

NORTHERN SPIRIT RESOURCES INC.

NORTHERN SPIRIT RESOURCES INC. ANNOUNCES YEAR END CORPORATE RESERVES

FOR IMMEDIATE RELEASE

Calgary, Alberta – February 11, 2015 – Northern Spirit Resources Inc. ("**Northern Spirit**" or the "**Company**") (TSXV: NS) is pleased to announce the results of its independent reserve evaluation for the year ended December 31, 2014 as prepared by Deloitte LLP ("**Deloitte**"). The Company's annual audit of its financial statements is not yet complete and accordingly all financial amounts referred to in this press release are estimates and are subject to revision. Complete reserves disclosure will be included in Northern Spirit's annual filings as required under National Instrument 51-101 – *Standard of Disclosure for Oil and Gas Activities* ("**NI 51-101**") of the Canadian Securities Administrators, which is expected to be filed in late February 2015.

Highlights

- Northern Spirit's proved plus probable reserves (Company net) as evaluated by Deloitte as at December 31, 2014 increased 9.8% to 4,191.8 Mboe from 3,816.9 Mboe at December 31, 2013. The Company's proved reserves (Company interest) as at December 31, 2014 increased 25.6% to 2,063.8 Mboe from 1,642.5 Mboe at December 31, 2013.
- The net present value of Northern Spirit's estimated future net revenue before income taxes from proved plus probable reserves as at December 31, 2014 and utilizing Deloitte's December 31, 2014 price forecast and discounted at 10%, is \$71.3 million and the net present value of total proved reserves as at December 31, 2014 is \$35.8 million.
- Reserve replacement was 6.1 times on proved reserves.
- Total future development capital for Northern Spirit's proved plus probable reserves at December 31, 2014 is \$36.0 million scheduled over two years. Total future development capital for Northern Spirit's total proved reserves at December 31, 2014 is \$20.1 million scheduled over two years.
- Northern Spirit's proved plus probable (10% discount rate) net asset value per share as at December 31, 2014 is calculated at \$0.21 per share (basic) including an internal land value of \$1.8 million and \$0.20 per share (basic) excluding land value.

CORPORATE RESERVES

The reserves data set forth below is based upon an independent reserve assessment and evaluation prepared by Deloitte with an effective date of December 31, 2014 (the "**Deloitte Report**"). The following presentation summarizes the Company's crude oil, natural gas liquids and natural gas reserves and the net present values before income taxes of future net revenue for the Company's reserves using forecast prices and costs based on the Deloitte Report. The Deloitte Report has been prepared in accordance with the standards contained in the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**") and the reserve definitions contained in NI 51-101.

All evaluations and reviews of future net cash flows are stated prior to any provisions for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimates of future net revenues presented in the tables below and in the "Highlights" section above represent the fair market value of the reserves. There is no assurance that the forecast prices and cost assumptions will be attained and variances from these assumptions could be material. The recovery and reserve estimates of our crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein.

Reserves Summary

The Company's total proved plus probable reserves increased by 9.8% in fiscal 2014 to 4,191.8 Mboe. Proved reserves increased by 25.6% to 2,063.8 Mboe and comprised 49.2% of the Company's total proved plus probable reserves. Proved undeveloped reserves are 67.9% of the total proved reserves. The future capital in the Deloitte Report (undiscounted) is \$36.0 million for the proved and probable reserves and is \$20.1 million for total proved reserves. The future capital is programmed over a two year time period for proved plus probable reserves and two year time period for proved reserves.

The following table provides summary reserve information based upon the Deloitte Report and using the published Deloitte (December 31, 2014) price forecast.

| | Light and Medium Oil | | Heavy Oil | | Natural Gas Liquids | |
|--|---|------------------------------|---|------------------------------|---|------------------------------|
| | Company Interest ⁽¹⁾ (Mbbl) | Net ⁽²⁾ (Mbbl) | Company Interest ⁽¹⁾ (Mbbl) | Net ⁽²⁾ (Mbbl) | Company Interest ⁽¹⁾ (Mbbl) | Net ⁽²⁾ (Mbbl) |
| Proved | | | | | | |
| Proved producing | 473.4 | 398.9 | 19.2 | 18.7 | 7.6 | 5.3 |
| Non-producing | 25.2 | 24.1 | 11.6 | 11.4 | 3.7 | 2.4 |
| Undeveloped | 900.3 | 756.2 | 495.7 | 462.0 | 39.1 | 28.3 |
| Total proved | 1,398.9 | 1,179.1 | 526.5 | 492.1 | 50.4 | 36.0 |
| Total probable | 1,615.3 | 1,288.0 | 504.9 | 453.4 | 66.4 | 47.9 |
| Total proved & probable ⁽⁴⁾ | 3,014.2 | 2,467.1 | 1,031.4 | 945.5 | 116.8 | 83.9 |

| | Natural Gas | | Total Barrels of Oil Equivalent ⁽³⁾ | |
|--|---|------------------------------|--|------------------------------|
| | Company Interest ⁽¹⁾ (Mmcf) | Net ⁽²⁾ (Mmcf) | Company Interest ⁽¹⁾ (Mboe) | Net ⁽²⁾ (Mboe) |
| Proved | | | | |
| Proved producing | 482.6 | 433.5 | 580.6 | 495.1 |
| Non-producing | 897.9 | 770.1 | 190.1 | 166.2 |
| Undeveloped | 1,113.3 | 935.8 | 1,620.7 | 1,402.5 |
| Total proved | 2,493.8 | 2,139.3 | 2,391.4 | 2,063.8 |
| Total probable | 2,341.2 | 2,032.5 | 2,576.8 | 2,128.0 |
| Total proved & probable ⁽⁴⁾ | 4,835.0 | 4,171.8 | 4,968.2 | 4,191.8 |

Notes:

- (1) "Company Interest" reserves means Northern Spirit's working interest (operating and non-operating) share before deduction of royalties and including any royalty interest of the Company.
- (2) "Net" reserves means Northern Spirit's working interest (operated and non-operated) share after deduction of royalty obligations, plus Northern Spirit's royalty interest in reserves.
- (3) Barrels of oil equivalent amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 Mcf: 1 bbl, utilizing a conversion ratio of 6 Mcf: 1 bbl may be a misleading indication of value.
- (4) May not add due to rounding.

Reserves Values

The estimated before tax net present value of future net revenues associated with Northern Spirit's reserves effective December 31, 2014 and based on the published Deloitte (December 31, 2014) future price forecast are summarized in the following table:

| | Discounted at | | | | |
|---|---------------|----------|----------|----------|----------|
| | Undiscounted | 5% | 10% | 15% | 20% |
| (M\$) | | | | | |
| Proved | | | | | |
| Proved producing | 16,278.9 | 14,392.6 | 13,010.5 | 11,943.4 | 11,089.3 |
| Non-producing | 2,738.5 | 2,209.7 | 1,827.7 | 1,542.3 | 1,323.0 |
| Undeveloped | 34,915.2 | 26,616.2 | 20,969.4 | 16,908.9 | 13,864.4 |
| Total proved | 53,932.6 | 43,218.5 | 35,807.7 | 30,394.5 | 26,276.7 |
| Total probable | 78,839.7 | 50,961.6 | 35,513.4 | 25,921.1 | 19,510.5 |
| Total proved plus probable ⁽³⁾ | 132,772.4 | 94,180.1 | 71,321.1 | 56,315.6 | 45,787.2 |

Notes:

- (1) The estimated future net revenues are stated before deducting future estimated site restoration costs and are reduced for estimated future abandonment costs and estimated capital for future development associated with the reserves.
- (2) The net present value of future revenues does not represent fair market value.
- (3) May not add due to rounding.

The following table sets forth development costs deducted in the estimation of the future net revenue attributable to the reserve categories noted above.

| Year | Forecast Prices and Costs | |
|--------------------------------|---------------------------|-------------------------------|
| | Proved Reserves | Proved Plus Probable Reserves |
| | (M\$) | (M\$) |
| 2015 | 7,875.0 | 12,791.0 |
| 2016 | 12,190.5 | 23,195.8 |
| 2017 | - | - |
| 2018 | - | - |
| 2019 | - | - |
| Remainder | - | - |
| Total Undiscounted (all years) | 20,065.5 | 35,986.8 |
| Total discounted 10% | 18,276.1 | 32,401.1 |

Price Forecast

The Deloitte December 31, 2014 price forecast is summarized as follows:

| Year | \$US/\$Cdn Exchange Rate | WTI @ Cushing (US\$/bbl) | Edmonton City gate crude (C\$/bbl) | Bow River 25 API (\$Cdn/bbl) | Hardisty Heavy 12 API (C\$/bbl) | Natural Gas at AECO-C (C\$/MMbtu) |
|------|--------------------------|--------------------------|------------------------------------|------------------------------|---------------------------------|-----------------------------------|
| 2015 | 0.86 | 67.00 | 70.95 | 56.45 | 46.95 | 3.85 |
| 2016 | 0.86 | 71.40 | 77.10 | 62.30 | 52.65 | 4.15 |
| 2017 | 0.86 | 74.90 | 82.25 | 67.15 | 57.25 | 4.45 |
| 2018 | 0.86 | 78.55 | 87.60 | 72.20 | 62.15 | 4.80 |
| 2019 | 0.86 | 82.25 | 93.15 | 77.45 | 67.15 | 5.05 |
| 2020 | 0.86 | 86.10 | 97.55 | 81.55 | 71.05 | 5.35 |
| 2021 | 0.86 | 90.10 | 102.15 | 85.80 | 75.10 | 5.65 |
| 2022 | 0.86 | 91.90 | 104.20 | 87.55 | 76.60 | 5.85 |
| 2023 | 0.86 | 93.75 | 106.25 | 89.30 | 78.15 | 6.20 |

Note:

- (1) Inflation is accounted for at 2.0% per year

Net Asset Value

The following table provides a calculation of Northern Spirit's estimated net asset value and net asset value per share as at December 31, 2014 based on the estimated future net revenues associated with Northern Spirit's proved plus probable reserves discounted at 10% as presented in the Deloitte Report.

| Forecast Prices and Costs before tax | (\$ millions) |
|--|---------------|
| Proved plus probable reserves – discounted at 10% | 71.3 |
| Undeveloped land ⁽¹⁾ | 1.8 |
| Working capital as at December 31, 2014 ⁽²⁾⁽³⁾ | 0.5 |
| Net asset value | 73.6 |
| Common shares outstanding at December 31, 2014 (thousands) - Basic | 353,276 |
| Net asset value per share - basic | 0.21 |
| Net asset value per share - basic (excluding land value) | 0.20 |

Notes:

- (1) Internally estimated value.
- (2) Fiscal 2014 figures include information based on estimated unaudited financial results that may change on the completion of the audited financial statements.
- (3) Working capital includes an estimate of the Company's cash, cash equivalents, accounts receivable less accounts payable and accrued liabilities as at December 31, 2014.

About Northern Spirit Resources Inc.

Northern Spirit Resources Inc. is a public oil and gas company active in the exploration and development of oil and natural gas in East Central, Alberta.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the securities in any jurisdiction. The common shares of Northern Spirit will not be and have not been registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States, or to a U.S. person, absent registration or applicable exemption therefrom.

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Cautionary Statements

Unaudited financial information

Certain financial and operating information included in this press release for the year ended December 31, 2014, such as finding and development costs, production information, and net asset value, are based on estimated unaudited financial results for the quarter and year then ended, and are subject to the same limitations as discussed under the heading "Special Note Regarding Forward-Looking Information" set out below. These estimated amounts may change upon the completion of audited financial statements for the year ended December 31, 2014 and changes could be material.

Special Note Regarding Forward-Looking Information

Certain information regarding Northern Spirit set forth in this document, including estimates of the quantities of the Company's reserves, expected operating activities in the East Central, Alberta and those matters set forth under the heading "Outlook", may constitute forward-looking statements under applicable securities laws and necessarily involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Northern Spirit's control, including without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, environmental risks, inability to obtain drilling rigs or other services, capital expenditure costs, including drilling, completion and facility costs, unexpected decline rates in wells, wells not performing as expected, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, and the uncertainty of estimates and projections of production, costs and expenses. The recovery and reserve estimates of Northern Spirit's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered.

With respect to forward-looking statements contained in this document, Northern Spirit has made a number of assumptions. The key assumptions underlying the aforementioned forward-looking statements include assumptions regarding (among other things): the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the timely receipt of any required regulatory approvals; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects which the Company has an interest in operating the field in a safe, efficient and effective manner; the ability of the Company to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development of exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Company to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; and the ability of the Company to successfully market its oil and natural gas production. Certain or all of the forgoing assumptions may prove to be untrue.

Northern Spirit's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Company will derive therefrom. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Additional information on these and other factors that could affect Northern Spirit's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or Northern Spirit's website (www.northernspiritres.com).

The forward-looking statements contained in this document are made as at the date of this news release and Northern Spirit does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

BOE Equivalency

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 Mcf: 1 bbl, utilizing a conversion ratio of 6 Mcf: 1 bbl may be a misleading indication of value.

Internal Estimates

Certain information contained herein, such as the estimated fair value of the Company's land holdings, are based on estimated values the Company believes to be reasonable and are subject to the same limitations as discussed under "Special Note Regarding Forward-Looking Information" above.

Oil and Gas Advisory

The reserves information contained in this press release has been prepared in accordance with NI 51-101. Complete NI 51-101 reserves disclosure will be included in Northern Spirit's annual filings as required under NI 51-101, which is expected to be filed in February 2014. Listed below are cautionary statements applicable to our reserves information that are specifically required by NI 51-101:

- *Individual properties may not reflect the same confidence level as estimates of reserves for all properties due to the effects of aggregation.*
- *With respect to finding and development costs, the aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserve additions for that year.*
- *This press release contains estimates of the net present value of our future net revenue from our reserves. Such amounts do not represent the fair market value of our reserves.*
- *Reserves included herein are stated on a company interest basis (before royalty burdens and including royalty interests) unless noted otherwise as well as on a gross and net basis as defined in NI 51-101. "Company interest" is not a term defined by NI 51-101 and as such the estimates of Company interest reserves herein may not be comparable to estimates of "gross" reserves prepared in accordance with NI 51-101 or to other issuers' estimates of company interest reserves.*

Selected Definitions

The following terms used in this press release have the meanings set forth below:

"AECO" refers to a natural gas storage facility located at Suffield, Alberta

"API" means American Petroleum Institute

"bbl" means barrel

"boe" means barrel of oil equivalent of natural gas and crude oil on the basis of 1 boe for six thousand cubic feet of natural gas (this conversion factor is an industry accepted norm and is not based on either energy content or current prices)

"Mbbbl" means thousand barrels

"Mboe" means 1,000 barrels of oil equivalent

"Mcf" means one thousand cubic feet

"Mmcf" means one million cubic feet

"MMbtu" means million British Thermal Units

"\$M" means thousands of dollars