Vancouver, British Columbia--(Newsfile Corp. - July 21, 2016) - Arctic Star Exploration Corp., (TSXV: ADD) ("Arctic Star" or the "Company") is pleased to announce its new Diamond Dunes Project, located in the Western Athabasca Basin, Saskatchewan.

Arctic has acquired a 100 percent interest in mineral claims comprising 40,831 hectares in the Athabasca Basin by paying $25,000 cash plus issuing one million Arctic Star shares to the vendor in an arm's length transaction. Terms of the deal are subject to TSX Venture Exchange approval and the Company shares issued will be subject to a four-month hold period.

The Diamond Dunes Project consists of two separate claim blocks located SW and SE of properties currently being explored for diamonds by DeBeers Canada Inc. and CanAlaska Uranium Ltd.

CanAlaska Uranium Ltd. announced a $20.4 million Option-Participation Agreement with De Beers Canada Inc, who will explore 75 kimberlite-style magnetic targets identified by CanAlaska from an airborne geophysical survey completed by the Saskatchewan Geological Survey. DeBeers recently completed esker sampling for kimberlite indicator minerals in the area and have commenced detail magnetic mapping of geophysical anomalies.

Buddy Doyle Bc App Sc Geol. MAUSIMM is VP Exploration of Arctic Star and author of this press release. Kevin Kivi, P.Geo. is Qualified Person and approves the technical content of this press release.

The Company also announces that it has cancelled 1,441,000 outstanding options pursuant to cancellation agreements with certain of its insiders and has granted 2,440,000 5 year stock options exercisable at $0.05 to a consultant to the Company.

For further information on this release or other projects that Arctic Star has please visit www.arcticstar.ca or contact the Company at info@arcticstar.ca or 604-689-1799.

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

Patrick Power

Patrick Power,
President

Forward Looking Statements:

This news release contains "forward-looking statements" including but not limited to statements with respect to Arctic Star's plans to acquire mineral claims and the TSXV's approval of our intended acquisition. Forward-looking statements, while based on management's best estimates and assumptions, are subject to risks and uncertainties that may cause actual results to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: we may not achieve TSXV approval and will then be unable to complete our acquisition. Arctic Star undertakes no obligation or responsibility to update forward-looking statements, except as required by law.