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TSX-V: BAU
Frankfurt: SWP

Blue Star Gold Announces Non-Brokered Private Placement of Debenture Unit

Vancouver British Columbia – May 20, 2020: Blue Star Gold Corp. (the “**Company**”) announces a non-brokered private placement (the “**Private Placement**”) of up to 4,000 units of the Company (the “**Units**”) at a price of \$1,000 per Unit for aggregate gross proceeds of up to \$4,000,000, with a minimum subscription of \$50,000, or 50 Units per subscriber. Each Unit is comprised of 20,000 unsecured convertible debenture (the “**Debentures**”) and 20,000 non-transferable common share purchase warrants (“**Warrants**”) of the Company.

Each Debenture has a maximum term of 3 years (the “**Term**”) and will bear an annual simple interest rate of 7.5%. During the first year of the Term, the principal amount of each Debenture may be converted by the holder, for no additional consideration, into common shares (the “**Shares**”) of the Company at a conversion price of \$0.05 per Share and \$0.10 per Share during the second and third years of the Term.

Each Warrant entitles the holder to purchase one additional Share at an exercise price of \$0.075 per Share until the expiry date of the Term.

In the event that the Company is unable to obtain authorization from the Government of Nunavut to commence its 2020 summer exploration program on the Company’s properties by July 15, 2020, the Company shall forthwith notify the holders, cancel the Debentures and refund the principal amount of the Debentures to the holders, together with accrued interest, and any Warrants forming part of the Units will automatically expire.

Finders fees of 5% cash and 5% finder’s shares (the “**Finder’s Shares**”) equal to 5% of the dollar value of the Units, may be payable to qualified parties. The Finder’s Shares will be priced at \$0.05 per Finder’s Share.

The Company intends to use the proceeds from the Private Placement for the exploration and development of the Company’s mineral projects and for general working capital.

All securities issued are subject to a four month hold period pursuant to securities laws in Canada. The Private Placement is subject to the approval of the TSX Venture Exchange.

About Blue Star Gold Corp.

Blue Star is a Vancouver-based gold and silver company focused on exploration and development within Nunavut, Canada. The Company, through its subsidiary, Inukshuk Exploration Inc. (“**Inukshuk**”), owns the highly prospective 8,015 ha **Hood River gold concessions** located contiguous with the Ulu mining lease. Inukshuk acquired its interest in the Hood River property through a renewable, 20-year Mineral Exploration Agreement with Nunavut Tunngavik Incorporated (“**NTI**”) which holds subsurface title to Inuit Owned Lands (“**IOL**”). The Hood River property located within the CO-20 IOL parcel is administered by the NTI through the HOODRIVER-001 MEA signed between Inukshuk and NTI dated June 01, 2013. Blue Star has recently acquired the **Ulu Gold Property**, an advanced gold and silver project and with regulatory approvals has completed the transmittal of the mining lease and assignment of the permits and licenses. Together with the Hood River concessions, Blue Star controls nearly 10,000 ha of prospective mineral claims within which the Company has identified more than 40 gold occurrences.

Blue Star has 131,378,075 common shares outstanding and is listed on the TSX Venture Exchange under the symbol: **BAU** and on the Frankfurt Exchange under the symbol: **5WP**. For information on the Company and its projects, please visit our website: www.bluestargold.ca.

For further information, please contact:

Peter Kuhn, Interim CEO

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Qualified Person: Warren Robb, P.Geo. a Qualified Person under National Instrument 43-101 (“**NI 43-101**”), has reviewed and approved the geological information contained in this news release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the Policies of the TSX-Venture Exchange) accepts responsibility for the adequacy or accuracy of this Release.

Certain information contained herein constitutes “forward-looking information” under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Private Placement, the use of proceeds, the cancellation and refund of the Debentures and notification thereof, the automatic expiration of the Warrants, and the payment of finder’s fees. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “may be”, “intends” or variations of such words and phrases or statements that certain actions, events or results “will” occur. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including: the receipt of all necessary regulatory approvals, capital expenditures and other costs, and financing and additional capital requirements. Although management of the Company have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual

results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.