

LA PRAIRIE, QUEBEC--(Marketwired - Feb 21, 2017) - The management of Vanstar Resources Inc ("Vanstar") (TSX VENTURE:VSR) announces the signing of an agreement with two independent prospectors for the buyback of the totality of an existing 2% NSR royalty held by the prospectors on the Nelligan project, located in the Chapais-Chibougamau area.

In exchange for this acquisition, Vanstar will issue a total of 1,200,000 common shares in March 2017 and will pay a total sum of \$75,000 in April 2017 to the sellers.

This agreement is subject to the approval of the TSX Venture exchange.

November 2016 drilling campaign

Vanstar is awaiting the complete drilling results from the November 2016 Nelligan drilling campaign where a total of 2,225 metres of drilling was completed by [IAMGold Corp.](#), Vanstar's partner on the project.

Vanstar should be able to present a global picture of the campaign in the coming days, as soon as all the assays are received and validated by [IAMGold Corp.](#).

Current drilling campaign

Current drilling is progressing well. To date, more than 1,400 metres were completed in the first three drill holes (NE-17-51, NE-17-52 and NE-17-53) which are located east to the NE-16-37 drill hole, in the North area. These holes were drilled to verify the lateral extensions to the east of the different gold zones intersected in this area in 2016.

Effectively, they intersected many zones with intense silicification and mineralization corresponding to the targeted zones, which suggests continuity east of NE-16-37.

Assay results will be announced as soon as they become available.

About the Nelligan project

This project is located 45 kilometres to the south of Chapais. Access to the property is easy by the paved highway Route 113 N that links Chapais to Chibougamau and by forestry gravel roads reaching directly to the centre of the property.

The property is located in the northeastern part of the Abitibi Greenstone Belt of the Superior province. It contains several interesting gold showings, including Liam, Dan, North Sector and Lake d'Eu. These new gold structures were intersected to date over a length of 400 metres at a depth of over 200 vertical metres. The presence of gold is constant throughout the drilling. These zones remain open along strike and at depth.

The corridor of mineralization that is a few kilometres in length, includes the main gold zones on widths of many hundreds of metres.

<http://media3.marketwire.com/docs/MagneticMapNelligan.jpg>

The Emile-Miron project

The Emile project is located in a favorable geological environment. Some works were done in the past but the chosen targets did not show important gold grades.

Vanstar plans to test many low magnetic targets generated by ground geophysics (mag) and associated with the presumed fault and shearing zones. These zones are possibly the expression of the strong silicification associated to the gold mineralization seen on the Nelligan project.

Many gold showings are present in the immediate environment of the Emile project; namely the Nelligan, Joe Mann and Philibert showings.

<http://media3.marketwire.com/docs/EmileMag.jpg>

The Lac Bacon project

This project comprises 23 mining cells covering an area of 1,100 ha. located 170 km north of Shefferville and 190 kilometres south of Kuujuaq.

Numerous showings are present on the property. They can be found in two mineralized corridor. The Zn-mineralized corridor extends for 4.5 km and comprises three Zn-Pb-Ag showing. The Cu-mineralized corridor extend up to 6 km and comprises three Cu-Ag showings. There is also a Cu-Au-Ag-U high grade showing near Lac Bacon

<http://media3.marketwire.com/docs/LacBaconpastassays.jpg>

Other projects

The management is currently evaluating the acquisition of mining cells by staking in highly favorable areas for gold and base metals. Management is also looking at projects owned by groups of independent prospectors and is open for negotiation for more advanced projects.

About the Nelligan agreement

The Nelligan property is 100 per cent owned by Vanstar. The project totals 84 designated cells for a total surface area of 4,705.4 hectares (or 47.1 square kilometres).

Pursuant to an earn-in option agreement signed on Nov. 12, 2014, IAMGOLD may acquire up to an 80% interest in the Nelligan project. Terms include a first option to earn a 50% undivided interest in consideration for staged cash payments totalling \$550,000 and the completion of \$4-million in exploration expenditures over a period of 4.5 years ending on May 12, 2019.

Following the exercise of the first option, IAMGOLD can elect a second option to earn an additional 25% interest, in consideration for the delivery of a prefeasibility study and making further annual cash payments totalling \$225,000 over a period of 3.5 years.

IAMGOLD can elect a third option to earn an additional 5% interest in consideration for the delivery of a feasibility study and a cash payment of \$275,000.

If IAMGOLD does not exercise the second option and/or the third option, and at such time the Nelligan project does not demonstrate a minimum of one million ounces of gold, classified as indicated resources as defined in National Instrument 43-101, (Standards of Disclosure for Mineral Projects, of the Canadian Securities Administrators), situated on the property above a vertical depth of three hundred (300) metres, Vanstar will then have the option to: 1) purchase the then undivided percentage interest of IAMGOLD in the property for a price equal to one and a half time (1.5x) the then total expenditures of IAMGOLD invested on the property; or 2) assume operatorship of the joint venture and propose a program that both the parties may participate. If one of the parties does not contribute to work expenditures, its interest could be diluted to 10% and this party would be entitled to receive a one and a half per cent (1.5%) net smelter return (NSR) royalty from the Property.

This press release was read and approved by Gilles Laverdière, Geologist and Qualified Person as defined in NI 43-101.

Cautions Regarding Forward-Looking Statements

This news release contains forward-looking statements regarding our intentions and plans. The forward-looking statements that are contained in this news release are based on various assumptions and estimates by the Company and involve a number of risks and uncertainties. As a consequence, actual results may differ materially from results forecasted or suggested in these forward-looking statements and readers should not place undue reliance on forward-looking statements. We caution you that such forward-looking statements involve known and unknown risks and uncertainties, as discussed in the Company's filings with Canadian securities agencies. Various factors may prevent or delay our plans, including but not limited to, contractor availability and performance, weather, access, mineral prices, success and failure of the exploration and development carried out at various stages of the program, and general business, economic, competitive, political and social conditions. The Company expressly disclaims any obligation to update any forward- looking statements, except as required by applicable securities laws.

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