
Canstar Resources Closes C\$210,000 Non-Brokered Private Placement

Toronto, Ontario – (GlobeNewswire – February 14, 2020) - CANSTAR RESOURCES INC. (TSXV:ROX) (“**Canstar Resources**” or the “**Company**”) is pleased to announce that it has completed a non-brokered private placement of 4,200,000 common shares of the Company (each a “**Common Share**”) at C\$0.05 per Common Share for total gross proceeds of C\$210,000 (the “**Offering**”).

The Company intends to use the net proceeds raised from the Offering for general working capital purposes. The Offering is subject to the final approval of the TSX Venture Exchange. Securities issued pursuant to the Offering shall be subject to a four-month plus one day hold period commencing on the day of the closing of the Offering under applicable Canadian securities laws.

The Common Shares are offered by private placement only (and without the use of an offering memorandum as defined in OSC Rule 14-501). No prospectus has or will be filed with any securities regulatory authority to qualify the Common Shares for distribution to the public.

Related Party Transaction

In connection with the Offering, certain directors, officers and other insiders of the Company (collectively, the “**Insiders**”) have acquired 3,500,000 Common Shares. The participation of Insiders in the Offering constitutes a “related party transaction”, as such terms are defined by Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is relying on an exemption from the formal valuation requirements of MI 61-101 available on the basis of the securities of the Company not being listed on specified markets, including the Toronto Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ or certain overseas stock exchanges. The Company is also relying on the exemption from minority shareholder approval requirements under MI 61-101 as the fair market value of the participation in the Offering by the Insiders does not exceed 25% of the market capitalization of the Company.

About Canstar Resources Inc.

Canstar Resources is a Canadian mineral exploration and development company, with the objective of creating shareholder value through discovery and development of economic mineral deposits. Currently, Canstar Resources is focused on the advancement of its flagship Buchans-Mary March project and other mineral exploration properties in

Newfoundland and Labrador, Canada. Canstar Resources is based in Toronto, Canada and is listed on the TSX Venture Exchange and trades under the symbol ROX-V.

Neither the 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 news release.

This press release contains “forward -looking information” within the meaning of applicable Canadian securities laws. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as “believes”, “anticipates”, “expects”, “is expected”, “scheduled”, “estimates”, “pending”, “intends”, “plans”, “forecasts”, “targets”, or “hopes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “will”, “should” “might”, “will be taken”, or “occur” and similar expressions) are not statements of historical fact and may be forward-looking statements.

Forward-looking information herein includes, but is not limited to, statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future, the use of proceeds under the Offering. Although The Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to update any forward-looking information except in accordance with applicable securities laws.

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