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Arctic Star Commences Drill Program at the Cap Property, BC

July 18th, 2017 – Vancouver, British Columbia - Arctic Star Exploration Corp. (“the Company”) (TSXv-ADD) is pleased to report that field crews have mobilized to the Company’s wholly owned Cap Property (“the Property”), located approximately 80 kilometres northwest of Prince George, BC.

The summer exploration program will include approximately three drill holes, for an estimated maximum of 1000 metres, with the objective of testing coincident geochemical and geophysical anomalies, which are interpreted to indicate the presence of carbonatite.

About the CAP Property

The Cap Property is situated within the central parts of the Rocky Mountain Rare Metal Belt, and encompasses six claims (one recently acquired) totaling 2,825 hectares (6,980 acres). Approximately 50 km to the northeast of the Property sits the Wicheeda alkaline and carbonatite complex, which was drill tested in 2008 to 2011, and returned significant rare earth element (REE) mineralization over wide intervals.

The Cap Property was originally staked in 2010 to cover an approximately three- to five-kilometre-diameter, circular, airborne magnetic anomaly, which is interpreted to represent a carbonatite (or similar intrusion) at depth. The nearby Wicheeda carbonatite is manifested by a similarly distinct magnetic high.

2008 to 2009 highlights from Spectrum Mining Corp. at Wicheeda included:

- 2008-02: 3.55% REE⁽¹⁾ across 48.64 metres;
- 2009-07: 2.92% REE⁽¹⁾ across 72 metres;
- 2009-09: 2.2% REE⁽¹⁾ across 144 metres.

2010 to 2011 highlights from Canadian International Minerals Inc. at Wicheeda included

- CA-10-006: 1.43% TREO across 37.3 metres;
- CA-11-014: 0.226% Nb₂O₅ across 37.6 metres.

Management cautions that past results or discoveries on adjacent properties (i.e. Wicheeda) may not necessarily be indicative to the presence of mineralization on the Company’s properties (i.e. Cap).

A brief field examination at the Cap Property during September 2010 identified two narrow syenite dikes near the central and most prominent magnetic anomaly on the Property. The dikes contained highly anomalous geochemistry, including sample 75479 with 0.14% Nb₂O₅, 3,191 ppm zirconium, and 547 ppm TREE. These high-level dikes indicate that the source of the magnetic anomaly may be associated with a carbonatite or similar intrusion nearby. Poor outcrop exposure in the immediate area of the magnetic high has prevented the true identification of the anomaly.

In 2011, the Company conducted a high resolution airborne magnetic and radiometric survey of the Property. The survey resolved the geometry of the large magnetic anomaly that was identified from the regional data. Follow-up ground work at the northwestern edge of the Property late in the season identified sample 79831, containing 0.27% Nb₂O₅ and 773 ppm TREE. Preliminary mineralogical work in 2013 indicates the niobium-bearing sample is a syenite rock, and that pyrochlore is the only niobium-bearing mineral present.

Recently, a single contiguous claim was staked to cover a newly discovered rare metal occurrence that includes a thin fenite dike, which is typically indicative of proximity to a larger alkaline intrusive body such as a carbonatite. Two historical samples by its previous operator, Bolero Resources, returned strongly anomalous values of rare earth elements (0.13 and 0.10% REE).

A map of the Cap Property outlining the geophysical anomalies and historic sampling can be found on the web site. www.arcticstar.ca under the projects section.

The Company retains the Property for its potential to host rare metal deposits (niobium and tantalum) and/or rare earth elements, which are commonly associated with carbonatites. These commodities have undergone a dramatic shift in demand, owing in part to their usage in the green energy sector, which includes modern wind turbines, rechargeable batteries, catalytic convertors and more.

Geologically, the Cap Property has similar potential to the known carbonatite complexes worldwide. Carbonatite-related deposits are a major host for rare metals, such as niobium and tantalum, and rare earth elements. The world's largest niobium mine, Araxa in Brazil, and several of the world's largest rare earth element deposits, including Lynas Corp.'s Mount Weld Deposit in Australia and the Mountain Pass Deposit in the United States, are all hosted by carbonatites.

(1) Includes only La, Ce, and Nd

(2) TREE – Total sum of all rare earth elements, including yttrium

(3) TREO – Total sum of all rare earth oxides, including yttrium

Darren L. Smith, MSc, P.Geol., Dahrouge Geological Consulting Ltd., a qualified person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release.

**ON BEHALF OF THE BOARD OF DIRECTORS OF
ARCTIC STAR EXPLORATION CORP.**

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