



**PRESS RELEASE – Saskatoon SK. – January 16, 2007 - FOR IMMEDIATE RELEASE**

## **49 NORTH RESOURCE FUND ANNOUNCES MERGER PLANS**

***And welcomes new director and appoints Independent Review Committee***

49 North Resource Fund Limited Partnership (49 North) and 49 North 2006 Resource Flow-Through Limited Partnership (the 2006 Fund) report that they plan to merge the two Funds in a reorganization transaction that is targeted to close in February of this year. All outstanding units of the unlisted 2006 Fund will be transferred to 49 North on a tax-deferred, roll-over basis in exchange for RRSP eligible units of 49 North which trades on the TSX Venture Exchange (ticker symbol FNR.un). Following the unit exchange the 2006 Fund will be wound up.

49 North and the 2006 Fund, under common management led by President & CEO Tom MacNeill CFA, are Saskatoon based investment funds uniquely focused on junior and intermediate mineral and oil & gas companies with exploration programs in Saskatchewan. The 2006 Fund successfully raised \$8,115,030 on the issue of 1,623,006 units in 2006; comfortably surpassing the \$6,000,000 raised on the issue of 1,200,000 units by 49 North in its inaugural offering in 2005. Approximately 90% of the investors in the Funds are Saskatchewan residents. The two Funds investment portfolios now include holdings in a total of over 40 resource companies, including 29 mineral and 12 oil & gas exploration companies.

Based on the current portfolio values of the respective Funds, the reorganization is expected to result in the unit holders of the 2006 Fund receiving approximately 0.96 49 North units for each 2006 Fund unit; for an estimated total 1,550,000 new units, thereby increasing 49 North's outstanding capital after completion of the transaction to approximately 2,750,000 units. However, the exact number of 49 North units to be issued in exchange for the outstanding units of the 2006 Fund will be determined based on the Funds' respective Net Asset Values as of February 8, 2007, which is the date scheduled for a special meeting of the unit holders of the 2006 Fund to consider the transaction.

Complete details of the transaction are disclosed in the 2006 Fund's information circular for that special meeting, which is expected to be filed with securities regulators on Wednesday, January 17, 2007 following which it will be available to the public at [www.sedar.com](http://www.sedar.com). Closing of the transaction is subject to approval by the 2006 Fund's unit holders at the February 8 meeting as well as to obtaining all necessary regulatory approvals.

49 North is also very pleased to announce that Mr. Neil Burwash has joined the board of directors of 49 North Resource Fund Inc., the general partner of 49 North. Mr. Burwash, a Certified Management Accountant and Certified Financial Planner, is the President of Burwash Financial Services. Tom MacNeill, CEO of 49 North Resource Fund Inc and of the Funds' investment manager TMM Portfolio Management Inc., commented that he was "delighted that Mr. Burwash has agreed to become a director" adding that "his 25 years of public accounting and related experience in Saskatchewan's and Alberta's oil & gas sector will be a great complement to the wealth of mining industry experience that we already have on our management team". Mr. Burwash replaces Mr. Jim Engdahl on the board of 49 North Resource Fund Inc. Mr. Engdahl, the CEO of Great Western Minerals Group Ltd. (TSXV – GWG), will,

however, remain as a director of 49 North 2006 Resource Fund Inc, the general partner of the 2006 Fund.

Mr. MacNeill also announced the appointment of Irene Seiferling, Gary Meschishnick and Alon Zack, all of Saskatoon, as the initial “independent review committee” of the 49 North Fund. Ms. Seiferling’s firm, Board Dynamics, specializes in corporate governance consulting; and she has been actively involved with Boards as a director and advisor for over 25 years and is Saskatchewan’s first Institute of Corporate Directors accredited corporate director. Mr. Meschishnick is a senior partner with the law firm Wallace Meschishnick Clackson Zawada and has over 20 years experience in the areas of corporate, commercial and environmental law. Mr. Zack has been the President & CEO of Primewest Mortgage Investment Corporation since December 2006, prior to which he held senior positions with a Canadian chartered bank.

The independent review committee is being established pursuant to National Instrument 81-107, which was recently adopted by securities regulators across Canada and 49 North intends to be fully compliant with the National Instrument by not later than November 1, 2007.

Additional information about 49 North Resource Fund Limited Partnership and 49 North 2006 Resource Flow-Through Limited Partnership is available at [www.sedar.com](http://www.sedar.com), or by contacting Tom MacNeill: Phone - 306-664-4626; Email – [investorrelations@49northresource.ca](mailto:investorrelations@49northresource.ca).

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