

Canstar Files Technical Report and Obtains Exchange Approval for Option Agreement on the Golden Baie Project

Toronto, Ontario – November 6, 2020 – CANSTAR RESOURCES INC. (TSXV:ROX) (“**Canstar**” or the “**Company**”) announces that it has filed a National Instrument 43-101 Standards of Disclosure for Mineral Projects (“**NI 43-101**”) technical report entitled “NI 43-101 Technical Report on the Golden Baie Project, Newfoundland, Canada”, with an effective date of October 13, 2020 (the “**Technical Report**”). The Technical Report was prepared by David T.W. Evans, M.Sc., P.Geo., a “Qualified Person” as defined by NI 43-101.

The Technical Report is available under the Company’s SEDAR profile at <http://www.sedar.com> and on the Company’s website at www.canstarresources.com.

The Company is also pleased to announce that it has received TSX Venture Exchange (the “**Exchange**”) approval for the closing of the option agreement (the “**Option Agreement**”) entered into with Altius Resources Inc. (“**Altius**”), a wholly owned subsidiary of Altius Minerals Corporation (TSX: ALS), and other arm’s length parties, as announced by news release on August 26, 2020. Details of the Option Agreement are provided below and the Company expects closing to take place in the next week.

Golden Baie Project Option Terms

The Company has entered into a definitive agreement with Altius, Corwin Northcott, and Colin Kendell (collectively the “**Optionors**”) that grants to the Company the exclusive right and option (the “**Option**”) to acquire, subject to retention by the Optionors of certain rights related to a 2% net smelter return (“**NSR**”) royalty, a 100% interest in mineral claims in the Baie d’Espoir region of Newfoundland (the “**Golden Baie Claims**”).

Under the Option Agreement, Canstar can earn a 100% undivided interest in the Golden Baie Claims over a four year period as follows:

- Issuance of 4,000,000 common shares of the Company to Altius upon receipt of Exchange approval;
- Payment of an aggregate cash payment of \$50,000 and issuance of an aggregate of 2,000,000 common shares to the Optionors upon signing of the definitive agreements (the “**Definitive Agreements**”);
- Issuance of 2,000,000 common shares to Altius on the first anniversary of the signing of the Definitive Agreements;
- Payment of an aggregate cash payment of \$50,000 and issuance of an aggregate of 1,000,000 common shares to the Optionors on the first anniversary of the Definitive Agreements;
- Issuance of 2,500,000 common shares to Altius on the second anniversary of the Definitive Agreements;
- Payment of an aggregate cash payment of \$50,000 and issuance of an aggregate of the lesser of \$250,000 worth of common shares or 1,000,000 common shares to the Optionors on the second anniversary of the Definitive Agreements; and

- Payment of an aggregate cash payment of \$100,000 and issuance of an aggregate of the lesser of \$250,000 worth of common shares or 1,000,000 common shares to the Optionors on the third anniversary of the Definitive Agreements.

As further consideration for the Option, Canstar is required to commit to fund exploration expenditures of a minimum of \$1,250,000 over a four-year period. The minimum expenditure commitment for the first year will be \$500,000.

In addition, the Optionors will be entitled to an aggregate milestone payment of \$1,000,000 by the Company to the Optionors upon the Golden Baie Project claims achieving National Instrument 43-101 defined measured and indicated mineral resources of at least one million contained gold ounces.

The Optionors will transfer title to the Little River Claims to Canstar subject to the Optionors retaining a 2.0% Net Smelter Royalty from all commercial production on the Golden Baie Project (the "**Royalty**"). Altius shall maintain the right to purchase from the Optionors 1% of the Royalty for the total sum of \$1,500,000. Altius will also have a first right of refusal on the purchase of the remaining 1% of the Royalty.

So long as Altius owns more than 9.9% of the Company's shares outstanding, on any equity financing during the term of the Option, Altius shall have the right, at its sole discretion, to participate in 19.9% of such financing on the same terms as other investors and subject to it not becoming a control person.

About Canstar Resources Inc.

Canstar Resources is focused on creating shareholder value through the discovery and development of economic mineral deposits in Newfoundland and Labrador, Canada. Canstar has an option to acquire a 100% interest in the Golden Baie Project, a large claim package (over 61,000 hectares) with recently discovered, multiple outcropping gold occurrences on a major structural trend in south-central Newfoundland. The Company also holds the Buchans-Mary March project and other mineral exploration properties in Newfoundland. Canstar Resources is based in Toronto, Canada, and is listed on the TSX Venture Exchange under the symbol ROX.

For further information, please contact:

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Forward-Looking Statements

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

This News Release includes certain "forward-looking statements" which are not comprised of historical facts. Forward looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could",

“would”, “will”, or “plan”. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management’s expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the Company’s objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions, as well as the anticipated size of the Offering, the Offering price, the anticipated closing date and the completion of the Offering, the anticipated use of the net proceeds from the Offering and the receipt of all necessary approvals. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, an inability to complete the Offering on the terms or on the timeline as announced or at all, an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and supply chains, and those risks set out in the Company’s public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.