

**Date:** 31-July-2018  
**Ticker Symbols:** ROX-V, ADZN-V and ALS-T



## **CANSTAR RESOURCES, ADVENTUS ZINC AND ALTIUS MINERALS ANNOUNCE SHAREHOLDER APPROVAL FOR THE COMPLETION OF THE TRANSACTION TO CONSOLIDATE NEWFOUNDLAND ZINC EXPLORATION PROJECTS FOCUSED ON THE BUCHANS CAMP**

Toronto, July 31, 2018 – CANSTAR RESOURCES INC. (TSXV: ROX) (“**Canstar**” or the “**Company**”) is pleased to announce that together with Adventus Zinc Corporation (TSXV: ADZN) (“**Adventus**”) and Altius Minerals Corporation (TSX: ALS) (“**Altius**”), it has completed the acquisitions previously announced on February 21, 2018, April 18, 2018, May 31, 2018 and July 18, 2018, pursuant to which Canstar acquired the Newfoundland base-metal exploration assets of Adventus and the Daniel's Harbour zinc project from Altius (the “**Transaction**”).

The Transaction has been conditionally accepted by the TSX Venture Exchange (“**TSXV**”) and has received an overwhelming approval of the shareholders of the Company at the special meeting of the shareholders held on July 30, 2018.

The completion of the Transaction constitutes an event satisfying the Release Conditions in respect of the private placement of the Company's 20,833,699 subscription receipts (the “**Subscription Receipt Offering**”), which was completed on April 18, 2018 as described more fully in the Company's April 18, 2018 news release. Having satisfied the Release Conditions, 20,833,699 subscription receipts issued pursuant to the Subscription Receipt Offering automatically converted into 20,833,699 common shares of the Company, 12,095,120 of which were issued on a flow-through basis. Additionally, the net gross proceeds of the Subscription Receipt Offering which previously were held in escrow by a subscription receipt agent, have been released to the Company.

As part of the Transaction, Adventus acquired 86,681,695 common shares of Canstar (the “**Adventus Shares**”) or approximately 38% of the issued and outstanding common shares of the Company for a value of approximately \$6,067,718.65 (value is calculated based on the last trading price of the common shares of Canstar prior to the halt on February 16, 2018). Adventus did not own any common shares of Canstar prior to the Transaction. Adventus acquired the Adventus Shares as part of the Transaction and for investment purposes. Depending on market and other conditions, Adventus may from time to time in the future increase or decrease its ownership, control or direction over the Adventus Shares as circumstances warrant. For the purposes of this notice, the Head Office of Adventus is 220 Bay Street, Suite 550, Toronto, Ontario M5J 2W4. In satisfaction of the requirements of the National Instrument 62-104 - *Take-Over Bids And Issuer Bids* and National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, Early Warning report in respect of the acquisition of common shares of the Company by Adventus, will be filed under the Canstar SEDAR Profile at [www.sedar.com](http://www.sedar.com).

As part of the Transaction, Altius has acquired 12,095,120 common shares of Canstar. Additionally, the 6,250,000 subscription receipts of Canstar previously acquired by Altius pursuant to the Subscription Receipt Offering as previously announced by Canstar on April 18, 2018, have been converted into 12,095,120 common shares of Canstar on a flow-through basis. Accordingly, following the completion of the Transaction, Altius holds 18,345,120 common shares of Canstar, or approximately 7.9% of the issued and outstanding common shares of the Company.

The common shares of the Company are expected to resume trading on the TSXV following the final approval of the Transaction by the TSXV which is expected to be on or about August 9, 2018. A further announcement in this regard will be made. Canstar will focus its attention on polymetallic exploration in Newfoundland, in particular the Buchans camp, where it will own the majority of the district's mineral rights.

The Company also announces that it will be proceeding with the previously announced consolidation of its common shares on a five (old) for one (new) basis. The consolidation was approved by shareholders as part of the Transaction. Upon the consolidation, any outstanding stock options and warrants will, in accordance with their

terms, be exercisable into post- consolidation common shares of the Company at appropriately adjusted exercise prices. The Company expects the consolidation to be effective on or about August 9, 2018.

The Company will continue to use the stock symbol "ROX" for trading in the common shares on the TSXV. After the consolidation becomes effective, each shareholder of the Company will hold one post-consolidation share for every five pre-consolidation shares, with the result that after the consolidation the Company will have outstanding approximately 44,483,807 common shares. Canstar's name will not be changed as a result of the share consolidation.

#### **About Canstar**

Canstar is a Canadian mineral exploration and development company, with the objective to discover and develop economic mineral deposits in North America. Currently, Canstar's focus is to advance its flagship Mary March project and other mineral exploration properties in Newfoundland and Labrador. Canstar is based in Toronto, Canada and is listed on the Toronto Venture Exchange with the symbol: ROX-V.

#### **About Adventus**

Adventus Zinc is a well-financed company focused on base metals exploration and project development globally. Its strategic shareholders include Altius Minerals Corporation, Greenstone Resources LP, Resource Capital Funds, and Wheaton Precious Metals Corp.; as well as other highly respected investors in the mining business. Adventus Zinc currently has large prospective land packages in both Ireland and Newfoundland and Labrador, Canada (the latter currently subject to a reverse take-over with Canstar Resources Inc.), and is earning a 75% ownership interest in the Curipamba copper-gold-zinc project in Ecuador. In addition, Adventus Zinc has a country-wide exploration alliance with its partners in Ecuador, incorporating two projects to date. Adventus Zinc is based in Toronto, Canada, and is listed on the TSX-V under the symbol ADZN.

#### **About Altius**

Altius directly and indirectly holds diversified royalties and streams that generate revenue from 15 operating mines. These are located in Canada and Brazil and produce copper, zinc, nickel, cobalt, iron ore, potash and thermal (electrical) and metallurgical coal. The portfolio also includes numerous pre - development stage royalties covering a wide spectrum of mineral commodities and jurisdictions. In addition, Altius holds a large portfolio of exploration stage projects which it has generated for deal making with industry partners that results in newly created royalties and equity and minority interests.

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.*

#### **Forward-looking Statement**

This press release contains "forward -looking information" within the meaning of applicable Canadian securities laws. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "believes", "anticipates", "expects", "is expected", "scheduled", "estimates", "pending", "intends", "plans", "forecasts", "targets", or "hopes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "will", "should" "might", "will be taken", or "occur" and similar expressions) are not statements of historical fact and may be forward-looking statements. Forward-looking information in this news release includes, but is not limited to, the closing of the Transaction, anticipated drilling at Buchans Camp, satisfaction of closing conditions, final approval of the TSXV, and the potential for exploration.

Forward-looking information herein includes, but is not limited to, statements that address activities, events or developments that Canstar, Adventus and Altius expect or anticipate will or may occur in the future. Although Canstar, Adventus and Altius has attempted to identify important factors that could cause actual actions, events or results to differ

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materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Canstar, Adventus and Altius do not undertake to update any forward-looking information except in accordance with applicable securities laws.

All monetary figures referenced in this press release are in Canadian dollars unless otherwise stated.

For further information from Canstar, please contact: Karen Willoughby, Director Corporate Communications, at 1-866-936-6766 or [kwilloughby@canstarresources.com](mailto:kwilloughby@canstarresources.com).

For further information from Adventus, please contact Christian Kargl-Simard, Chief Executive Officer, at 1-416-230-3440 or [christian@adventuszinc.com](mailto:christian@adventuszinc.com).

For further information from Altius, please contact Chad Wells [cwells@altiusminerals.com](mailto:cwells@altiusminerals.com) or Flora Wood at 1-877-576-2209 or [flora@altiusminerals.com](mailto:flora@altiusminerals.com).