



This Supplemental News Report is published as required, is part of the annual MERGENT INDUSTRIAL and INTERNATIONAL Manuals and will be included in the bound July 2017 Monthly News Reports and is published on our Website.

CANSTAR RESOURCES INC

Company Website: www.canstarresources.com

History: Incorporated in Canada on Mar. 5, 1997 as Agri-Solutions Systems. Name changed to IoGold Systems Canada Incorporated on Feb. 26, 1999; to Candor Ventures Corp. on July 26, 2001. Present name adopted on Apr. 5, 2005.

On Apr. 5, 2005, Co. merged with Nustar Resources Inc. and continue as Canstar Resources Inc.

On Feb. 18, 2009, Co.'s subsidiary, 1480377 Ontario Inc. was dissolved.

Business Summary: Canstar Resources is a junior resource company focused primarily on the acquisition, exploration and development of mineral properties located in Canada. Co. has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the carrying values of mineral properties is dependent upon the discovery of economically recoverable reserves, the preservation of the Co.'s interest in the underlying mineral claims, the ability of Co. to obtain financing necessary to complete development of the properties, and the future profitable production therefrom or alternatively upon Co.'s ability to dispose of its interests on an advantageous basis.

Property: Co. maintains its head office in Toronto, Ontario. As of June 30, 2016, Co. had interests in the following mineral properties: a 56% interest in the Mary March property, consisting of 92 staked claims, 5 licenses, 1 lease and 2 patented lots, totalling 4,129 hectares located in Newfoundland; a 100% interest in the Mary March Extension Property comprised of 34 claims staked in two contiguous blocks, the property is located immediately west and north of the Mary March property; a 75% earned interest in the Slate Bay property, consisting of eight contiguous patented mining claims covering 128 hectares located 10 kilometers north of the town of Red Lake, Ontario; a 100% interest in the Kenora Gold Project, made up of 31 mining claim blocks comprised of 283 units for an area of 6,182 hectares, the property is located 20 kilometers east of the town of Kenora and a 100% interest in the Miminiska Property, comprised of three contiguous, unpatented mineral claims totalling 44 claim units, located approximately 100 kilometers east of Pickle Lake, Ontario.

Officers

Dennis H. Peterson, Chairman
Danniel J. Oosterman, President; Chief Executive Officer
John E. (Jack) Hurley, Chief Financial Officer

Directors

Dennis H. Peterson, Chairman; Director
Danniel J. Oosterman, Director
John E. (Jack) Hurley, Director
David Palmer, Ph.D., Director
T. Patrick Reid, Director

Auditors: MNP LLP

Legal Counsel: Peterson Law Professional Corporation

Registrar & Transfer Agent: TSX Trust Company, Toronto, Ontario, Canada

Annual Meeting: In December

Shareholder Relations: Karen Willoughby, Director of Corporate Communications Tel: 647-678-6662

No. of Stockholders: July 11, 2017, 177

No. of Employees: July 11, 2017, 2

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Web: www.canstarresources.com

Email: kwilloughby@canstarresources.com

Consolidated Income Statement, Years Ended Jun. 30 (Can\$):

	2016	2015 (revised)	2014 (revised)
Share-based payments	(53,550)	(39,964)	(67,907)
Professional fees	(101,477)	(83,100)	(107,490)
Transfer agent & filing fees	(26,871)	(24,919)	(24,606)
Management fees	(54,539)	(102,728)	(106,225)
General & office expenses	(9,793)	(3,119)	(20,363)
Rent	(20,838)	(20,838)	(20,838)
Travel	...	(196)	(11,081)
Shareholder information	(3,182)	(2,817)	(6,665)
Interest & bank charges	(1,315)	(598)	(1,718)
Depreciation	(363)	(456)	(180)
Interest income	6,254	5,590	19,200
Flow-through premium	23,863
Income (loss) before income tax	(241,811)	(273,145)	(347,873)
Income tax expense (recovery)	...	1,140	...
Net earnings (loss) & comprehensive earnings (loss) for the year	(241,811)	(272,005)	(347,873)
Weighted average common shares outstanding - basic	86,493,052	82,856,381	82,856,381
Weighted average common shares outstanding - diluted	86,493,052	82,856,381	82,856,381
Year end common shares outstanding	92,199,914	82,856,381	82,856,381
Net earnings (loss) per share - basic	Can\$0.00	Can\$0.00	Can\$0.00
Net earnings (loss) per share - diluted	Can\$0.00	Can\$0.00	Can\$0.00
Total number of employees	2
Number of common stockholders	177

Reclassified to conform with 2016 presentation; Reclassified to conform with 2015 presentation; Adjusted for 1-for-500 stock split, January 9, 2017; Adjusted for 500-for-1 stock split, January 9, 2017; As of July 11, 2017

Adjusted for 1-for-500 stock split, January 9, 2017; Adjusted for 500-for-1 stock split, January 9, 2017; As of July 11, 2017

Consolidated Balance Sheet, Years Ended Jun. 30 (Can\$):

	2016	2015 (revised)
Assets:		
Cash & cash equivalents	214,898	52,185
Short-term investments	100,000	400,000
Amounts receivable & prepaid expenses	39,191	9,913
Total current assets	354,089	462,098
Equipment, cost	10,141	10,141
Total accumulated depreciation	(8,684)	(8,321)
Equipment	1,457	1,820
Interest in exploration properties & deferred exploration expenditures	2,573,226	2,131,729
Total assets	2,928,772	2,595,647
Liabilities:		
Accounts payable & accrued liabilities	95,313	84,006
Total current liabilities	95,313	84,006
Common shares	11,122,125	10,762,607
Capital stock	11,122,125	10,762,607
Warrants	150,561	...
Share-based payments reserve	547,455	528,405
Retained earnings (deficit)	(8,986,682)	(8,779,371)
Total shareholders' equity	2,833,459	2,511,641
Total liabilities & shareholders' equity	2,928,772	2,595,647

Reclassified to conform with 2016 presentation

Capital Stock: 1. Canstar Resources Inc common; no par. OUTSTANDING—June 30, 2016, 92,199,914 shs; no par. WARRANTS—9,354,759 shs.

STOCK SPLITS—No par shares reverse split 1-for-500 on Jan. 9, 2017; split 500-for-1 on Jan. 9, 2017.

VOTING RIGHTS—Entitled to one vote per share.

OPTIONS—June 30, 2016, outstanding, 5,625,000; authorized for issuance, 15,000,000.

PRIMARY EXCHANGE—Venture Exchange (TVX): ROX.

SECONDARY EXCHANGES—National Bulletin Board (NBB): CSRN F.

PRIVATE PLACEMENTS—(3,335,000 units) at C\$0.30 per unit privately placed in fiscal 2005 for total proceeds of C\$1,000,500. Each unit consisted of one common share and one common share purchase warrant.

(3,375,000 units) at C\$0.10 per unit privately placed on Sept. 20, 2005 for total proceeds of C\$450,000.

(2,812,500 units) at C\$0.16 per unit privately placed in fiscal 2006 for total proceeds of C\$450,000. Each unit consisted of one common share and one common share purchase warrant.

(6,103,333 flow-through units) at C\$0.06 per unit privately placed in two tranches on Dec. 23, 2015 and Dec. 29, 2015 for gross proceeds of C\$366,200. Each unit consisted of one flow-through common share and one common share purchase warrant. (1,158,334 flow-through units and 1,881,866 hard dollar units) at C\$0.06 per unit and C\$0.06 per hard dollar unit privately placed on May 2, 2016 for gross proceeds of C\$182,412. Each unit consisted of one flow-through common share and one common share purchase warrant. (10,437,950 units) at C\$0.10 per unit privately placed on Aug. 2, 2016 for gross proceeds of C\$1,043,795. Each unit comprised one common share and one-half of one common share purchase warrant. Each hard dollar unit consists of one common share and one common share purchase warrant.

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