The Nelligan Project: a Gold Vessel Sailing on a Vast Gold Hydrothermal System

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LA PRAIRIE, Feb. 19, 2019 - Management of Vanstar Mining Resources Inc. (« Vanstar ») provides an update on its Nelligan gold project as well as a retrospective of the drill results highlights from the main gold showings of the Nelligan project.

IAMGold Corp., Vanstar’s partner in the development of the Nelligan project, started last January a new 15,000-meter winter drilling program. 4,750 metres of drilling has been completed so far and the 16 drill holes have intersected their intended targets. The drill cores are being prepared for assays and results will be announced as soon as they become available.

The objectives of the 2019 drilling program is to: 1) refine an initial gold deposit model by merging previous results with current ones 2) support an initial 43-101 resource estimate and 3) help position future drilling campaigns.

«We are very pleased with the progress and quality of the work executed by our partner. The Nelligan project requires patience, efforts and work in order to become a major gold project in Canada. The targets are at the right place and we remain very optimistic that those results will be as good as the previous ones. » stated Mr. Guy Morissette, CEO of Vanstar.

The Nelligan project

The Nelligan project comprises 158 mining cells covering an area of 8,216 hectares located south of Chapais, in Northern Quebec. It includes many important gold zones namely the Renard, 36, Liam, Dan and Lac d’Eu zones. The Liam and Dan zones as well as the east portion of the 36 zone were discovered by drilling in 2013-2014 while the Renard and 36 west zones, located some hundreds of meters north, were found in 2016. The historical showing of the Lac d’Eu, located north-east of the mentioned zones, is known since the mid-1990s.

The Renard zone is located within a vast gold hydrothermal environment measuring 150 to 250 metres in width. This showing was drill intersected over a strike of more than 1 kilometre and at vertical depth of more than 450 metres and appears to be associated with a long corridor corresponding to a low mag anomaly crossing the property from east to west. Drill holes NE-17-61 and NE-17-64 located from 700 metres to 1.2 kilometres west of the Renard zone, both intersected this same horizon with significant gold results (See Sept 5, 2017 Press release). Furthermore, 4 kilometres west of the Renard showing, drill holes done by Bold Ventures in 2017 also intersected gold values (See March 9, 2017 Press release) thus showing the presence of gold along this corridor.

The Renard zone remains open laterally and at depth.

The 36 zone is located between the Renard and Liam zones and comprises two blocks (east and west) within a silicified, brecciated and hematized geological environment.

The structure of this showing was intersected over many hundreds of metres by 5 to 10 metres wide, at vertical depth of 250 metres. Zone 36 remains open in all directions.

The Liam and Dan zones were drill intersected on widths up to 30 metres, over 700 metres in length and at vertical depth of more than 300 metres. Associated with silicified zones and silicified and hematized conglomerates, the Liam and Dan showings are located near major faults oriented SSW.

All these zones remain open laterally and at depth.

See maps attached

The following table shows highlights from these gold zones.

Renard Zones

Drill holes	Width (m)	Grade (g/t Au)
NE-16-44	10.34	4.43
NE-16-48	11.60	3.19
NE-16-49	37.50	3.60
NE-17-64	11.28	2.78
NE-18-69	30.80	2.66
Including	15.16	3.28
NE-18-75	23.10	2.59
NE-18-84	82.60	3.31
NE-18-87	27.20	3.48
NE-18-91	12.70	3.98
NE-18-95	38.16	3.59
Including	2.60	12.80
NE-18-96	24.03	5.69
Including	5.89	19.89
NE-18-97	8.60	4.16
NE-18-98	12.12	5.04
Including	3.46	9.79
NE-18-99	13.19	2.42
And	30.95	2.35

Liam, Dan and 36 zones

Drill holes	Width (m)	Grade (g/t Au)
NE-13-04	20.70	2.04
Including	10.50	2.30
NE-13-08	15.10	3.74
Including	11.60	4.69
NE-14-17A	8.40	3.04
NE-14-21	19.60	2.34
Including	4.30	5.53
NE-14-22	20.00	2.28
Including	6.00	5.90
NE-15-25	6.00	9.58
NE-16-32	12.00	3.18
NE-16-36	17.87	3.20
Including	4.20	6.78
NE-18-81	12.20	3.93
NE-18-89	14.30	4.26

Visible gold and molybdenum were often observed within these gold zones.

IMG- VSR Agreement

According to the 2018 amended agreement, IAMGold Corp. can acquire a 75 % interest in the Nelligan project in exchange for providing a 43-101 resource estimate and cash payments for a total of $2,750,000 comprising of 3 annual payments of $400,000 and a residual payment of $1,550,000 on or before 2022. IMG can also acquire an additional 5% interest by delivering a feasibility study. Vanstar would then own a non-contributary 20 % undivided interest (Net Carried Interest), despite the sums to be invested in an eventual production phase.

When a production decision is achieved, IAMGold Corp. (IMG) would pay for all the expenses required to complete this ultimate phase. Although, Vanstar would have to participate, prorated to its auto-generated revenues from the Nelligan project, to the reimbursement of the portion of the production phase cost relative to its undivided 20 % interest in the project. In addition, Vanstar owns a 1% NSR royalty on some mining cells that are part of the main gold showings. This royalty was acquired from the original owners.

Also, if Vanstar would sell its 20 % undivided interest to IMG in exchange for an offer based on 2 independent evaluations, Vanstar would obtain, in addition of the sale proceeds of its 20% interest, a 1.5 % NSR royalty on the whole property and a 2.5% NSR royalty for the portion from the original owners.

Vanstar has also received from its partner IAMGOLD a cash payment of $400,000 earlier this month, as part of the 2018 agreement. One officer and a director exercised part of their stock options for proceeds of $18,500 for Vanstar and 950,000 warrants were exercised in 2019 for proceeds of $95,000. The company has more than $2,500,000 in cash.

As part of its operations, the company continues to evaluate different projects and opportunities to improve shareholder value.

This press release was read and approved by Gilles Laverdière, Vanstar’s Geologist and Qualified Person under NI-43-101.

Forward Looking Statement

This news release contains forward-looking statements. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding expected, estimated or planned gold production, cash costs, margin expansion, capital expenditures and exploration expenditures and statements regarding the estimation of mineral resources, exploration results, potential mineralization, potential mineral resources and mineral reserves) are forward-looking statements. Forward-looking statements are generally identifiable by use of the words “will”, “should”, “continue”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “to earn”, “to have’, “plan” or “project” or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company’s ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, failure to meet expected, estimated or planned gold production, cash costs, margin expansion, capital expenditures and exploration expenditures and failure to establish estimated mineral resources, the possibility that future exploration results will not be consistent with the Company's expectations, changes in world gold markets and other risks. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement.

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Maps associated with this press release are available at the following addresses:

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