

TORONTO, ONTARIO--(Marketwired - Jul 11, 2016) - Canstar Resources (Canstar) (TSX VENTURE:ROX) is pleased to announce results from the completion of a geophysics survey on its Kenora Gold Project. The Company conducted an induced polarization ("IP") survey in May and June of 2016 over the Company's Ace Showing as well as the geological trend inferred by previous work.

The IP survey delineated a number of prospective features:

- A series of chargeable-resistive anomalies that run parallel to a known major structure; these anomalies trend over 1.6 kilometer distance, currently comprised of 11 targets at various depths;
- The "Ace" Showing falls on this trend and has a coincident chargeable-resistive anomaly; the Company recently announced results from the Ace Showing including a 29.3 meter channel sample with a gold grade of 3.1 g/t (see Company's press release dated June 20, 2016);
- A long, continuous anomaly can be observed extending for 900 meters on this trend
- A second, previously unexplored anomaly branching off the known mineralized trend to the southwest, which extends a minimum 300 meters with 3 continuous anomalies;
- A third previously unexplored trend located at the northwest portion of the property which extends for 500 meters; this trend appears to occur at shallow depths and extends to approximately 150 meters depth;

A summary of these trends is tabulated below:

Lines	Depth	Length	Location	Details
L1+00-L5+00	0 to -150m	500m	West grid	High chargeability, high resistivity trend plunging to NE
L1+00-L3+00	-25 to -50m	200m	East grid	High chargeability, high resistivity trending NE
L5+00-L14+00	-25 to -150m	900m	East grid	High chargeability, variable resistivity trending NE - Ace Showing falls on this trend
L12+00-L15+00	-50-150m	300m	East grid	ENE branch from large 1.5km trend, similar character
L4+00-L5+00	-100-150m	100m	East grid	Possible down-plunge of L5+00-L14+00 anomaly

IP surveys are designed to test the chargeability and resistivity of subsurface minerals, such as those that may be associated with gold mineralization. As with many gold deposits worldwide, gold mineralization in Kenora that has been observed to date is associated with two characteristics:

1. An association with quartz veins
2. An association with disseminated sulphide mineralization;

The resistive properties of quartz veins are well understood, tending to exhibit high resistivity. Conversely, disseminated sulphides tend to be more chargeable due to their metallic properties. Coincident anomalies of higher resistivity coupled with high chargeability are therefore prioritized in terms of exploration targeting. Numerous high chargeability and low resistivity targets are also observed in the data; such anomalies are often associated with higher sulphide content. Historically, the Scramble Mine, which is to the south of the Aviator trend and operated between 1908 and 1914, contained high sulphide content in its ore and therefore the chargeability anomalies observed in this survey will require careful evaluation.

"These results are extremely encouraging in light of anomalies not only coinciding with our Ace Showing, but also where there are historic gold showings," stated Danniell Oosterman, President and CEO of Canstar. "At a high level we've generated a basket of new targets, as well as highlighting new areas to explore within and around a known gold mineralizing system."

The Company is currently evaluating these targets on the ground to assess and prioritize in preparation for a drilling program expected to commence prior to the end of the summer season.

Mr. Danniell Oosterman, P.Geo., the President and CEO of the Company, is a "Qualified Person" under National Instrument 43-101 and has reviewed the technical disclosure in this press release.

On behalf of myself and the Board of Directors,

Danniell J. Oosterman, P.Geo President & CEO

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". These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. 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. Actual results relating to, among other things, results of exploration, project development, reclamation and capital costs of the Company's mineral properties, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; changes in demand and prices for minerals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the activities of the Company; and other matters discussed in this news release. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

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