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September 2, 2020

Arctic Star Announces Closing of Private Placement

September 2, 2020 – Vancouver, British Columbia – Arctic Star Exploration Corp. (“**Arctic Star**” or the “**Company**”) is pleased to announce that it has completed its previously announced non-brokered private placement (the “**Private Placement**”), as described in its News Releases dated June 2, 2020 and July 17, 2020, pursuant to which it has issued an aggregate of 17,960,000 units (each, a “**Unit**”) at a price of \$0.025 per Unit for gross proceeds of \$449,000. Each Unit consists of one common share in the capital of the Company (each, a “**Share**”) and one non-transferable share purchase warrant (each, a “**Warrant**”). Each Warrant is exercisable into one additional Share at a price of \$0.05 per Share for a period of two years from the closing date.

The Company paid cash finder’s fees of \$1,800 to a certain finder in connection with the Private Placement.

The Company intends to use the proceeds from the Private Placement for development of the Company’s Finland project and for general working capital.

Certain insiders of the Company subscribed for a total of 10,660,000 Units under the Private Placement, which is a “related party transaction” within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The issuances to the insiders are exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company’s shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the securities issued to the related parties did not exceed 25% of the Company’s market capitalization.

The securities issued under the Private Placement, and the shares that may be issuable on exercise of the Warrants, are subject to a statutory hold period expiring four months and one day from the date of closing.

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

“Patrick Power”

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