

## Newfoundland Gold Exploration Claims Increased by 21% to 939 km<sup>2</sup>

Toronto, Ontario – August 15, 2022 – **CANSTAR RESOURCES INC. (TSXV: ROX & OTCPK: CSRNF)** (“Canstar” or the “Company”) is pleased to announce that it has acquired a total of 658 additional mineral claim licenses, covering 16,450 hectares, in south-central Newfoundland. The claims have been acquired through a combination of map staking by Company personnel and acquisition from several third-party claim holders. With these additional claims, Canstar now controls a total of 939 square kilometres (km<sup>2</sup>) or 93,875 hectares of claims in favourable geology along the Day Cove Thrust and Hermitage Flexure crustal-scale faults (Figure 1).

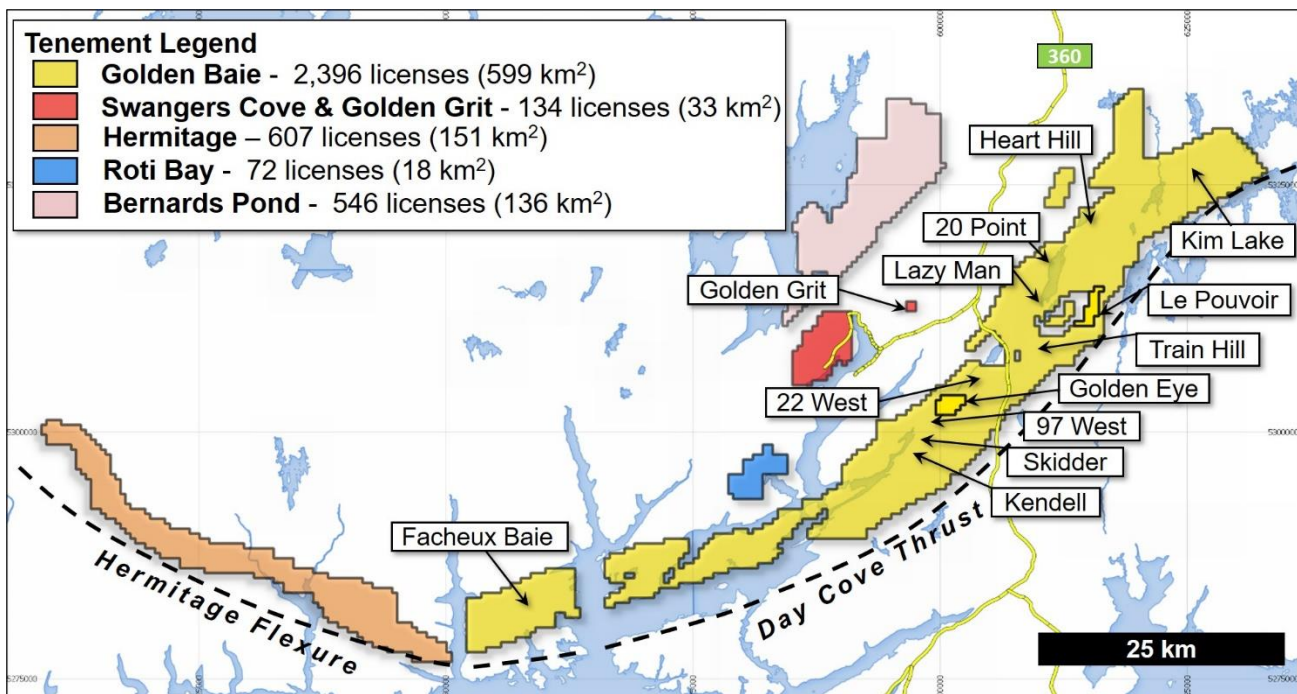


Figure 1 - Claim blocks staked or acquired by Canstar in the vicinity of the Golden Baie project in south-central Newfoundland

Robert Bruggeman, President & CEO of Canstar, commented: “We believe that the western side of the tectonic boundary between the Dunnage and Gander zones, which extends across central Newfoundland, is emerging as a prolific new orogenic gold district. Based on our exploration work on the Golden Baie project to date, there are very anomalous gold mineralization trends over large areas that we believe are associated with multiple structurally-controlled gold systems. Our ability to accumulate such a large mineral claim package in this area has created an extraordinary opportunity to create value for Canstar and its shareholders.”

Matthieu Lapointe, Vice President of Exploration for Canstar, commented: “The acquisition of these claims fills in some gaps that had existed on our flagship Golden Baie project. We are very excited to start exploring the newly-acquired claims that are situated along the +15 kilometre-long Little River Trend in the central portion of the Golden Baie project. These claims are known to have several zones of very anomalous gold mineralization, including visible gold, and may hold the bedrock source of some of the till anomalies we have identified along strike to the southwest. In addition, the Company has staked and acquired claims in new areas with significant anomalous gold in soil and stream sediment samples that have seen little or no historical exploration – the Bernards Pond and Roti Bay

properties. All of these claims are in the highly prospective Baie d'Espoir Group rocks, which are believed to be equivalent to the Davidsville Group at the Queensway project to the north."

### Additional Claims at the Golden Baie Project

At the Company's flagship Golden Baie project, 16 claims, covering 400 hectares, were staked by Canstar personnel in the key Little River Trend area (Figure 2). These claims, which were previously held by another company, are just northeast of the till sample containing 502 gold grains (reported in the Company's May 4, 2022, news release), and host the Golden Eye and Osprey targets. Historical work on these claims includes three shallow drill holes drilled in 2009, which the Company does not believe were sampled. Rock grab samples included a boulder grading 142.1 g/t gold and outcrop samples grading up to 19.8 g/t gold, and there were 1,014 historic soil samples of which 102 returned gold values of 10 ppb or higher with a maximum of 577 ppb gold. *These are historic results that have not been confirmed by the Company. Readers should also note that rock grab samples are selective by nature and values reported may not represent the true grade or style of mineralization across the property.*

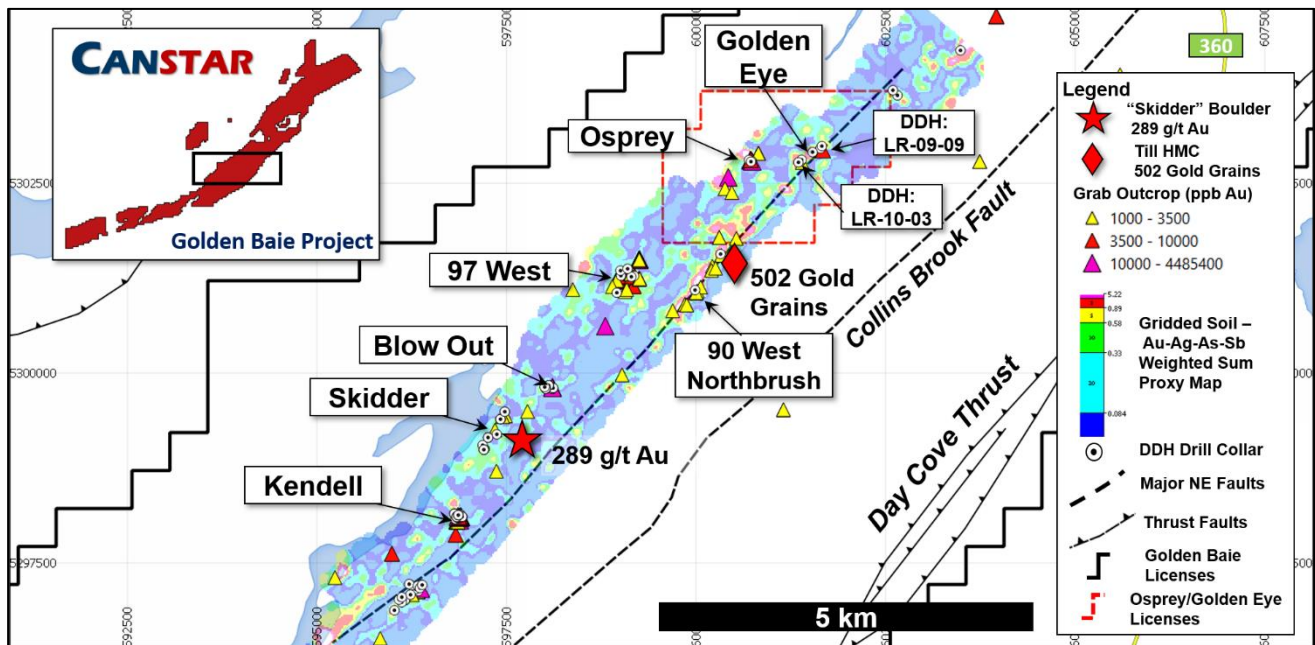


Figure 2 - Little River Trend on the Golden Baie project showing soil anomaly heatmap and priority targets

An additional four claims, covering 100 hectares, located along the Little River Trend, were acquired from an arm's length third party in exchange for a nominal cash payment and a 2% Net Smelter Royalty ("NSR"). Six diamond drill holes were completed on these claims in 2009/2010. Drill hole LR-09-09 encountered a 1.0 metre interval containing 2.4 g/t gold and this hole also contained a separate 1.5 metre interval of 0.46% antimony. Drill hole LR-10-02, located 300 metres southwest of hole LR-09-09, intersected visible gold in an interval which returned 2.95 g/t gold over 0.7 metres. A third drill hole (LR-10-03) returned assays with 1.49 g/t gold over 0.8 metres. No subsequent drilling has been completed on the property since 2010. A total of 509 historic soil samples have reportedly been collected on these claims, with 68 returning assays of at least 10 ppb gold with a maximum of 323 ppb gold.

The Company also acquired 20 new claims, covering 500 hectares, in the vicinity of the Le Pouvoir fault within the Golden Baie project area. These claims were also previously held by another company and were recently map staked by Canstar personnel. Historical work on these claims includes 617 soil samples, of which 98 returned gold assays of at least 10 ppb with a maximum of 159 ppb gold. The

Le Pouvoir area is notable because it has the highest grade stibnite (the principal ore of antimony) sample ever reported in Newfoundland. As indicated in the Company's [July 5, 2022, news release](#), there appears to be a strong correlation between gold mineralization and antimony, as well as arsenic, on the Golden Baie project.

### **Bernards Pond Claims**

The Bernards Pond area is located to the north of the Company's existing Swangers Cove claims, which in turn are located to the north of the central portion of the Golden Baie project claims (Figure 1). The area geology consists of Ordovician marine siliciclastics of the Baie d'Espoir Group. Canstar recently map staked two licenses in this area covering 440 claims (11,000 hectares) on which there is no reported historical exploration work.

An additional 106 claims covering 2,650 hectares (the "Bernards Pond Claims") were acquired from local prospectors in exchange for approximately 148,876 Canstar common shares. The vendors have conducted some preliminary prospecting work on the acquired claim block, including 65 lake sediment samples of which 20 returned gold assays of at least 5 ppb and up to 177 ppb gold, which is highly anomalous. Historic soil sampling consisted of 102 samples of which seven assayed at least 10 ppb gold with a maximum of 39 ppb gold. Limited historical prospecting on the acquired claims yielded rock grab samples of up to 3.4 g/t gold in float.

### **Roti Bay Claims**

The Roti Bay area is located approximately 15 km west of the Kendell prospect on the Company's Golden Baie project. A total of 72 claims covering 1,800 hectares (the "Roti Bay Claims") were acquired from local prospectors in exchange for approximately 101,124 Canstar common shares. The Roti Bay Claims are notable for having one of the highest active/inactive streambank sediment sample gold anomalies in the Baie d'Espoir area based on historical work done by the Newfoundland Department of Natural Resources (Open File: 001M\_0319).

The vendors of the Bernards Pond and Roti Bay Claims also retain a 2% NSR, subject to the Company having a right to buy 1% of the NSR at any time for \$750,000.

### **Acquisition Terms for the Bernards Pond Claims and Roti Bay Claims**

The Company has entered into a binding property purchase agreement (the "Agreement") with four individuals (the "Vendors") that sets out the principal terms and conditions upon which the Vendors transferred to the Company their 100% interest in the Bernards Pond Claims and Roti Bay Claims, subject to the retention by the Vendors of a 2.0% net smelter return royalty from all commercial production on the Bernards Pond Claims and Roti Bay Claims (the "Royalty"). The Vendors transferred to Canstar their beneficial interest in the Bernards Pond Claims and Roti Bay Claims, subject to the Royalty, in consideration for the issuance of a total of 250,000 common shares of the Company (the "Common Shares") to the Vendors and the payment of an aggregate of \$30,920 to the Vendors for reimbursement of certain fees incurred by them.

The closing of the acquisition of the Bernards Pond Claims and Roti Bay Claims (the "Acquisition") was completed today and is subject to the final acceptance of the TSX Venture Exchange (the "Exchange"). The Common Shares to be issued in connection with the Agreements will be subject to a statutory hold period of four months and a day from the date of issuance.

## Qualified Person

Matthieu Lapointe, B.Sc., P.Geo, Vice President Exploration 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.

## Acknowledgements

Canstar wishes to acknowledge the financial support of the 2022 exploration program through the Junior Exploration Assistance Program from the Department of Natural Resources, Government of Newfoundland and Labrador.

## About Canstar Resources Inc.

Canstar Resources has a very experienced technical team and board who are focused on new mineral discoveries in Newfoundland, Canada. Central Newfoundland has emerged as one of the most exciting gold exploration districts due to recent high-grade orogenic gold discoveries along crustal scale fault corridors. The Company is focused on gold exploration on 939 km<sup>2</sup> of mineral claim licenses in south-central Newfoundland, including the Golden Baie project which has multiple high-grade gold anomalies at surface along 40 km of strike and near-surface drilling confirming the presence of high-grade orogenic gold. 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.

## For further information, please contact:

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## Forward-Looking Statements

*Neither 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.*

*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.*