

Canstar Announces Initial Drill Results, Including 9.6 g/t Gold over 7.8 Metres, from Golden Baie Project, Newfoundland

Toronto, Ontario – August 19, 2021 – CANSTAR RESOURCES INC. (TSXV: ROX & OTCPK: CSRNF) (“Canstar” or the “Company”) is pleased to announce assay results from the first two holes of its 5,000 metre diamond drill program on the Golden Baie project in south Newfoundland.

Holes GB-21-01 and GB-21-02 were drilled from the same pad at the Kendell Target, located in the centre of the 62,175 hectare claim package (Figure 1). These holes were drilled to intersect the downdip projection of significant quartz veining in a surface trench that was excavated earlier this year (Figure 2). Both drill holes intersected a zone of gold mineralization associated with multiple small quartz veins and sulphide mineralization and assay highlights are provided in Table 1. Hole GB-21-01 was angled at 45 degrees towards the east and intersected 9.64 g/t gold over 7.75 metres, starting at 7.45 metres downhole (Figure 3). Hole GB-21-02 was a near-vertical drill hole and intersected 2.09 g/t gold over 7.92 metres including 9.59 g/t gold over 1.03 metres, starting at 15.15 metres downhole.

Rob Bruggeman, President & CEO of Canstar, stated: “Having the first hole from the 2021 drill program return the best grade-intercept ever reported on the Golden Baie project is a fantastic start to the drill program. More importantly, the initial assay results from the Kendell Target indicate a broad zone of gold mineralization that starts at surface and is believed to dip at an estimated 30-40 degrees towards the northwest. Future assay results are expected to further define the dip and orientation of the mineralized system. The initial results are very promising because orogenic gold systems can extend over great distances, as recently demonstrated at other gold projects in central Newfoundland. We plan to step out and attempt to follow this mineralized zone as it gets deeper in order to evaluate the potential for zones with higher grades or broader widths.”

Table 1 - Highlight Assay Results from Reported Drill Holes

Drill Hole	From (m)	To (m)	Thickness (m)	Gold (g/t)
GB-21-01 and	7.45	15.20	7.75	9.64
	21.95	22.80	0.85	2.03
GB-21-02 including	15.15	23.07	7.92	2.09
	15.15	16.18	1.03	9.59

All intersections are downhole length as there is insufficient information to calculate true width.

Kendell Target Overview

Trench TGB-20-01 was excavated in the fall of 2020 and intercepted NE-SW trending quartz veins of varying thickness along a strike length of approximately 70 metres, approximately 16 metres of which contained visible gold. Seven channels were saw cut and sampled with the best results being 10.17 g/t gold over 3.0 metres and 6.20 g/t gold over 5.0 metres (seen news release dated [Nov. 30, 2020](#)).

Trench TGB-20-01 was expanded perpendicular to strike in the northwest direction in May 2021. The trench extension encountered a thick section (~4m) of abundant, visible gold bearing quartz veins in strongly sheared metasediments (see news release dated [Jun. 8, 2021](#)). The grab samples from the newly identified quartz veins assayed up to 34 g/t gold and the first 22 drill holes

(~1,200 metres) of drilling in the 2021 program was targeting the extension of these quartz veins. Due to the extensive deformation of the rocks, the initial drill holes are fairly short and tightly spaced, oriented at dips of 45 to 88 degrees to follow the mineralization and better understand the structure and orientation. (Note: the reader is cautioned that rock grab samples are selective by nature and values reported may not represent the true grade or style of mineralization across the property.)

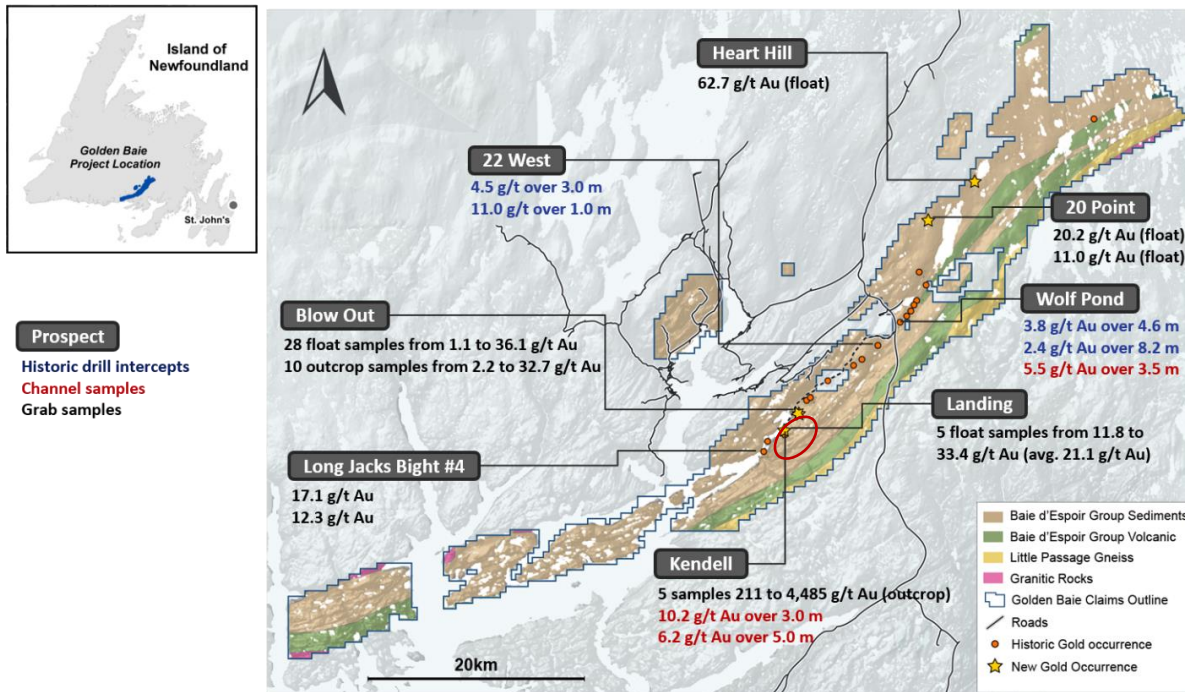


Figure 1 - Golden Baie Property with key gold occurrences noted and 2021 drill target area in red ellipse.

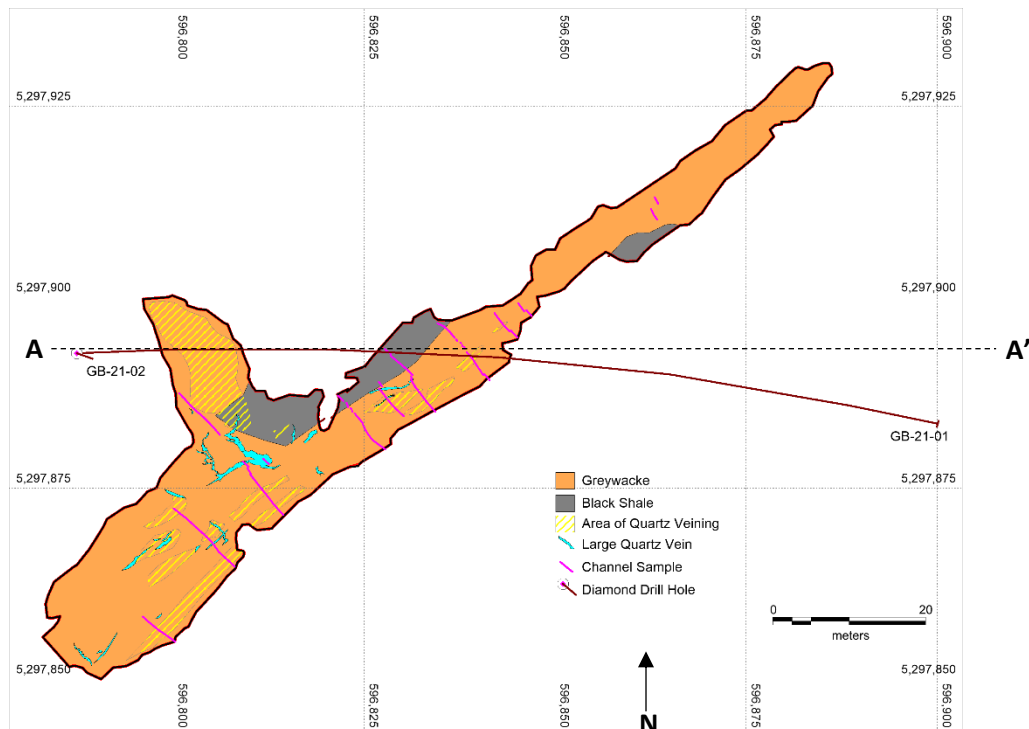


Figure 2 - Plan View of Kendell Target Showing Surface Trenches and Drill Trace for Holes GB-21-01 and GB-21-02

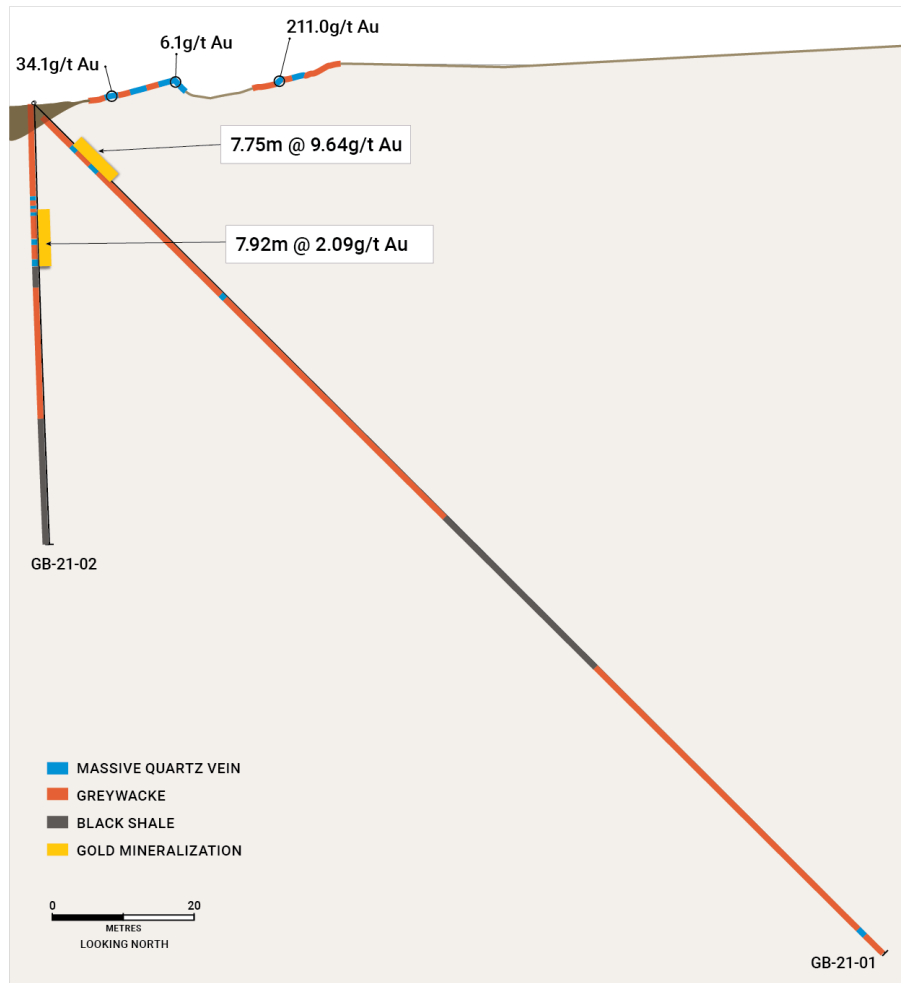


Figure 3 - Section A-A' Showing Reported Drill Holes and Trench Grab Assays (looking north)

2021 Drill Program Status

The 2021 summer drill program is focusing primarily on the area from the Kendell Prospect to the Blow Out Prospect (Figure 1). Drilling commenced on June 8 and is expected to continue until the end of August, 2021. To date, 45 drill holes have been completed for a total of approximately 4,300 metres. Drilling of the Blow Out target is currently being completed, after which the drill rig will return to the Kendell target. The Company expects to complete at least 50 drill holes for over 5,000 metres of total drilling as part of this program, with assays expected to be received until the end of October. The timing of the next phase of the drill program is being evaluated.

Acknowledgements

Canstar wishes to acknowledge the financial support of the 2021 exploration program through the Junior Exploration Assistance Program from the Department of Natural Resources, Government of Newfoundland and Labrador.

Table 2 - Collar Data for Reported Drill Holes

Hole ID	Location	UTME	UTMN	Azimuth	Dip	Total Depth
GB-21-01	Kendell	596787.3	5297893	88	-45	166
GB-21-02	Kendell	596787.3	5297893	88	-88	62

QA/QC:

All rock and soil samples were collected by company personnel and shipped to Eastern Analytical of 403 Little Bay Road, Springdale, NL, a commercial laboratory that is ISO/IEC 17025 accredited and completely independent of Canstar Resources Inc. Most rock samples were crushed to 10 mesh (2000 µm) and a 250g split pulverized to 150 mesh (89 µm). The core samples are being entirely pulverized to 150 mesh (89 µm). Splits of the pulverized samples are analyzed for gold using fire assay (30g) with AA finish and an ICP-34, four acid digestion followed by ICP-OES analysis for 34 additional elements. Metallic screening is being used for samples with visible gold and all samples with initial fire assays over 25 g/t. In addition to Eastern Analytical's quality control program of standards, blanks and duplicates, Canstar utilizes its own reference materials, blanks and duplicate samples to ensure data quality. In addition duplicates of selected samples are being sent to a second laboratory as check assays.

Qualified Person

Bob Patey, B.Sc., P.Geo, Senior Geologist of Canstar, and a Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects, is responsible for the scientific and technical data presented herein and has reviewed and approved this release.

About Canstar Resources Inc.

Canstar is focused on the discovery and development of economic mineral deposits in Newfoundland and Labrador, Canada. Canstar has an option to acquire a 100% interest in the Golden Baie Project, a large claim package (62,175 hectares) with recently discovered, multiple outcropping gold occurrences on a major structural trend in south Newfoundland. The Company also holds the Buchans-Mary March project and other mineral exploration properties in Newfoundland. Canstar Resources is based in Toronto, Canada, and is listed on the TSX Venture Exchange under the symbol ROX and trades on the OTC PK under the symbol CSRNF.

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This News Release includes certain "forward-looking statements" which are not comprised of historical facts. Forward looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the Company's objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking

information include, but are not limited to failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and supply chains, and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.