

James Bay Resources Limited Announces Closing of \$1.9 Million Offering

TORONTO, ONTARIO--(Marketwire –January 31, 2014) -

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

James Bay Resources Limited ("JBR") (TSX VENTURE:JBR) today announced that it has raised gross proceeds of \$1,930,424.00 by way of a non-brokered private placement (the "**Offering**") of 1,930,424 units ("**Units**") at a price of \$1.00 per Unit, being the first tranche of its financing previously announced in its press release dated December 23, 2013.

Each Unit is comprised of one common share (a "**Common Share**") in the capital of JBR and one Common Share purchase warrant (each a "**Warrant**"). Each Warrant comprising part of the Units is exercisable for a Common Shares at a price of \$1.25 for thirty-six months from the date of issuance.

In connection with the Offering, JBR issued an aggregate of 60,397 finder's warrants ("**Finder's Warrants**") and paid an aggregate amount of \$60,397 in cash finder's fees to one eligible arms-length finder. Each Finder's Warrant entitles the holder to acquire one Common Share at a price of \$1.00 for thirty-six months from the date of issuance.

The proceeds from the Offering if fully subscribed, 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 Offering is a condition to obtaining the subsequent Debt Financing needed to complete the COB. James Bay obtained written approval from shareholders holding greater than 50% of the outstanding common shares authorizing the Offering. Two insiders of JBR participated, consisting of one director and one executive officer who purchased \$600,000 Units in aggregate.

The common shares and warrants issued as Units pursuant to the Offering 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 Offering is subject to TSXV acceptance of requisite regulatory filings.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About James Bay Resources Limited

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.

Disclaimer

This news release includes certain statements that may be deemed "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the Corporation's operations, exploration and development plans, expansion plans, estimates, expectations, forecasts, objectives, predictions and projections of the future. Generally, these forward-looking statements can be identified by the forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "projects", "intends", "anticipates", or "does not anticipate", or "believes", or "variations of such words and phrases or state that certain actions, events or results "may", "can", "could", "would", "might", or "will be taken", "occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of James Bay Resources Limited to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: risks related to the Corporation's change of business and the oil and gas industry in Nigeria generally, risks related to operations, construction delays and cost overruns, the actual results of exploration, development and construction activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future copper prices, as well as those factors discussed in the sections relating to risk factors of our business filed in James Bay Resources Limited's required securities filings on SEDAR. Although James Bay Resources Limited has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results to be materially different from those anticipated, described, estimated, assessed or intended.

There can be no assurance that any forward-looking statements will prove 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. James Bay Resources Limited does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

For further information please contact:

Stephen Shefsky

President and CEO

Tel: 416-366-4200

[sshelfsky@jamesbayresources.com](mailto:sshefsky@jamesbayresources.com)

The TSX Venture does not accept responsibility for the adequacy or accuracy of this news release.