

MOUNTAINSTAR GOLD INC.

13331 Woodcrest Drive, Surrey, BC, V4P 1W4

NEWS RELEASE

British Columbia Securities Commission has Libeled Mountainstar Lawyer, Juan Guillermo Torres Fuentealba

July 26, 2016 - Mountainstar Gold Inc. (MSX-CSE) (“the Company”) is pleased to inform our shareholders and the public that we have always published the correct Chilean legal decisions regarding all trials and injunction C1912-2001.

In a Securities Commission letter dated December 16, 2015, authored by Peter J. Brady, the Company has been forced to accept and to publicly release the following erroneous statements.

1. Juan Guillermo is not a lawyer involved with the trial and injunction C1912-2001.
2. The BCSC asserts that Jorge Lopehandia has nothing to do with C1912-2001. They also assert any rights he may have had were lost in the Supreme Court of Chile on October 2, 2014.

We include in this release a confirmation issued by the 14th Civil Court of Santiago and dated February 16, 2016. This decision was delivered to the BCSC, and Mountainstar has not received a retraction. The Commission’s position is that MSX should accept and issue a press release in effect validating Peter J. Brady’s December 16, 2015 letter.

In the Company’s opinion, the BCSC and MSX will be helped if the Chilean court decisions are honored and respected by the regulators in Canada.

C1912-2001 is a valid injunction that continues to prevent Barrick’s access to “the areas of greatest geological interest” of the Pascua Lama project, according to Barrick’s lawyer Gonzalo Nieto Valdez.

The British Columbia Securities Commission has no legal grounds to keep Mountainstar cease traded. It is ignoring relevant Chilean Court decisions.

On behalf of the Board of Directors,

“Brent Johnson”

Brent Johnson
President & CEO

For further information, please contact Mr. Steve Holt, Director of Mountainstar Gold Inc. at steveholt@telus.net.

FOJA: 4661 .- cuatro mil seiscientos
sesenta y uno .-

NOMENCLATURA : 1. [380]Certificacion (En el mismo
Expediente)
JUZGADO : 14° Juzgado Civil de Santiago
CAUSA ROL : C-1912-2001
CARATULADO : VILLAR - COMPAÑIA

Santiago, dieciocho de Febrero de dos mil dieciséis

Certifico que los hechos y actuaciones expuestos en el escrito de fecha 15 de febrero de 2016 presentado por el abogado Juan Guillermo Torres Fuentealba, quien comparece por el demandante don Jorge Rodrigo Lopehendía Cortés, son efectivos.

LILIANA VERGARA MIRANDA,
SECRETARIA AD-HOC



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