<u>**NEWS RELEASE**</u>

South Star Mining Targets Trial Mining License in Brazil

Not for distribution to US wire services or for dissemination in the United States of America

July 11, 2018 – Vancouver, B.C. - South Star Mining Corp. ("South Star" or the "Company") (TSXV: STS) is pleased to announce that further to the Company's recent closing of the 100% acquisition of Brazil Graphite S.A., and raising a total of $4.94 million, the Company is proceeding with building on the information contained in the previously released NI 43-101 Preliminary Economic Assessment. The Company's main objective, over the next 12 months, will be completion of the requirements for a Guia de Utilizacao, or trial mining license, for the Santa Cruz graphite project.

Under the Brazilian Mining Code, a trial mining license may be granted for the extraction of up to 5000 tons of graphite per year per exploration license. The purpose of the trial mining license is to evaluate the technical and economic viability of each exploration license. The Company currently owns 100% of 13 exploration licenses totaling 13,316 hectares, of which 11 are contiguous. The 43-101 report dated Feb 6, 2018, defined indicated resources of 14.99 million tons at 2.70% Cg and inferred resources of 3.57 million tons at 2.90% Cg (defined on approximately 1% of its acreage). As per the PEA, projected operating costs were between US$316 and US$413 per ton with a weighted average sales price of US$1354 per ton. The Company will conduct further infill drilling, environmental studies, independent metallurgical studies, mine planning, process plant engineering, equipment sourcing, etc., which, together with ongoing concentrate marketing, will be submitted to Brazil's National Mining Agency (ANM) in support of the trial mining license application. Additional planned test work is designed to increase the Company's confidence in the suitability of Santa Cruz concentrates for the lithium ion battery market and other newly emerging graphite technologies.

The Company has the financial resources to complete the above as well as continue to progress the project towards a bankable feasibility study with the objective of obtaining the necessary installation and operating licenses which will allow the Company to proceed to large scale mining.

Company CEO Eric Allison stated "We are excited to begin the next phase of work at our Santa Cruz project. The very positive results of our PEA provide a strong foundation for the Company to undertake activities that will build excellent value for our shareholders. The granting of a trial mining license will move STS closer to a positive cash flow position while simultaneously advancing the project toward achievement of its longer term goals."

Richard L. Pearce is a Qualified Person as defined by National Instrument 43-101 and is responsible for the preparation and approval of the technical information disclosed in this news release.

ABOUT SOUTH STAR MINING CORP.

South Star Mining Corp. is focused on the acquisition and development of near-term mine production projects in Brazil to maximize shareholder value. To learn more, please visit the Company website at www.southstarmining.com.

On behalf of the Board,

Mr. Eric Allison
Chief Executive Officer
Ph: +1 (203) 918-3098
Email: eric@southstarmining.com

For additional information, please contact:

Mr. Dave McMillan
Chairman
Ph: 1+ 778-773-4560
Email: davemc@telus.net

Mr. Kris Kottmeier
VP Corp Development
Ph: +1 604 506-2502
Email: kris@southstarmining.com

CAUTIONARY STATEMENT

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

This news release and the PEA contain references to inferred resources. The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA will be realized.

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws. Generally, any statements that are not historical facts may contain forward-looking information, and forward-looking information can be identified by the use of forward-

looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or indicates that certain actions, events or results "may", "could", "would", "might" or "will be" taken, "occur" or "be achieved". Although the Company believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements.