



North Arrow

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News Release

NORTH ARROW UPDATES 2014 QILALUGAQ PROJECT BULK SAMPLING PROGRAM

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North Arrow Minerals Inc. (TSXV-NAR) (“North Arrow”) is pleased to provide an update on the ongoing 1,500 tonne bulk sampling program at the Qilalugaq Diamond Project located near the hamlet of Repulse Bay (Naujaat), Nunavut. The intent of the program is to recover a diamond parcel of approximately 500 carats for the purpose of determining an initial value estimate for the diamonds in the Q1-4 kimberlite. North Arrow is funding the bulk sampling program as part of an option agreement with Stornoway Diamond Corporation (TSX-SWY; “Stornoway”).

The 2014 bulk sample program involves the collection of approximately 1,500 tonnes from the 12.5 hectare Q1-4 kimberlite, located seven kilometres from tidewater on the Arctic Ocean and nine kilometres from Repulse Bay. The sample is being collected by surface trenching of an area of Q1-4 where there is limited (<1m) overburden cover ([see short YouTube video](#)). In 2007, Stornoway collected (from hand dug pits) a 20.3 tonne sample from this same area and recovered 6.1 carats of diamonds for a sample grade of 30 carats per hundred tonnes (“cph”).

As at August 3, 2014 the bulk sample was over 64% complete with approximately 960 t of kimberlite sample collected and transported to the company’s sample laydown site in Repulse Bay. The remainder of the sample will be collected over the next three weeks and the entire sample will be shipped south on the annual sealift scheduled to arrive in Repulse Bay on August 25th. Sample processing is expected to commence in early October. The sample will be processed for the recovery of commercial sized (+0.85 mm) diamonds and the resulting diamond parcel will be used to better determine diamond content, size distribution, diamond parcel value and to establish whether or not fancy yellow diamonds persist into the larger diamond sizes.

About the Qilalugaq Diamond Project

The Qilalugaq Diamond Project comprises 7,143 hectares of land located on the Rae Isthmus, which connects the Melville Peninsula to mainland Nunavut. The property was originally staked by BHP Billiton Diamonds Inc. and subsequently optioned by Stornoway in 2006. Stornoway acquired a 100% interest in the project in 2010. A total of eight kimberlite pipes (Q1-4, A34, A42, A59, A76, A94, A97 and A152) have been identified within the project as well as a number of laterally extensive kimberlite dyke systems. All kimberlites tested to date, including seven of the kimberlite pipes, are diamondiferous and occur within a 26 x 3 km structurally favourable corridor. The Q1-4 kimberlite is the primary exploration target within the project and hosts a total Inferred Mineral Resource of 26.1 million carats from 48.8 million tonnes with an average +1 DTC total diamond content of 53.6 cph. Additional resource upside has also been identified in the form of a target for further exploration for the Q1-4 kimberlite pipe of between 7.9 to 9.3 million carats from 14.1 to 16.6 million tonnes with an average +1 DTC total diamond content of 56.1 cph (please see North Arrow news release dated [May 15, 2013](#) for details on this resource estimate). The reader is cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability. In addition, the potential quantity and grade of any target for further exploration is conceptual in nature; there has been insufficient exploration to define a mineral resource, and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

North Arrow is currently working to earn an 80% interest in the Qilalugaq Diamond Project by completing an option work program consisting of the collection of a minimum 1,000 tonne sample from the Q1-4 kimberlite. If North Arrow completes the option work program and provides notice to Stornoway of its intent to vest an 80% interest in the project, Stornoway has a one-time right (the “Back-in Right”) to buy-back a 20% interest in the project by paying to North Arrow an amount equal to three times the costs incurred in connection with the option work program (please see North Arrow news release dated [April 29th, 2013](#) for additional details on the option agreement with Stornoway).

About North Arrow Minerals

North Arrow is a Canadian based exploration company focused on the identification and evaluation of diamond exploration opportunities in Canada. North Arrow’s management, board of directors and advisors have significant successful experience in the Canadian diamond industry. In addition to the Qilalugaq Project, North Arrow is also evaluating each of the Pikoo (SK), Redemption (NWT), Lac de Gras (NWT), Mel (NU), Luxx (NU) and Timiskaming (ON/QC) Diamond Projects.

Qualified Person

Kenneth Armstrong, P.Geo. (ON), President and CEO of North Arrow and a Qualified Person under National Instrument 43-101, has reviewed and approved the contents of this news release.

North Arrow Minerals Inc.

/s/ "Kenneth A. Armstrong"

Kenneth Armstrong
President and CEO

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This news release contains "forward-looking statements" including but not limited to statements with respect to North Arrow's plans, the estimation of a mineral resource and the success of exploration activities. Forward-looking statements, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the successful integration of acquisitions; risks related to general economic and market conditions; closing of financing; the timing and content of upcoming work programs; actual results of proposed exploration activities; possible variations in mineral resources or grade; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes, title disputes, claims and limitations on insurance coverage and other risks of the mining industry; changes in national and local government regulation of mining operations, tax rules and regulations. Although North Arrow has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. North Arrow undertakes no obligation or responsibility to update forward-looking statements, except as required by law.