

DRAGON LEGEND ENTERTAINMENT (CANADA) INC.

(formerly DGS Minerals Inc.)

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February 1, 2017

CLOSING OF PRIVATE PLACEMENT AND ACQUISITION OF ASSETS OF DRAGON LEGEND ENTERTAINMENT RESULTING IN A CHANGE OF BUSINESS AND CHANGE OF NAME

Vancouver, British Columbia, Canada February 1, 2017 – Dragon Legend Entertainment (Canada) Inc. (*formerly DGS Minerals Inc.*) (the “**Company**”) is pleased to announce that further to its news release dated April 12, 2016, the Company has completed the acquisition of 100% of the assets of Dragon Legend Entertainment Inc. (“**Dragon Legend**”) pursuant to the terms of an asset purchase agreement entered into between the Company and Dragon Legend dated April 12, 2016 (the “**Dragon Legend Purchase Agreement**”). The assets of Dragon Legend are being held by a wholly-owned United States subsidiary of the Company. Pursuant to the terms of the Dragon Legend Purchase Agreement, the Company issued 120,000,000 common shares to Dragon Legend at a price of \$0.05 per share for an aggregate value of \$6,000,000 to Dragon Legend (the “**Transaction**”). In connection to the Transaction, a finder’s fee of 6,650,000 common shares was issued to a certain finder with each share having a deemed value of \$0.05 per share for an aggregate value of \$332,500.

Following the completion of the Dragon Legend Purchase Agreement, Dragon Legend holds 79.90% of the issued and outstanding shares of the Company and the business of Dragon Legend is now the business of the Company. The Transaction is part of a fundamental change of business for the Company to re-classify itself from being a resource issuer to an issuer operating as a live theatrical production and management company with partners in the U.S. and worldwide. The Company will continue to maintain an ancillary focus on natural resource development.

The Company has also changed its name from DGS Minerals Inc. to Dragon Legend Entertainment (Canada) Inc. in connection with the completion of the Transaction.

The Transaction

Pursuant to the terms of Dragon Legend Purchase Agreement, the Company acquired 100% of all the assets of Dragon Legend in consideration for the Company issuing 120,000,000 common shares of the Company at a deemed price of \$0.05 per share for an aggregate value of \$6,000,000 to Dragon Legend. In connection to the Transaction, a finder’s fee of 6,650,000 common shares was issued to a certain finder with each share having a deemed value of \$0.05 per share for an aggregate value of \$332,500.

Pursuant to the disclosure requirements of the Canadian Securities Exchange, the Company filed an amended Notice of Proposed Issuance of Securities regarding the Transaction. The Dragon Legend Purchase Agreement was negotiated at arm’s length.

About Dragon Legend Entertainment Inc.

Dragon Legend was incorporated under the laws of Florida, USA on September 5, 1995, and is headquartered in Orlando, Florida, USA. Dragon Legend is a management firm specializing in all aspects of live theatrical management and production.

Dragon Legend has over 20 years of experience managing and operating hundreds of productions and performances and oversees the entire creation, production and ongoing operation of various types of live productions including cultural festivals at major theme parks, water parks, and theaters throughout the United States of America and Asia.

Dragon Legend provides leading entertainment venue operators in the U.S. such as Walt Disney World and Sea

World, and Universal Studios in Japan with a “turn-key” production services, which range from script development, creative realization of an operator’s requested performance, event deployment, producing/managing the ongoing performance as well as ongoing event management.

Directors, Officers and Insiders upon Completion of the Transaction

Upon completion of the Transaction, Tai Chen resigned as a director of the Company.

The following individuals have been named to the following appointments:

- i) David Chen, the co-founder, Chairman and director of Dragon Legend was appointed as a director and CEO of the Company;
- ii) Louis Hua-Fu Pao was appointed as director and Chairman of the Company; and
- iii) Michael Mairot was appointed as director of the Company.

The Board of Directors of the Company comprises of: David Chen, Louis Hua-Fu Pao, Michael Mairot, Simon Tam and Craig Walker. Simon Ma remains the Company’s Chief Financial Officer and Yvonne Yeung remains the Company’s corporate secretary.

Following the completion of the Transaction, Dragon Legend became an insider and control person of the Company by way of its shareholdings in the Company following the issuance of shares as consideration in connection with in the Transaction.

Financing

The Company has also completed a non-brokered private placement of 10,000,000 units at \$0.15 per unit for aggregate proceeds of \$1,500,000, of which \$1,290,000 has been received by a wholly-owned Chinese subsidiary of the Company. Each unit comprises of one common share and one share purchase warrant exercisable for one further common share of the Company for a two year period with an exercise price of \$0.15 per share. 860,000 common shares of the Company were issued to one finder at a deemed price of \$0.15 per share and \$12,352.50 was paid to another finder in connection with the closing of the private placement.

Escrow

In connection with the Company’s fundamental change of business and completion of Dragon Legend Purchase Agreement, the principals of the Company are required by the CSE to enter into escrow agreements substantially in the terms of National Policy 46-201, which agreements would provide for timed releases from escrow of the principal’s shares for a period of 36 months.

For further information regarding the Company, see the Company's disclosure documents on SEDAR at www.sedar.com

On behalf of the Board of
Dragon Legend Entertainment (Canada) Inc. (formerly, DGS Minerals Inc.)

Per:

"Simon Tam"
Simon Tam, Director

Neither the Canadian Securities Exchange nor its regulation services provider accepts responsibility for the adequacy or accuracy of this press release.

Certain statements in this news release, which are not historical in nature, constitute "forward looking statements" within the meaning of that phrase under applicable Canadian securities law. These statements include, but are not limited to, statements or information concerning the Dragon Legend Purchase Agreement, any subsequent financings, escrow of securities, identity of management and board of directors of the Issuer, the Company's business activities following the completion of the Dragon Legend Purchase Agreement, the timing of any of the Company's performance or events. These statements reflect management's current assumptions and expectations and by their nature are subject to certain underlying assumptions, known and unknown risks and uncertainties and other factors which may cause actual results, performance or events to be materially different from those expressed or implied by such forward looking statements. Except as required pursuant to applicable securities laws, the Company will not update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information about potential factors that could affect financial results is included in the documents filed from time to time with the Canadian securities regulatory authorities by the Company. Readers are cautioned not to place undue reliance on forward looking statements.