

December 23, 2013

Symbol: JBR (TSX.V)
www.jamesbayresources.com

JAMES BAY ANNOUNCES EQUITY FINANCING IN CONNECTION WITH CHANGE OF BUSINESS

TORONTO, ONTARIO – James Bay Resources Limited (TSX.V: JBR) ("**James Bay**" or the "**Company**") announced that it will be pursuing an equity financing to raise up to \$7 million (the "**Equity Financing**"), to provide funds to continue its efforts to complete the previously announced change of business ("**COB**") from a mining issuer to an oil and gas issuer (see press releases dated June 28, 2012, October 10, 2012, January 14, 2013 and May 29, 2013). James Bay had previously received conditional approval from the TSX Venture Exchange (the "**TSXV**") for the COB, but that conditional approval has since lapsed as James Bay was not able to satisfy the conditions precedent in the time provided. James Bay plans to raise the required funding by way of debt financing, and as such, will be going back to shareholders for re-approval of the COB and will re-apply to the TSXV for approval of the COB. Completion of the COB is subject to obtaining those approvals of the TSXV and obtaining further shareholder approval to the revised terms of funding for the planned operations on the Ogedeh Project in Nigeria, Africa.

James Bay proposes to issue up to 7 million units at a price of \$1.00 per unit ("**Unit**") for gross proceeds of up to \$7 million from the Equity Financing. Each Unit is comprised of 1 common share and 1 common share purchase warrant exercisable at \$1.25 for 1 common share for 3 years after issuance. The proceeds from the Equity Financing will be used to fund working capital (approximately \$1.85 million, with \$600,000 to be used to repay existing debt), and to enable James Bay to further the foundation of its proposed oil and gas business in Nigeria including well planning (approximately \$500,000) and jack up rig deposits (approximately \$2.5 million), pending raising up to an additional \$20 million which it is anticipated will be raised through debt (the "**Debt Financing**") to fully fund the re-entry costs for the Ogedeh Project. The Equity Financing is a condition to obtaining the subsequent Debt Financing needed to complete the COB. James Bay will obtain written approval from shareholders holding greater than 50% of the outstanding common shares authorizing the Equity Financing before it can be closed, and may close portions of the Equity Financing in tranches. The Equity Financing will be completed prior to the COB. A finder's fee of 6% in cash and 6% in broker warrants exercisable to acquire common shares will be payable to eligible finders in connection with the Equity Financing.

The common shares and warrants issued as Units pursuant to the Equity Financing will be subject to a four month regulatory hold period commencing from the date of closing. In addition, the securities comprising the Units will have a TSXV legend restricting transfer until completion of the COB. The Equity Financing is subject to TSXV acceptance of requisite regulatory filings.

As previously disclosed, James Bay entered into an agreement to acquire a 47% direct interest in the Ogedeh Project from Bicta Energy & Management Systems Limited. As previously announced in its May 29, 2013 press release, James Bay's wholly owned subsidiary D&H Energy Nigeria Limited has received the required ministerial approval for the assignment of the 47% participating interest in the Ogedeh Project. The Ogedeh Project is a marginal field located in the south western corner of OML 90 (oil mining lease) in the western Niger Delta Basin, Nigeria. The Ogedeh field was discovered by Chevron in 1993 by the drilling of the Ogedeh-1 well, in shallow water offshore.

For further information, reference should be made to the Company's press releases dated June 28, 2012, October 10, 2012, January 14, 2013 and May 29, 2013 copies of which are all available at www.SEDAR.com.

The COB transaction remains subject to and conditional upon, among other things, shareholder approval, completion of the Debt Financing and receipt of approval of the TSX Venture Exchange.

About James Bay Resources

James Bay is a Canadian resource company with 28,040,350 shares outstanding and trades on the TSX Venture Exchange under the symbol “JBR”. Please visit the James Bay website at www.jamesbayresources.com.

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The TSXV has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Completion of the acquisition is subject to a number of conditions including, but not limited to, TSXV acceptance and, if applicable, pursuant to TSXV requirements, majority of minority share approval. The acquisition cannot close until the required shareholder approval is obtained. There can be no assurance that the acquisition will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular prepared in connection with the transaction, any information released or received with respect to the COB may not be accurate or complete and should not be relied upon. Trading in the securities of James Bay should be considered highly speculative.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.