

MOUNTAINSTAR GOLD INC.

13331 Woodcrest Drive, Surrey, BC, V4P 1W4

N E W S R E L E A S E

Chilean Government Ordered by Court to face Pascua Lama Protocol Falsification

July 7, 2016 - Mountainstar Gold Inc. (MSX-CSE) (“MSX” or “the Company”) wishes to announce a report from its Chilean lawyer Mr. Juan Guillermo Torres Fuentealba.

The Company’s mining associate, Mr. Jorge Lopehandia, initiated legal action at the 23rd Civil Court of Santiago, Case Role C22637-2015 namely, Lopehandia vs. Government of Chile. This action is regarding falsification and malicious use of a public deed.

On July 4, 2016, a resolution notified the parties that the Government of Chile has to face Mr. Lopehandia’ charges and evidence. See attached for your information. The Company welcomes the decision of the Chilean judicial power.

This court order is not appealable.

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

Neither the Canadian Securities Exchange nor the Investment Industry Regulatory Organization of Canada (IIROC) accepts responsibility for the adequacy or accuracy of this release.

FOJA: 145 .- ciento cuarenta
y cinco .-

NOMENCLATURA : 1. [11]Tiene por subsanado def. que adolecia
JUZGADO : 23^o Juzgado Civil de Santiago
CAUSA ROL : C-22637-2015
CARATULADO : LOPEHANDIA / FISCO DE CHILE

Santiago, cuatro de Julio de dos mil dieciséis/nav

A fojas 133, por cumplido lo ordenado. Cúmplase con lo dispuesto en el artículo 308 del Código de procedimiento Civil.

En Santiago, a cuatro de Julio de dos mil dieciséis, se notificó por el estado diario, la resolución precedente.

