

NEWS RELEASE

CRYSTAL COMMENCES EXPLORATION

Vancouver – Friday, September 2, 2016 – CRYSTAL EXPLORATION INC. (the “Company” and “Crystal”) (TSX-V: “CEI”) is pleased to announce a September exploration work program across its 100% owned Muskox, Contwoyto and Hood Project areas, located in Nunavut, Canada. The program will focus on prioritizing targets for the potential discovery of new kimberlite(s) during 2017. At present, within the Muskox prospecting permits there are a total of 136 known airborne geophysical anomalies with approximately one hundred and thirteen (113) of the anomalies classified as unexplained. Of these, there are a total of fifteen (15) priority one (1) anomalies and thirty-one (31) priority two (2) anomalies that all require follow-up exploration. The priority targets are geophysical anomalies that lie at or near the heads of kimberlite indicator mineral trains (KIMs). The program will include prospecting, till sampling, mapping, and ground geophysical surveying.

Diamond Exploration Work Plans

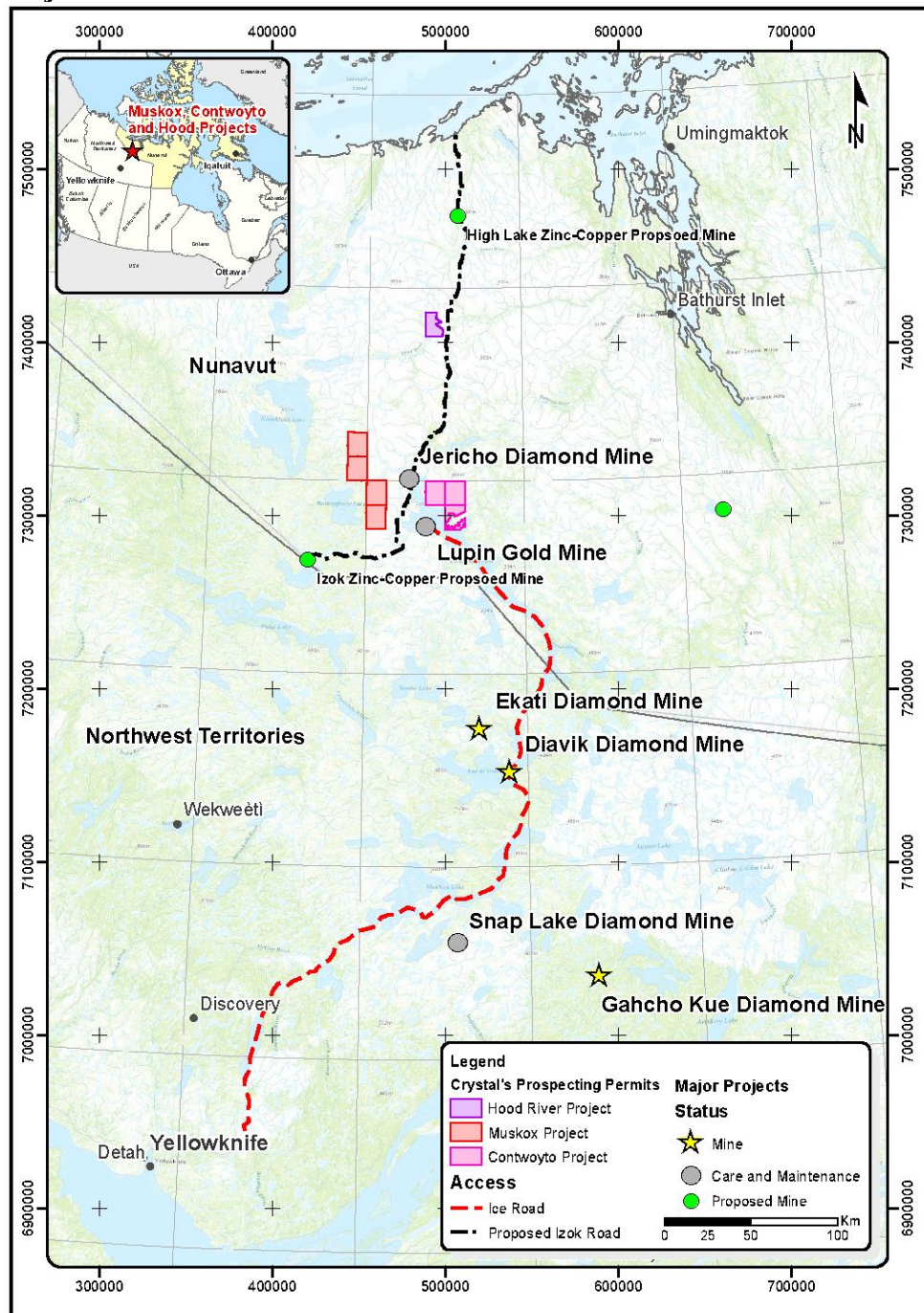
Following the September work program, a NI43-101 Technical Report will be published. The Technical Report will focus on the Muskox Project and include potential kimberlite targets located at the Contwoyto and Hood projects (see Project Location map).

In addition, diamond results are expected from diamond drill holes from the Muskox Kimberlite. The previously un-sampled drill core from the Muskox Kimberlite was part of a drill program completed in 2006 by Tahera Corp., whereby 22 diamond drill holes were neither sampled nor processed for diamond recovery. Whole core samples will be processed at the Saskatchewan Resource Council (“SRC”) using their Dense Media Separation (“DMS”) processing plant for the purpose of recovering commercial sized (approximately +0.85 mm) diamonds. Results are expected during the fourth (4th) quarter of 2016. Results will follow-up on previous results announced by Crystal which included macro-diamond grades of 1.14 carats per tonne (see Crystal press release dated [March 29th, 2016](#)).

About Crystal Exploration Inc.

Crystal is a Canadian diamond exploration company with Common shares listed for trading on the TSX Venture Exchange. Crystal is backed by proven and seasoned resource sector professionals who have a track record of advancing exploration projects from grassroots through to production scenarios. The technical content of this news release have been reviewed and approved by Dean Besserer, P.Geol., the Technical Advisor of the Company and a Qualified Person as defined by National Instrument 43-101.

Nunavut Project Locations



ON BEHALF OF THE BOARD OF DIRECTORS

s/ "Jim Greig"

Jim Greig,
President and Chief Executive Officer

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