



Suite 960 – 789 West Pender Street, Vancouver, BC, Canada V6C 1H2  
Tel: 604 668 8355 / Fax: 604 604 336 4813

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News Release

**NORTH ARROW CLOSES \$800,000 REDEMPTION ROYALTY SALE**

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Trading Symbol: TSXV: NAR

#16-03

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**North Arrow Minerals Inc.** (TSXV-NAR) is pleased to announce it has closed the transaction under which Umgeni Holdings International Limited (“Umgeni”) has acquired a royalty interest in North Arrow’s Redemption Diamond Project for \$800,000. Umgeni is a private company of which Christopher Jennings, a director of North Arrow, is a beneficiary of the sole shareholder. The Redemption Diamond Project is located in the Lac de Gras region of the Northwest Territories, approximately 32 km southwest, and 47 km west of the Ekati and Diavik diamond mines, respectively.

North Arrow has received required regulatory approvals of the transaction and, as initially disclosed in North Arrow News Release #16-03 dated [January 25, 2016](#), Umgeni has paid North Arrow \$800,000 and acquired the following royalty interests in the Redemption Diamond Project:

- a 1.5% gross overriding royalty on diamonds (“GOR”) and a 1.5% net smelter returns royalty on base and precious metals (“NSR”) for three mineral claims owned 100% by North Arrow;
- a 1.25% GOR and 1.25% NSR on 12 mineral claims and 5 mining leases (the “ADD Claims”) that are currently under option from Arctic Star Exploration Corp. (TSXV-ADD). These 1.25% royalties will be payable from North Arrow’s ultimate interest in the ADD claims and NAR will have sole responsibility for paying them. Under the option agreement with Arctic Star, North Arrow can earn a 55% interest in the properties by incurring \$5 million in exploration expenditures prior to July 1, 2017. If North Arrow decides not to proceed beyond 2016 with further exploration under the option agreement with Arctic Star, Umgeni has the right to acquire North Arrow’s interest in the option. If Umgeni does not acquire North Arrow’s interest in the option agreement and the option agreement terminates, then Umgeni will have no further right to receive royalties for any ADD Claims in which North Arrow does not retain an interest. Arctic Star has consented to the granting of these 1.25% royalties on the ADD Claims and the possible future transfer to Umgeni of North Arrow’s interest in the option agreement.

It is a further term of the agreement with Umgeni that North Arrow must conduct a minimum \$800,000 exploration program at the Redemption Project before August 2016. With closing of the royalty sale, planning is now well underway for a spring 2016 drilling program at Redemption with the primary goal being the discovery of a kimberlite bedrock source to the South Coppermine kimberlite indicator mineral (KIM) train. Further details on the South Coppermine KIM train and ongoing exploration in the Redemption Project area can be found at [www.northarrowminerals.com](http://www.northarrowminerals.com).

#### **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. North Arrow is currently evaluating each of the Redemption (NT), Pikoo (SK), Qilalugaq (NU), Lac de Gras (NT), Mel (NU), Luxx (NU) and Timiskaming (ON/QC) Diamond Projects. North Arrow’s diamond exploration programs are conducted under the direction of Kenneth Armstrong, P.Geo. (ON), President and CEO of North Arrow and a Qualified Person under NI 43-101. Mr. Armstrong has reviewed and approves of the scientific and technical content in this news release.

**North Arrow Minerals Inc.**

/s/ "Kenneth A. Armstrong"

Kenneth Armstrong  
President and CEO

For further information, please contact:

Ken Armstrong

Tel: 604-668-8355 or 604-668-8354

Website: [www.northarrowminerals.com](http://www.northarrowminerals.com)

*Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.*

*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.*