 million tonnes inferred resource. (May 13, 2013)*
- ✓ **Good inferred resource grade** – 53 cph^t**
- ✓ **Blue sky** – Inferred resource only to 205m – open to depth; 15 additional kimberlite bodies.
- ? **Diamond valuation** – June 2015 valuation was low; challenged by: i) small parcel size, ii) lack of high value stones, and iii) lower yielding cuboid shapes.
- ? **Possible Upside** – very rare Type 1b fancy coloured diamonds.



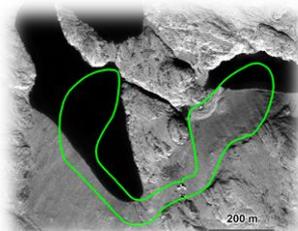


QILALUGAQ PROJECT, NU

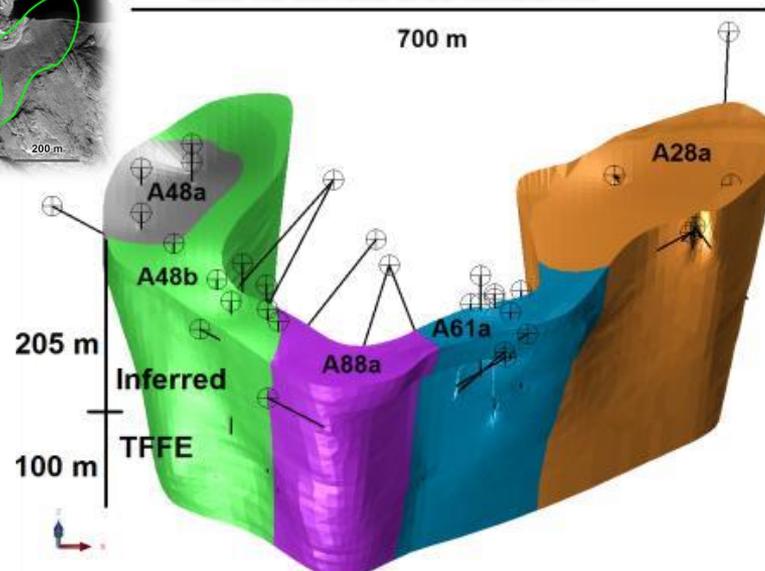
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12.5 ha surface area kimberlite



* CAUTION – Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability **Total recovery +1DTC grade



Q1-4 DIAMONDS – BULK SAMPLE QUESTIONS

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- Earlier work suggests a 'average' diamond value.
- "Fully saturated" yellow diamonds represented a possible 'sweetener'.

Bulk sample questions:

- Are there bigger diamonds (>1 carat)?
- Are yellow diamonds a predictable population?
- Do the yellow diamonds extend into the larger sizes (>1 carat)?





Q1-4 DIAMONDS

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Mini-bulk sample results (May 2015)

- 384 carats from 1,353 dry tonnes of kimberlite
- Largest stones: 4.42 cts, 4.16 cts, 3.53 cts; all yellow cubic aggregates.
- 9.0% yellows by stone count.
- 21.5% yellows by carat weight.
- Yellow diamond population is significant.

Valuation Results (June 2015)

- Modelled price range from \$43 per carat to a “possible high” model price of \$92 per carat.



+9 DTC and above “run of mine” from 1,353 dry tonnes of the Q1-4 kimberlite

WWW's Primary Conclusion: the valuation results and modelled values should be treated with considerable caution when it comes to assessing the Qilalugaq Project. The parcel is small and complicated by two distinct diamond populations which essentially gives two smaller diamond parcels.



Q1-4 DIAMONDS - TESTING POSSIBLE UPSIDE

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Q1-4's Coloured Diamonds:

Questions answered, questions that remain...



- Can they be polished?
- Are they truly fancy coloured diamonds?
- Do they deserve a premium price?
- Can bigger (>0.5ct) diamonds be fancy coloured?
- What is the yield?
- Can Q1-4 host rough diamonds that could yield +1 ct fancy orangey yellow polished? +2 ct? +3 ct?
- With what frequency?

Can a larger, ~15,000t (~3,000 ct) sample be justified?



0.14 carat round brilliant SI1 **fancy deep orangey yellow** (CGL Certified); Estimated wholesale value ~US\$2,750/ct.



Can bigger (>0.5ct) diamonds be fancy coloured? 4.42 cubic aggregate has been cut and polished to test for colour.





THE WAY FORWARD

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Project	Location	Commodity	Interest	Comment
Pikoo	Saskatchewan	Diamonds	~85%	Microdiamond results pending from 2016 winter drilling;
Redemption	NWT	Diamonds	55%	Project under review
Lac de Gras	NWT	Diamonds	45%	JV approved ~\$1.2M budget for 2016; Gov't study prelim results pending;
Mel	Nunavut	Diamonds	100%	Drill target generation
Luxx	Nunavut	Diamonds	100%	Drill permit in hand
Qilalugaq	Nunavut	Diamonds	80%	Diamond polishing exercise & colour diamond evaluation to assess path forward
Timiskaming	Ontario	Diamonds	80%	Database evaluation

- Pikoo – Microdiamond results from winter 2016 drilling of PK150 and PK346; Summer 2016 till sampling and additional target generation.
- Mel – 2016 till sampling/ground truthing to define drill targets.
- Qilalugaq – polishing exercise and colour evaluation of Q1-4 diamonds.
- North Arrow is fully funded to complete this work.



North Arrow

MINERALS INC.

TSXV: NAR

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