NEWS RELEASE

South Star Mining Announces Advanced Testing Program, Listing on OTCQB Exchange and DTC Eligibility

August 20th, 2018 – Vancouver, B.C. - South Star Mining Corp. ("South Star" or the "Company") (TSXV: STS) (OTCQB: STSBF) is pleased to announce that it has entered into an agreement with Urbix Resources, LLC for advanced testing, optimization development and commercialization of its Santa Cruz project graphite concentrates. The Company would also like to announce that it has been listed for trading on the OTCQB® Market exchange in the United States under the symbol "STSBF". South Star has also applied for Depository Trust Company ("DTC") eligibility.

The testing program will include detailed characterization, purification, expandability and market suitability on four different flake-size concentrates previously produced during the Company's pilot plant program. The evaluation will take place at Urbix's cutting edge R&D facility in Mesa, Arizona and incorporate its advanced purification and exfoliation technologies. The program will begin within 30 days and require approximately twelve weeks to complete. Upon completion of this round of test work, the companies have agreed to work toward formalizing potential commercial relationships including offtakes, processing, technology sharing and product distribution. Total estimated value of the test program is approximately C$400,000 which will be partially paid in cash and grants with the balance payable to Urbix as 384,000 shares in the Company valued at C$0.45 per share. The share issuance is subject to TSX approval and a four month hold period.

Company CEO Eric Allison stated "We are very excited about moving forward on one of our key strategic objectives in association with a leading graphite technology company like Urbix. The information provided will greatly assist South Star in its marketing efforts as well as in the ultimate design of our processing facilities in Brazil. We are firm believers in the future of graphite, not only in its traditional markets, but in many new advanced applications and Urbix is at the forefront of this technological development."

Urbix Resources, LLC is an advanced natural graphite processor with expertise ranging across low-cost environmentally friendly graphite purification, nuclear graphite, graphene, and other advanced carbon derivatives. Urbix is also an expert in li-ion battery cell design and boasts next generation high voltage electrolyte and fast charging electrode nanoarchitecture.

Adam Small, CMO of Urbix stated "We are thrilled to be advancing with South Star's world-class management team and very high quality flake graphite produced at their Santa Cruz project. We feel the combination of our cutting edge refining techniques and their strategically placed resource will culminate in one of the top flake graphite supply chains in the world."

Approval for trading on the OTCQB will expand the Company's presence in the United States and provide existing and future shareholders in the U.S. with a transparent trading platform. South Star Mining will continue to trade on the TSX Venture Exchange under its existing symbol "STS". Added Mr. Allison, "Admission to the OTCQB exchange is part of our long-term strategy to increase shareholder liquidity and to introduce the company to a broader range of institutional and retail investors in the U.S."

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.

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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.