Vancouver, British Columbia--(Newsfile Corp. - January 17, 2017) - <u>Arctic Star Exploration Corp.</u>, (TSXV: ADD) ("Arctic Star" or the "Company") is pleased to report that it has begun permitting for a drill program on the company's wholly owned CAP Property, which is located approximately 80 km northwest of Prince George, British Columbia.

The company acquired the CAP Property in 2010 for it's potential to host rare metal deposits (Nb, Ta) and/or rare earth elements (REE). These commodities have undergone a dramatic shift in demand owing in part to their usage in the green energy sector, which includes modern wind turbines, rechargeable batteries, catalytic convertors, and more.

The CAP Property is within the central parts of the Rocky Mountain Rare Metal belt; it encompasses six claims (one new) totaling 2,825 ha (6,980 acres) and is about 50 km southwest of the Wicheeda REE Carbonatite. During 2008 and 2009, the Main zone at Wicheeda was drill tested with 15 drill holes at three sites. Highlights included:

- 2008-02: 3.55 per cent REE across 48.64 metres;
- 2009-07: 2.92 per cent REE across 72 metres; and
- 2009-09: 2.2 per cent REE across 144 metres.

The property was originally staked to cover an approximately three- to five-kilometre-diameter, circular, airborne magnetic geophysical anomaly, which is believed to represent a carbonatite (or similar intrusion) at depth. A brief field examination during September, 2010, identified two narrow, syenite dikes near the crest of the ridge that trends from northwest to southeast across the property. The dikes contained highly anomalous geochemistry, including 481 to 981 parts per million niobium, 1,125 to 3,191 parts per million zirconium, greater than 100 parts per million lanthanum, greater than 100 parts per million cerium and greater than 50 parts per million neodymium. These high-level dikes indicate that the source of the magnetic geophysical anomaly may be associated with a carbonatite, or similar intrusion.

More recently, a single contiguous claim was staked to cover a newly discovered rare metal occurrence, which includes a thin fenite dyke, which is typically indicative of proximity to a larger alkaline intrusive body. Two historic samples returned strongly anomalous values of Rare Earth Elements (0.13 and 0.10% REE's).

Geologically, the Cap Property has similar potential to the known carbonatite complexes worldwide. Carbonatite-related deposits are a major host for rare metals, such as niobium and tantalum, and rare earth elements. The world's largest niobium mine, Araxa in Brazil, and several of the world's largest rare earth element deposits, including Lynas Corporation's Mt. Weld deposit in Australia and Molycorp's Mountain Pass deposit in the United States, are all hosted by carbonatites. Geologically similar exploration projects include <a href="Hudson Resources Inc.">Hudson Resources Inc.</a>'s Sarfartoq carbonatite project in Greenland and <a href="Rare Element Resources Ltd.">Rare Element Resources Ltd.</a>'s Bear Lodge carbonatite project in Wyoming.

Darren L. Smith, MSc, PGeol, Dahrouge Geological Consulting Ltd., a qualified person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release.

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

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