

High Resolution Magnetic Survey Confirms Multi-Kilometre Structures at Canstar's Facheux Bay Gold Target

Toronto, Ontario – May 24, 2023 – CANSTAR RESOURCES INC. (TSXV: ROX & OTCPK: CSRNF) (“Canstar” or the “Company”) is pleased to announce that it has received the results of a high resolution airborne magnetic-VLF survey conducted earlier this year on the Company's Facheux Bay target on the district-scale Golden Baie project in south-central Newfoundland. Golden Baie is located at the southern portion of the central Newfoundland orogenic gold belt.

The airborne survey was completed by ALS GoldSpot Discoveries Ltd. using its proprietary helicopter-based Multi-Parameter Airborne Survey System (“M-PASS”), which consists of a triaxial magnetic gradient magnetic/VLF platform and 2048-channel radiometric sensor. The M-PASS survey utilized 50 metre (“m”) line spacing, resulting in high resolution magnetic and VLF data capture. The M-PASS survey represents the first ever geophysical data collected in the Facheux Bay area and will aid in the geological interpretation and guide planned exploration work later this year.

The M-PASS survey results confirm that the structure hosting high grade gold outcrop samples, collected in 2022 and discussed below, has approximately 8 kilometres (“km”) of potential strike length. In addition to this 8 km trend, the survey highlights potential parallel structures, cross-structures and folded sequences that have not yet been systematically prospected. Detailed mapping and sampling work will be done in the summer of 2023 to define priority drill targets at Facheux Bay.

Matthieu Lapointe, Vice President Exploration, stated: “*The Facheux Bay area at the southern end of the Golden Baie project has never been systematically explored for gold, despite its compelling location at the intersection of two major structures, the Day Cove Thrust and the Hermitage Flexure. Our team's reconnaissance exploration in 2022 confirmed the presence of high grade gold in outcrop and the new M-PASS data suggests a structural and geological setting wherein there is gold mineralization potential that spans multiple kilometres.*”

Facheux Bay is an attractive target area because of the lack of overburden, although it is more remote than some of the other Golden Baie claims, such as the Wolf Pond prospect which is located adjacent to a paved highway. Mapping and systematic sampling of Facheux Bay will be straightforward and we expect to be able to generate potential drill targets quickly and efficiently this summer.”

Facheux Bay Target M-PASS Results

Prospecting and reconnaissance mapping by Canstar in the Facheux Bay area in 2022 led to a newly discovered zone of steeply dipping quartz veining with associated arsenopyrite hosted in fine grained sedimentary rocks, similar to those that host the Kendell prospect gold mineralization to the northeast. Outcrop sampling¹ delineated a 1.2 km trend with multiple 5+ g/t gold samples that graded up to 18.4 g/t gold within a broader 7 km long regional trend defined by 2022 grab sampling (Figure 1).

Interpretation of the M-PASS results, combined with LiDAR, from the Facheux Bay area suggests that the anomalous gold mineralization is correlated with an ~8 km long magnetic low along a NE-SW trending regional fault that also corresponds to a VLF conductor (Figures 2 and 3). Much of this 8 km long trend has yet to be sampled. There is also a parallel magnetic low to the north, which could represent a fold repetition, that is also unsampled and will be targeted in this year's exploration work.

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.

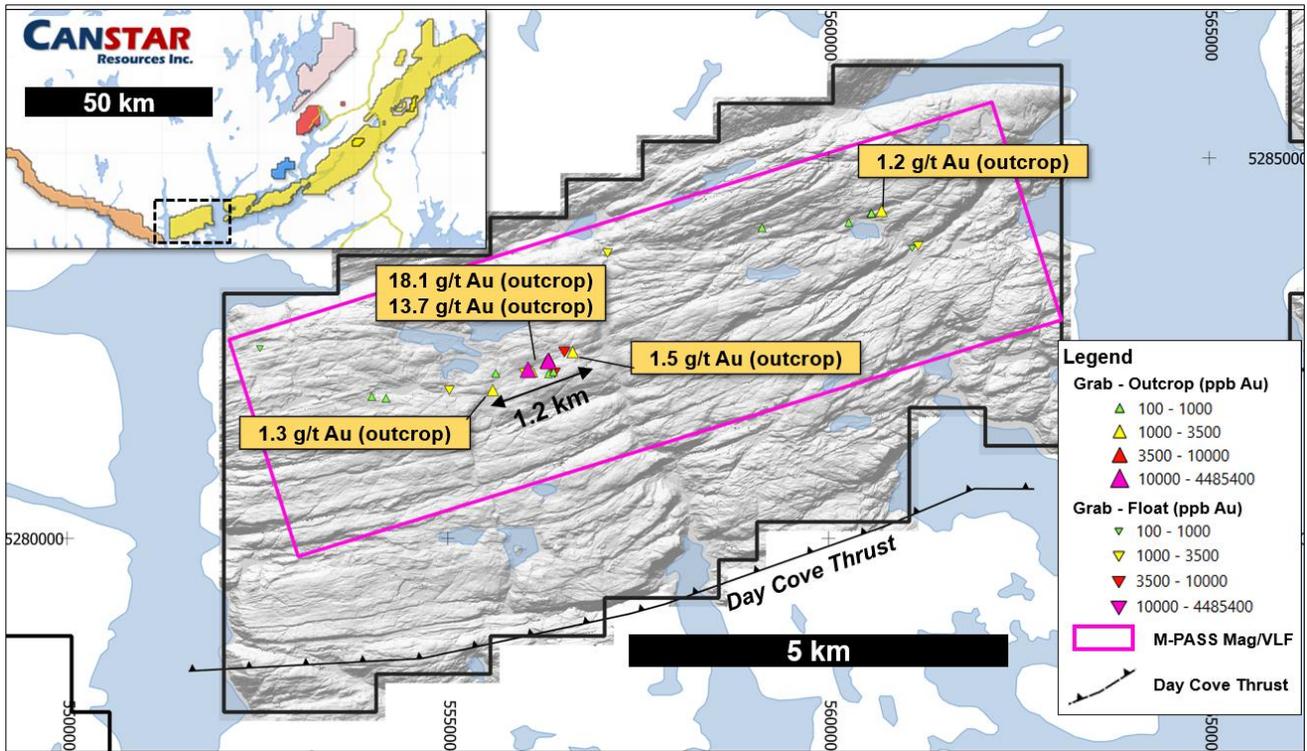


Figure 1 – Facheux Bay LiDAR survey with gold-in-bedrock grab samples collected in 2022 that assayed up to 18 g/t gold

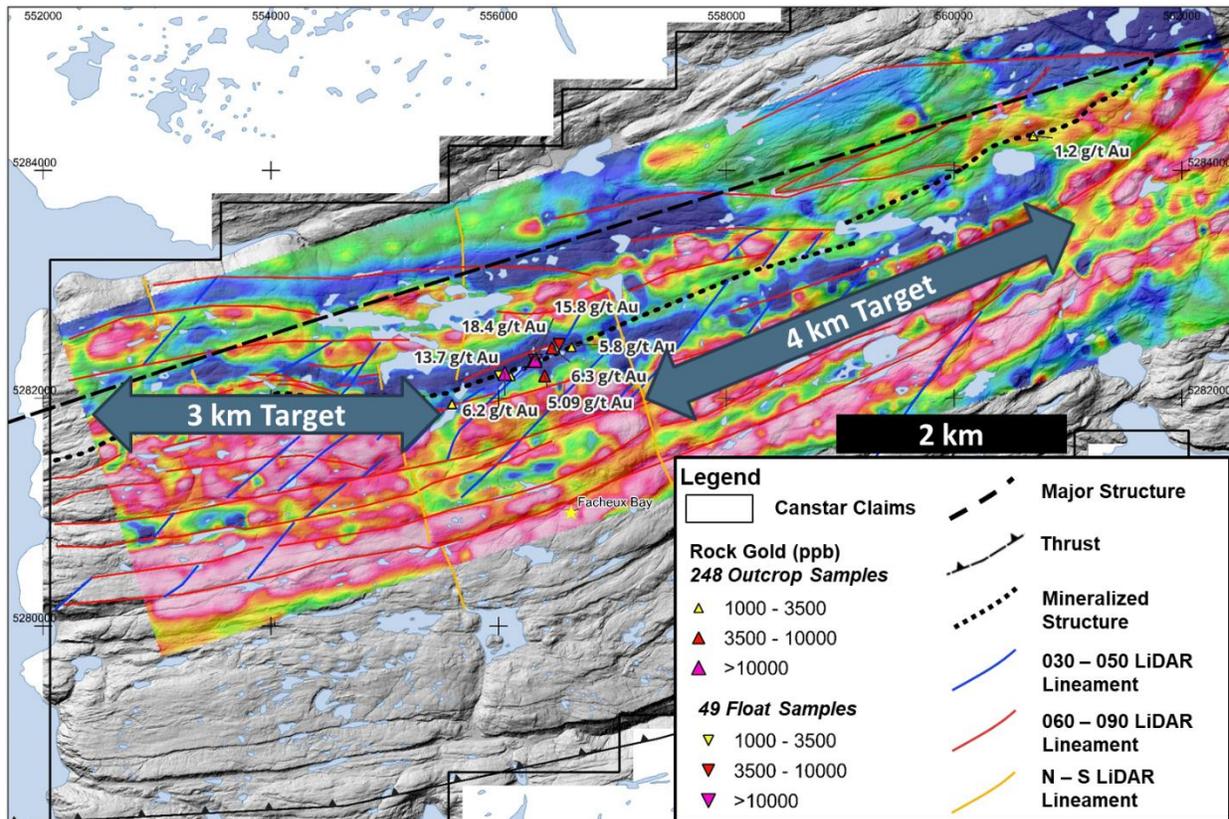


Figure 2 – Facheux Bay M-PASS Total Magnetic Intensity (TMI) survey over LiDAR showing 2022 gold anomalies associated with a magnetic low zone

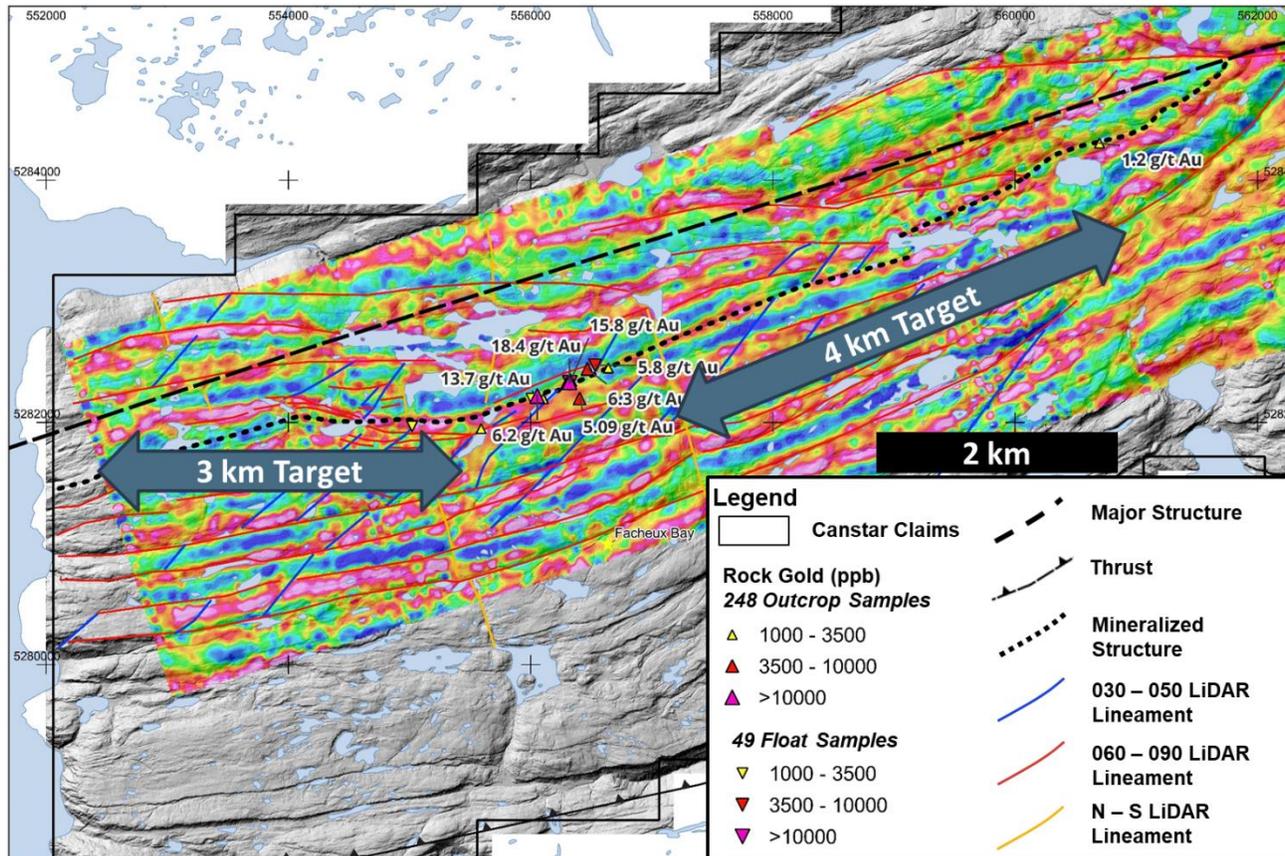


Figure 3 – Facheux Bay M-PASS VLF IP (FF) over LiDAR showing 2022 gold anomalies associated with a chargeability high feature

Robert Bruggeman, President and CEO of Canstar, stated: “The results of the high-resolution magnetic-VLF survey at Facheux Bay are very exciting because the Facheux Bay target is located at a regional inflection, where the geology bends from northeast-southwest to more east-west orientation. Identification of brand-new exploration targets like Facheux Bay also confirm the prospectivity of our Golden Baie project which covers approximately 100 km of strike length in an emerging orogenic gold belt. We look forward to getting back into the field soon with a focus on identifying new drill targets at Facheux Bay and other locations on our large underexplored land position.”

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 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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