



JAMES BAY ANNOUNCES RENEWAL OF DISCUSSIONS FOR ACQUISITION OF OML 25

Toronto, July 9, 2015: James Bay Resources Limited (“James Bay” or the “Company”) announces that it has reached an agreement with its partner through Crestar Integrated Natural Resources Limited (“Crestar”) – which is owned by James Bay, together with its indigenous Nigerian partner to renew negotiations in respect of the acquisition of OML 25 in Nigeria (the “Asset”).

Certain recent events have led to the renewal of negotiations among Crestar and the international oil companies who along with the Nigerian National Petroleum Corporation currently control the Asset. Crestar and partners will work together moving forward to continue these negotiations in order to secure 45% of the Asset. Pursuant to an agreement reached between Crestar and its partner, the sum of US\$408 million which was previously held in an escrow account has been released. The escrow account was originally set up in connection with a potential acquisition of the Asset. Given the previously announced material delays with the acquisition and the ultimate termination of the initial purchase agreement as a result of those delays, it was determined that the funds should be released from escrow at this time. Notwithstanding this release from escrow, US\$45 million remains as a deposit with the vendors of the Asset while negotiations for the acquisition of the Asset continue.

In addition and in connection with this renewed process, Crestar's partner has agreed to fund a portion of consortium costs previously incurred by Crestar in an amount equal to US\$11 million, payable US\$3.5 million now and US\$7.5 million on a deferred basis. The sum of US\$29 million was placed into a new escrow account by Crestar's partner pending agreement of final terms of the acquisition transaction.

In the event that terms can be agreed for the acquisition of the Asset and Crestar's partner agrees to proceed with the investment, the funds in the new escrow will be released to Crestar's partner. Should Crestar's partner, at its discretion, decide not to proceed with the potential investment, an additional payment of US\$20 million will be made to Crestar with the remaining funds in the new escrow being released to its partner.

About James Bay Resources Limited

James Bay is a Canadian resource company with 41,474,070 shares outstanding and trades on the Canadian Securities Exchange under the symbol “JBR”. Please visit the James Bay website at www.jamesbayresources.com.

For further information please contact:

Stephen Shefsky

President and CEO

Tel: 416-366-4200

sshefsky@jamesbayresources.com

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