

Canstar Outlines 2023 Gold Exploration Targets in Newfoundland

FACHEUX BAY TARGET WAS DISCOVERED IN 2022 AND HAS OUTCROP SAMPLES UP TO 18 g/t AU

WOLF POND PROSPECT HAS LARGE BULK TONNAGE POTENTIAL, ADJACENT TO A HIGHWAY

Toronto, Ontario – May 4, 2023 – CANSTAR RESOURCES INC. (TSXV: ROX & OTCPK: CSRNF) (“Canstar” or the “Company”) is pleased to announce key gold exploration targets for the upcoming 2023 field season on the district-scale Golden Baie project in south-central Newfoundland.

Regional exploration work done to date on the Golden Baie claims has identified extensive surface gold anomalies that span 100 kilometres (“km”) (Figures 1 & 2) along the same major fault corridor as the Queensway project to the northeast. The size and distribution of gold anomalies on the Golden Baie project are impressive and suggest significant potential for gold discoveries, based on other orogenic gold projects like Bendigo-Fosterville in Australia and Mother Lode in California.

2022 exploration work by Canstar confirmed additional mineralization at the Kendell prospect, with highlight drill intercepts that included 20.6 g/t gold over 3.5 m, including 58.2 g/t gold over 1.1 m, and 3.2 g/t Au over 22 m, including 18.1 g/t over 1.0 m (see news releases dated [July 5, 2022](#), and [March 13, 2023](#)). In addition to these high grade drill results, regional exploration work completed in 2022 highlighted the potential for brand new discoveries in areas with little or no historical gold exploration work. Examples of new discoveries include the Facheux Bay and Wood Cutter targets, which are now high priority areas for additional exploration work.

Key targets for the first phase of the 2023 exploration program are as follows:

Wolf Pond Prospect – 2022 drilling confirmed shallow gold mineralization within a 3 km long soil anomaly that is situated approximately 300 m south of historical drilling that outlined gold mineralization over a strike length of 450 m. These results suggest the potential for shallow disseminated gold mineralization over a large area, conveniently located near a paved highway. Additional prospecting and trenching are planned in order to define priority drill targets.

Facheux Bay Target – Regional exploration work in 2022 discovered gold mineralization of up to 18.4 g/t gold in outcrop grab samples¹ along a 600 m regional trend with a potential strike length of 10 km. Mapping and prospecting of this prospective trend is planned for this summer and is expected to be straightforward and cost-effective due to the absence of overburden.

Wood Cutter Target - Located adjacent to the Baie d’Espoir highway, 2022 prospecting identified gold mineralization over an area with a strike length of 350 m and assays up to 19.7 g/t gold on a trend that is parallel to Wolf Pond, which is 1.1 km to the northeast.

Matthieu Lapointe, Vice President Exploration, stated: “*The team is excited to follow-up on the results of the 2022 program. Facheux Bay and Wood Cutter are new high-grade discoveries that we intend on rapidly advancing to the drill ready stage.*”

In addition to the high-grade targets, the Company is also evaluating bulk-tonnage targets. Wolf Pond is underpinned by a three-kilometre-long gold-in-soil anomaly. This is the largest soil anomaly on the Golden Baie property and we believe there is considerable potential to delineate a large gold system at Wolf Pond with continued systematic exploration.”

¹ Readers are advised that rock grab samples are selective by nature and values reported may not represent the true grade or style of mineralization across the property.

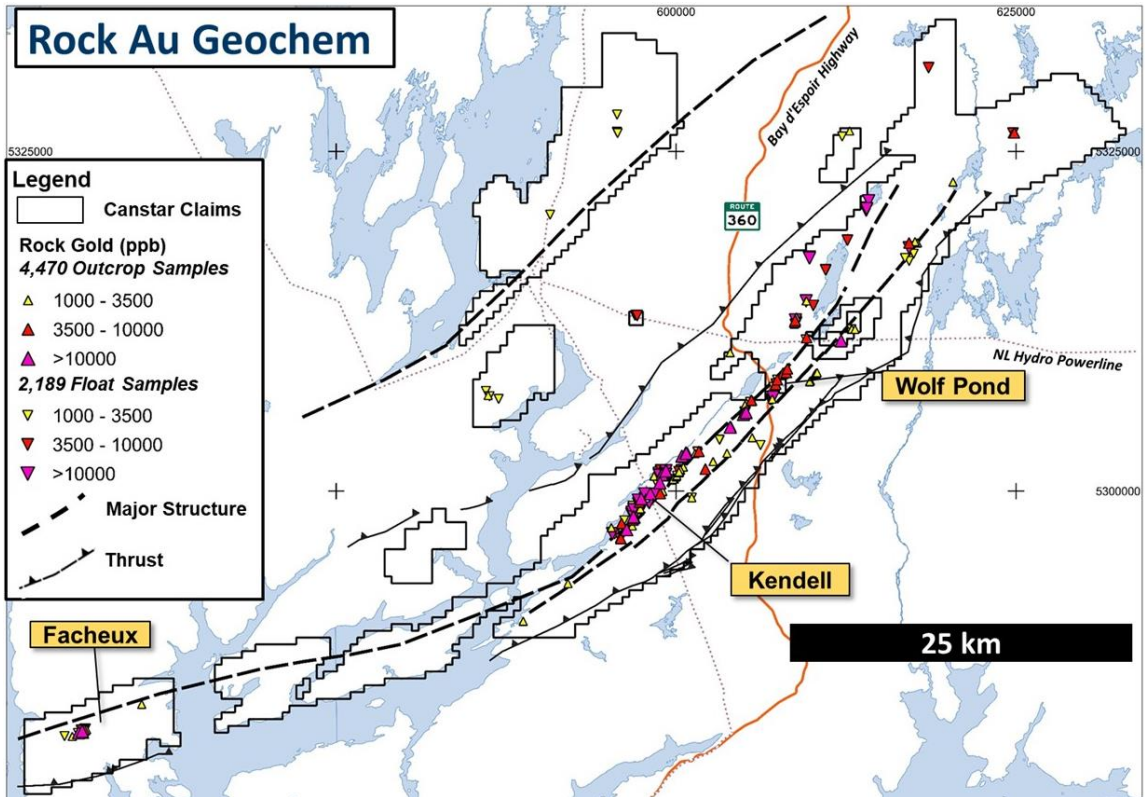


Figure 1 – Distribution of grab samples with anomalous gold values on the Golden Baie property (1000 ppb equivalent to 1 g/t Au)

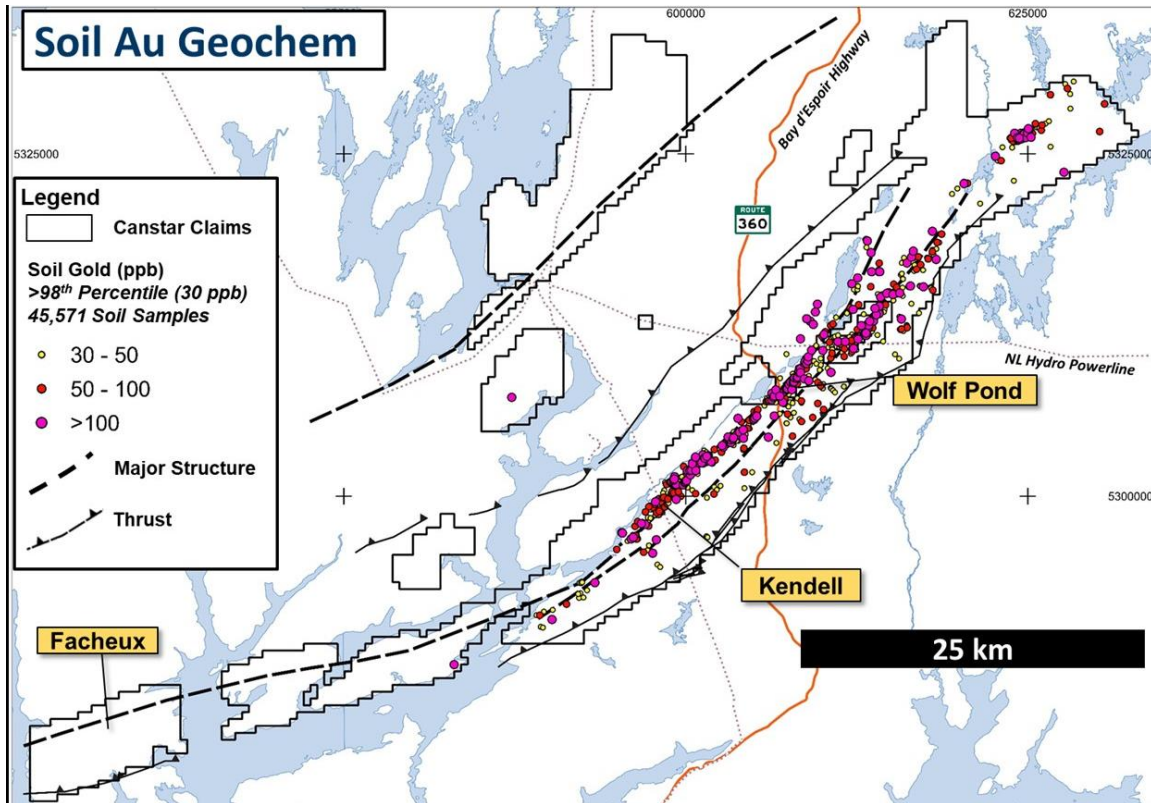


Figure 2 – Extensive gold-in-soil anomalies on the Golden Baie project

Wolf Pond Prospect

Historic drilling at Wolf Pond in the 1980s delineated a mineralized zone (the “Wolf Pond Gold Zone”) averaging 2 to 3 m thick with grades of 3 to 5 g/t gold within a broader envelope 5 to 8 m thick averaging 1 to 2 g/t gold. The Wolf Pond Gold Zone was delineated by previous operators over a strike length of 450 m and to a depth of 165 m and is open both along strike and at depth (Figure 3).

Approximately 300 m southeast of the Wolf Pond Gold Zone is a 3 km by 50 m gold-in-soil anomaly, with values ranging from 30 to 752 ppb gold, which had never been drill tested by previous operators. In 2022, Canstar drilled four holes totaling 679 m into the soil anomaly, testing approximately 150 m of strike length. All four holes intersected gold mineralization with the best results from the two most north-easterly holes WP-22-04 (**1.9 g/t Au over 6.7 m**) and WP-22-02 (**0.8 g/t Au over 11.5 m including 1.2 g/t Au over 5.0 m**). Mineralization is associated with arsenopyrite-stibnite-bearing quartz veins hosted in felsic-intermediate volcanoclastics intercalated with sediments (Figure 4).

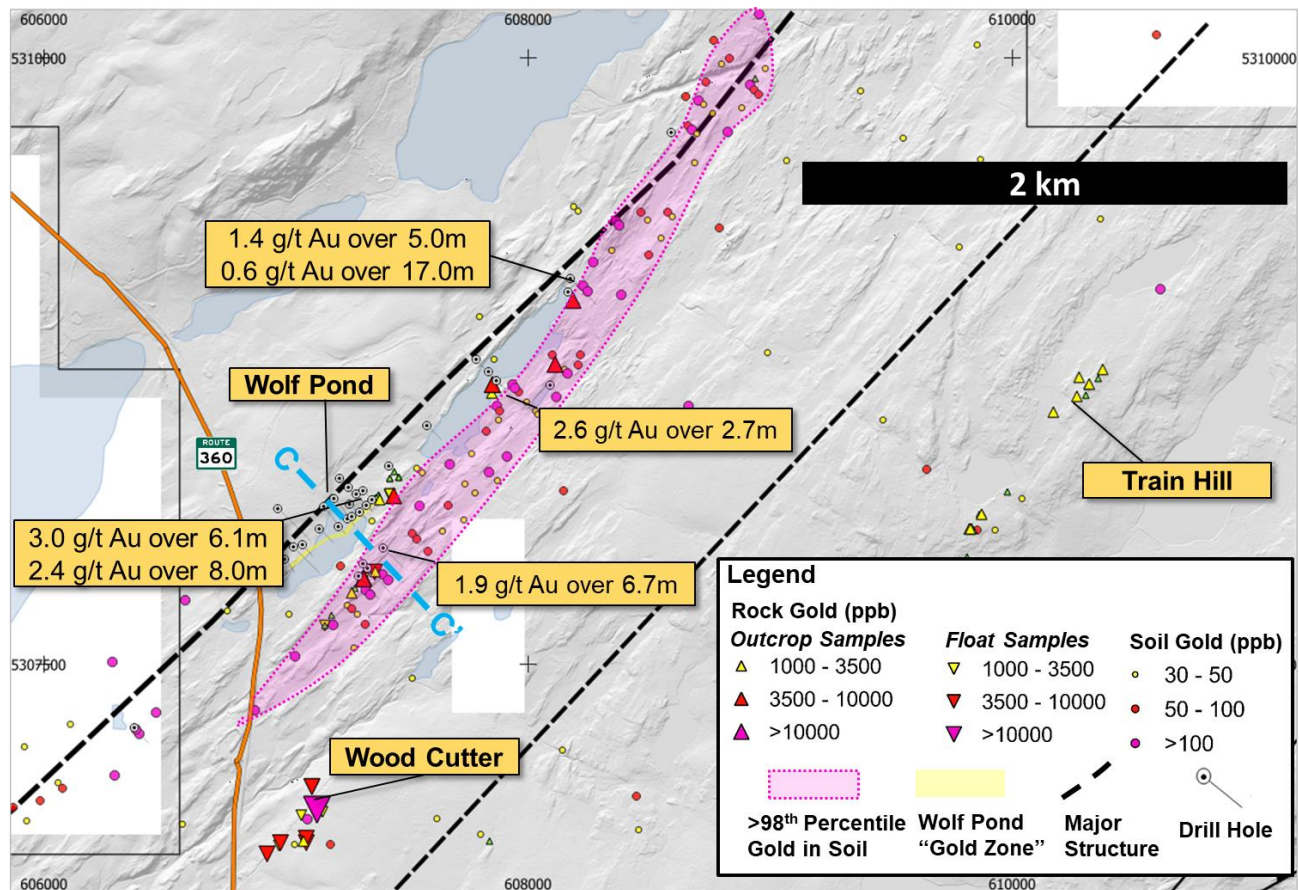


Figure 3 – Wolf Pond prospect plan map showing 2022 drill holes into a large gold-in-soil anomaly along with historical drill holes

Facheux Bay Target

Prospecting and reconnaissance mapping by Canstar in the Facheux Bay area in 2022 led to a newly discovered zone of quartz veining with associated arsenopyrite hosted in fine grained sedimentary rocks, similar to those that host the Kendell prospect gold mineralization. Outcrop sampling of this zone delineated a gold trend with grades exceeding 1.0 g/t that strikes northeast-southwest for over 600 m and has samples grading up to 18.4 g/t gold (Figure 5).

LiDAR interpretation of the Facheux Bay area suggests that the anomalous gold mineralization is correlated with a regional fault that extends another 3.5 km to the southwest and 4.5 km to the

northeast. Additional mapping, prospecting, and channel sampling are planned along this trend in order to define priority drill targets. This area is only accessible by boat and by air, but field work is expected to be efficient due to the lack of overburden in this area.

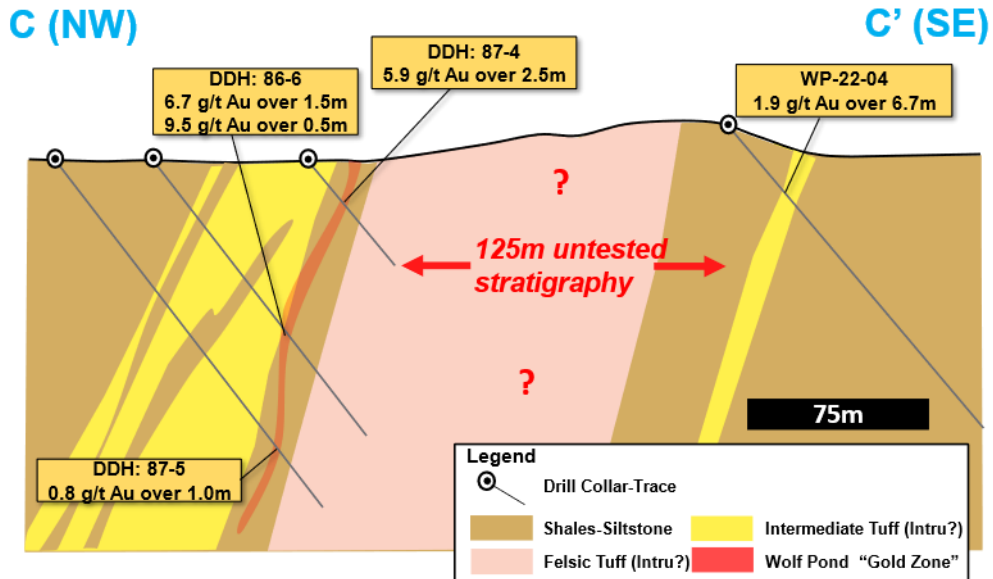


Figure 4 – Wolf Pond prospect cross section (looking northeast)

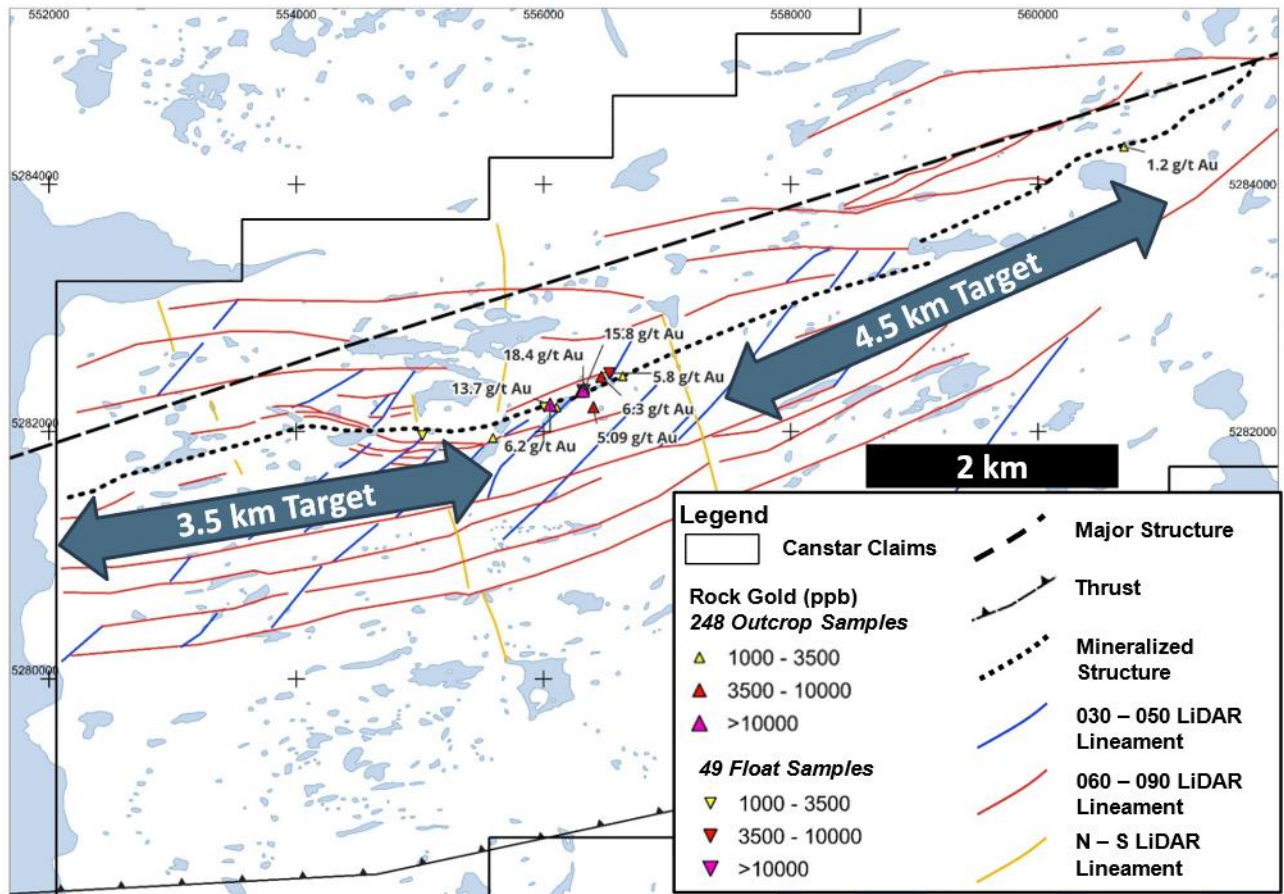


Figure 5 – Facheux Bay prospecting targets spanning a total of 8 km, adjacent to gold-in-bedrock grab samples collected in 2022 that assayed up to 18 g/t gold

Wood Cutter Target

The Wood Cutter target was identified in 2022. It is located adjacent to the Baie d'Espoir highway, approximately 1.1 km south of the Wolf Pond prospect (Figure 6) along what may be a parallel trend with gold mineralization. Quartz vein float samples collected in 2022 over an area with a strike length of 350 m returned gold assays of 19.7 g/t, 11.8 g/t, 4.4 g/t, and 4.2 g/t (Figure 7). Samples collected in this area also contain elevated antimony, in the form of stibnite, with assays up to 2.2% Sb (see news release dated [Dec. 13, 2022](#)). Additional sampling and trenching are planned at the Wood Cutter target in order to generate drill targets.

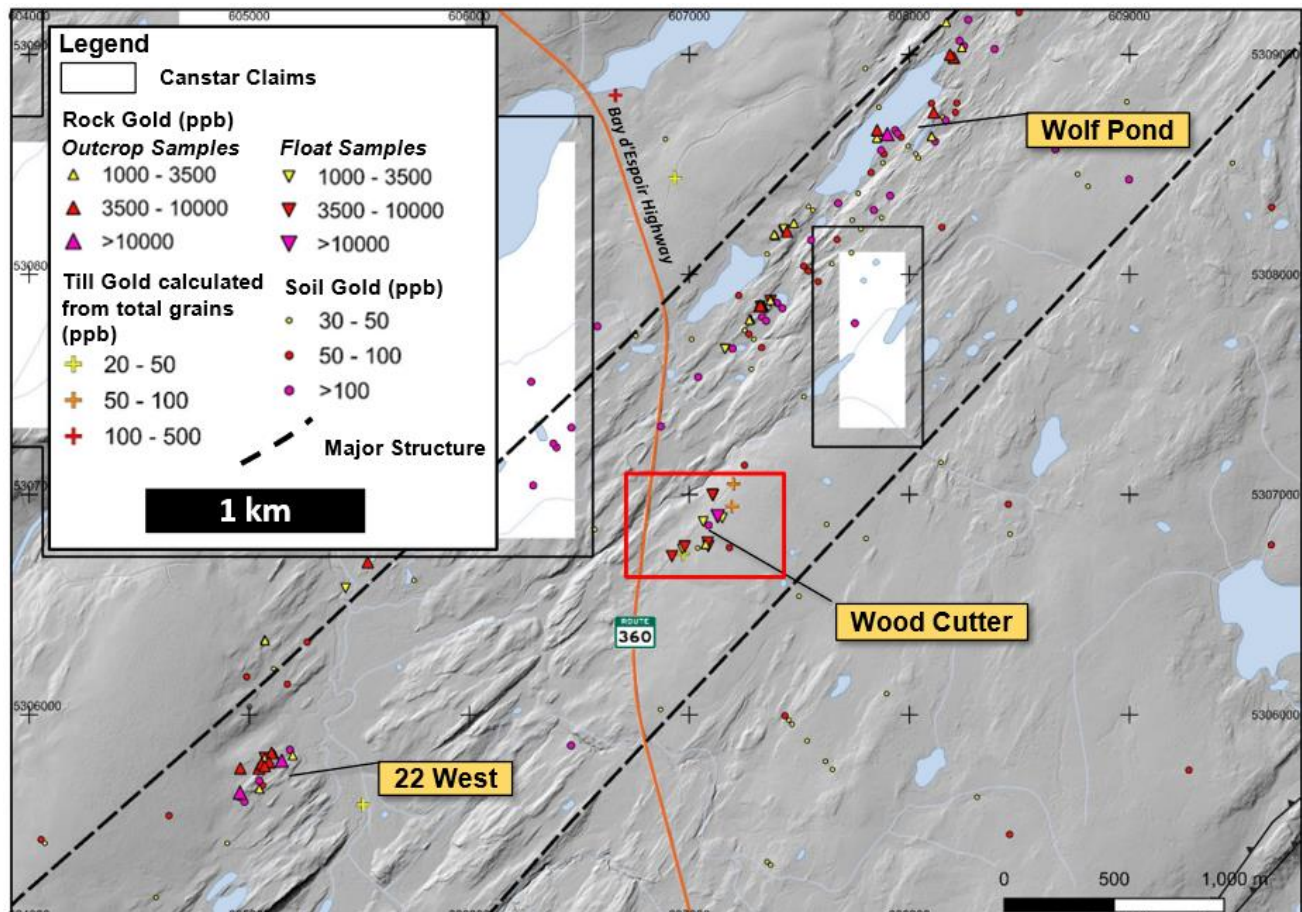


Figure 6 – Wood Cutter target location with gold anomalies and regional mineralized corridor

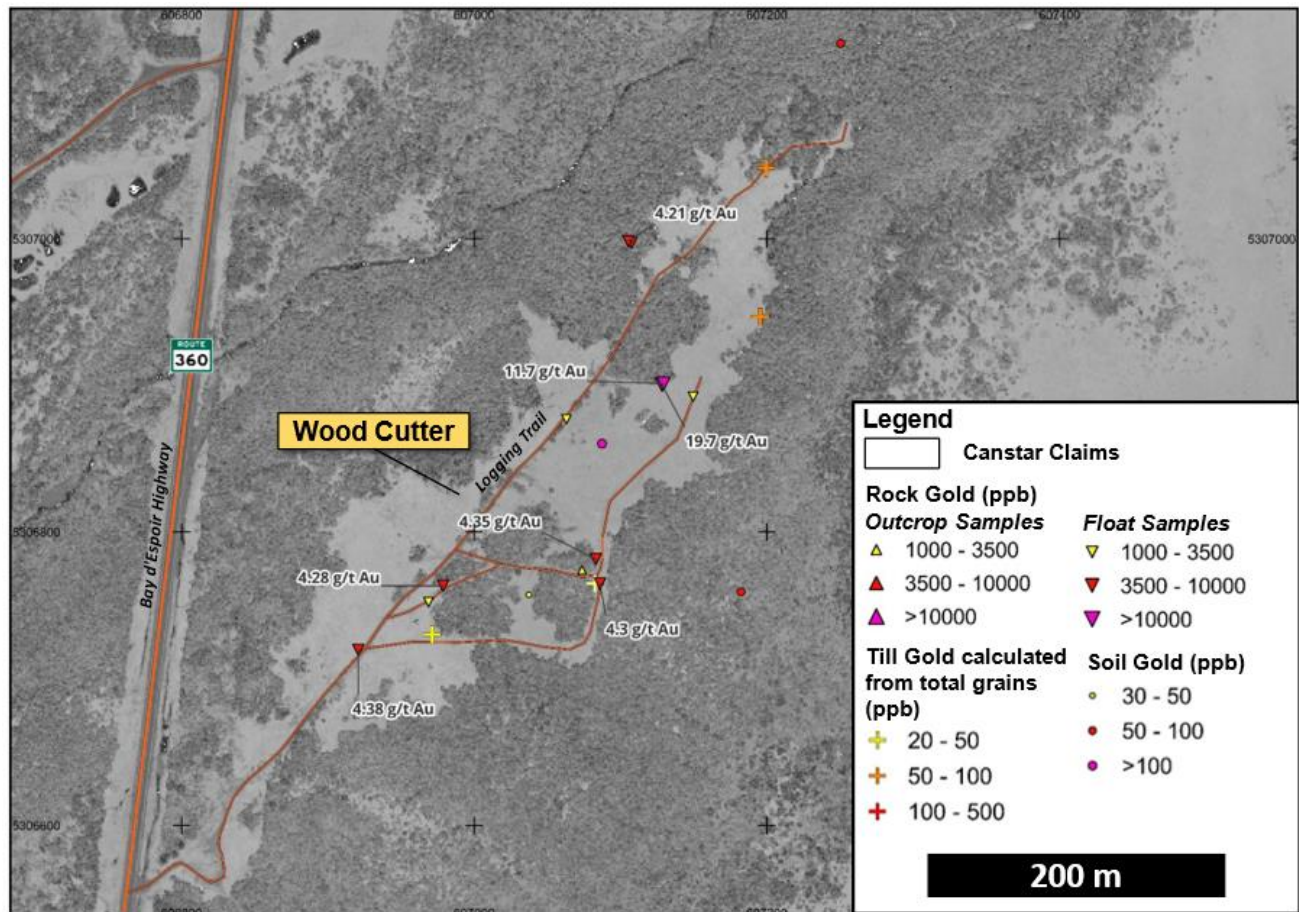


Figure 7 – Wood Cutter target rock, soil and till anomalies

Cancellation of Options

The Company also announces that several of its employees and directors have voluntarily surrendered options that entitled them to purchase up to an aggregate of 2,350,000 common shares of the Company. Canstar accepted the cancellation of options on May 4, 2023, and the options surrendered by holders were cancelled effective May 4, 2023. Surrender of the affected options was entirely voluntary and no agreements or commitments have been made to holders with respect to the receipt of new options. Of the cancelled options, 2,050,000 options were surrendered by directors, senior officers and insiders of the Company. The cancelled options all had an exercise price of \$0.28, which is significantly above the current share price. The cancellation of these options frees up contribution room under the Company's 10% fixed stock option plan for new employees or for future grants.

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 and 2023 exploration programs 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 the district-scale Golden Baie project in south-central Newfoundland, which has multiple high-grade gold anomalies at surface along ~100 km of strike and near-surface drilling confirming the presence of high-grade orogenic gold. The Company also holds the Buchans-Mary March project in central 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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Forward-Looking Statements

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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.