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TERM SHEET OFFERING OF DEBENTURES

Issuer:	49 North Resources Inc. (the “Company”)
Agent:	Lead Agent: MGI Securities Inc., Co Lead: Canaccord Genuity and Wellington West Capital Inc. (collectively, the “Agent”)
Description of Agency:	The Agent will act as the Company’s exclusive agent to sell 8% unsecured convertible subordinated debentures of the Company (the “Debentures”) on a commercially reasonable basis pursuant to the terms of an offering memorandum prior to July 30, 2010 or such other date as may be agreed to by the Company and the Agent. The Agent is not obligated under any circumstances to purchase any Debentures but may choose to do so in its sole discretion.
Conduct of Offering:	The Offering shall be conducted in the Offering Jurisdictions (as hereinafter defined) under such exemptions from the prospectus and registration requirements of applicable securities laws as the Company and Agent may agree to. It is currently contemplated that the Offering will be conducted in the Offering Jurisdictions utilizing the provisions of the Offering Memorandum exemption of Section 2.9 and the Accredited Investor exemption of Section 2.3 of National Instrument 45-106 <i>Prospectus and Registration Exemptions</i> , or such other exemptions as may be available in the circumstances.
Issue:	Sale of up to \$10 million aggregate principal amount of Debentures. Minimum Offering of \$2 million aggregate principal amount of Debentures.
Issue Price:	The Debentures will be issued in denominations of \$100 and integral multiples thereof.

Attributes of Debentures: The Debentures will be created and issued pursuant to a trust indenture (the “Indenture”) to be entered into between the Company and Equity Transfer & Trust Company, as trustee (or such other trustee acceptable to the Agent). The specific attributes of the Debentures will be set forth in the Indenture which will provide, among other things, that the Debentures:

- will have a three-year maturity from the Closing Date;
- will pay interest annually at the rate of 8% per annum;
- will, subject to certain conditions precedent, be redeemable by the Company upon payment of the outstanding principal amount of the Debenture, interest due or accruing due prior to the date of redemption and a premium equal to (i) 6% of the outstanding principal amount of the Debenture if redeemed prior to the first anniversary of the Closing Date, (ii) 4% of the outstanding principal amount of the Debenture if redeemed on or after the first, but prior to the second anniversary of the Closing Date, or (iii) 2% of the outstanding principal amount of the Debenture if redeemed on or after the second anniversary of the Closing Date; and
- will be convertible into common shares of the Company at a conversion price of (i) \$4.00 per common share prior to the first anniversary of the Closing Date, (ii) \$4.25 per common share on or after the first but prior to the second anniversary of the Closing Date, or (ii) \$4.50 per common share on or after the second anniversary of the Closing Date.

The Indenture will be in such form as is approved by the respective counsel to the Company and the Agent and will contain adjustment provisions in respect of subdivisions, consolidations, distributions, certain issuances or other like events resulting in any adjustment to the common shares of the Company.

Minimum Subscription: The minimum subscription for Debentures is \$5,000 and additional Debentures can be purchased in \$100 increments.

Offering Jurisdictions: The Offering will be conducted in the Provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, and such other Provinces or Territories in Canada as the Company and Agent may agree upon (the “Offering Jurisdictions”). The Offering may be conducted in foreign jurisdictions outside of Canada, except the United States, in which there are Subscribers and upon which the Agent and the Company may mutually agree.

Costs and Expenses:	Whether or not the Offering is completed, reasonable offering costs, due diligence expenses, travel expenses and other expenses including the reasonable fees of the Agent's designated legal counsel (such fees not to exceed \$20,000) plus disbursements and taxes shall be borne by the Company.
Listing:	The Debentures of the Company are not listed or posted for trading on any recognized exchange or over-the-counter market, however, the common shares of the Company issued as a result of conversion are listed on the TSX Venture Exchange. The Company shall reserve for issuance sufficient Common Shares to fulfill all rights of conversion.
Reporting Issuer:	The Company is a reporting issuer in all of the provinces and territories of Canada.
Selling Concession:	3% in cash commissions
Closing:	Subscription agreements due July 22 with closing on July 29

National Conference Call

Date/Time	July 6 3:15 EST
North American callers	1-866-544-4631
International callers	1-416-849-5571
Recording Dial In Number	1-866-245-6755
Replay Pass Code	352531

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