Blue Star Gold Exploration Update - Newly Identified Mikigon Prospect - Up to 47.1 g/t Gold Sampled at Surface

Vancouver, British Columbia--(Newsfile Corp. - August 8, 2023) - **Blue Star Gold Corp. (TSXV: BAU) (OTCQB: BAUFF) (FSE: 5WP0) ("Blue Star" or the "Company")** announces initial results from its 2023 exploration program. The program includes a multi-prong exploration effort across the Company's Ulu Gold Project including ground-based geophysical surveys, ground-truthing pipeline targets, mapping and lithogeochemical sampling, and prospecting. The program has been focused to identify and advance targets throughout Blue Star's highly prospective landholdings to be drill ready for a 2024 discovery program.

Highlights:

- **NEW discovery** "Mikigon Prospect" is a sediment hosted mineralised structure traced for 550 metres into overburden (open), highlighted by samples returning **47.1 grams per tonne ("g/t") gold, 29.6 g/t gold, and 22.7 g/t gold;**
- Pipeline target Penthouse confirmed to be a precious metals rich base metal prospect, traced on strike for 400 metres (open), highlighted by samples returning 26.9 g/t gold, 184 g/t silver, 5.73% copper, 7.12% zinc; and 1.54 g/t gold, 8.59 g/t silver, 0.345% copper with 6,850 g/t cobalt;
- Pipeline target Rhonda confirmed to be a precious metals rich base metal prospect, at a flexure in a mafic volcanic over sediment contact zone, highlighted by samples returning 6.04 g/t gold, 69.9 g/t silver, 0.587% copper, and 12.4% zinc;
- Bamako showing (now the Auma Prospect) staked as part of the Roma Project, historical work indicates a 1.5 km long AEM conductor associated with a magnetic anomaly coincident with quartz-pyrrhotite veining; **multi-ounce** gold grab samples returned with a historical drill intercept of 15.3 g/t gold over 2.6 metres in a 'gopher' drill hole.

Blue Star's CEO, Grant Ewing, commented, "The discovery of the Mikigon prospect highlights the strong potential for significant new mineralised zones at the Company's projects. This new prospect along with several other high potential targets will be ready for drill testing in future programs. The focus continues to be on evaluating and prioritizing the large pipeline of targets for gold potential, but it is also evident that Blue Star's vast landholdings have excellent potential for the discovery of critical mineral deposits, including copper, zinc and cobalt."

Blue Star's VP Exploration, Darren Lindsay, commented, "Having the support to undertake a significant mapping program has allowed the exploration team to better understand the geological framework and mineralisation settings leading to field-based new target identification this season. This work will assist in the prioritisation of our *pipeline targets* and eventually to additional discoveries at the end of a drill bit."

Discussion of Field Results

Mapping has focussed on the 5 km long Ulu fold between the Flood Zone gold deposit and the NFN deposit, and the North and South Penthouse areas. Mapping is being undertaken at scales of 1:5000 and 1:2500, and pXRF scanning of rock chips is used to determine areas for lithogeochemical sampling to better define and understand the stratigraphic package and differentiate between more prospective lithological units. These map areas host many of the key pipeline prospects. Prospectors are focused on both areas with no previous sampling, and also on confirming and expanding *pipeline targets*.

The Mikigon Prospect was identified during mapping of the sediments surrounding the Ulu Fold in an area of no previously known sampling. This is the first known substantial sediment hosted mineralised

zone in the Ulu Gold Project. It is located approximately 3.5 km NNE of the Flood Zone gold deposit and 1.8 km SE of the NFN deposit. A total of 33 samples, over a strike length of 550 metres from a mineralised trend 1 to 4 metres wide on surface, have been collected to date. The prospect is highlighted by samples returning **47.1 g/t, 29.6 g/t and 22.7 g/t gold** and has a mean gold value of 3.75 g/t in a range of detection limit to 47.1 g/t gold.

The Rhonda Prospect was evaluated to confirm location of historical sampling and better define the north-south contact/structural trend. The core of the prospect is approximately 30 metres long within a 450-metre section of the structure defined by historical soil samples. The prospect is located approximately 1.3 km SW of the Flood Zone gold deposit and 900 metres from the camp road. A total of 15 grab samples were collected from outcrop, subcrop and frost heave returning a mean gold value of 1.97 g/t, a mean silver value of 29.2 g/t and a mean zinc value of 2.8% in a range of detection limit to 6.04 g/t gold, 69.9 g/t silver, and 12.4% zinc.

The historical Penthouse showing is hosted within a sedimentary rock package located below a basalt contact and is traceable for at least 400 metres. The discontinuous massive sulphide horizon ranges from 0.15 to 0.75 metres wide in the main zone with potential for multiple target horizons in the rock package. Similar alteration has been observed below the main level, and gold bearing quartz veins occur at an oblique angle. Results from five samples received to date are tabulated below with a grab sample from a massive sulphide zone in outcrop returning a highlight grade of 26.9 g/t gold, 184 g/t silver, 5.73% copper, and 7.12% zinc (see Plate 1).

The 164-hectare Auma Prospect was recently staked as part of the Roma Project. Historical work includes airborne electromagnetics (AEM), ground based magnetics and horizontal loop EM (HLEM), mapping, prospecting and six 'gopher' drill holes. Reported results of the work include a 1.5 km long AEM conductor, a 700 metre long coincident HLEM conductor and magnetic high; numerous anomalous grab samples of quartz-pyrrhotite veins and three distinct map units. Grab samples reported from previous exploration companies range to 54.4 g/t gold (BHP 1991), 101.0 g/t gold (Strongbow/Allyn Resources 2005) and 183.79 g/t gold (Oz Minerals 2008) (pers. comm. T.Toole, 2023). Drilling results reported by Zaremba and Takenaka in 1995 include drill hole 95HBD-02 which intercepted 2.60 metres of 15.3 g/t gold. Blue Star has not yet undertaken sufficient work to verify and validate the historical data.

See Figure 1 for a location map of the zones discussed above. Table 1 lists select sample results with full data available on the Company's website in the near future.

2023 Exploration Program Summary

Blue Star is continuing to build and assess its extensive target pipeline with a focus on expanding the current resource areas and prioritising several new targets. The technical team's improved understanding of the geological controls on mineralization following the last two successful field programs has led to advancing target areas to drill ready.

A geophysical program conducted by Aurora Geosciences Inc. of Yellowknife, NT entailed ground-based surveys designed to confirm and refine drill targets in the +1,200-metre-long Gnu Zone target area, and to visualize potential depth extensions to the Flood Zone. These will be reported once final interpretations are available.

Mapping, prospecting, and geophysical survey data processing is on-going and will be compiled and reported as results become available. Structural and stratigraphic studies will be compiled and reported once the data has been received and interpretation is completed.

Several improvements have been made at the Ulu exploration camp, including remediation work to clean up legacy waste, resulting in a significant increase in efficiencies of the operation.

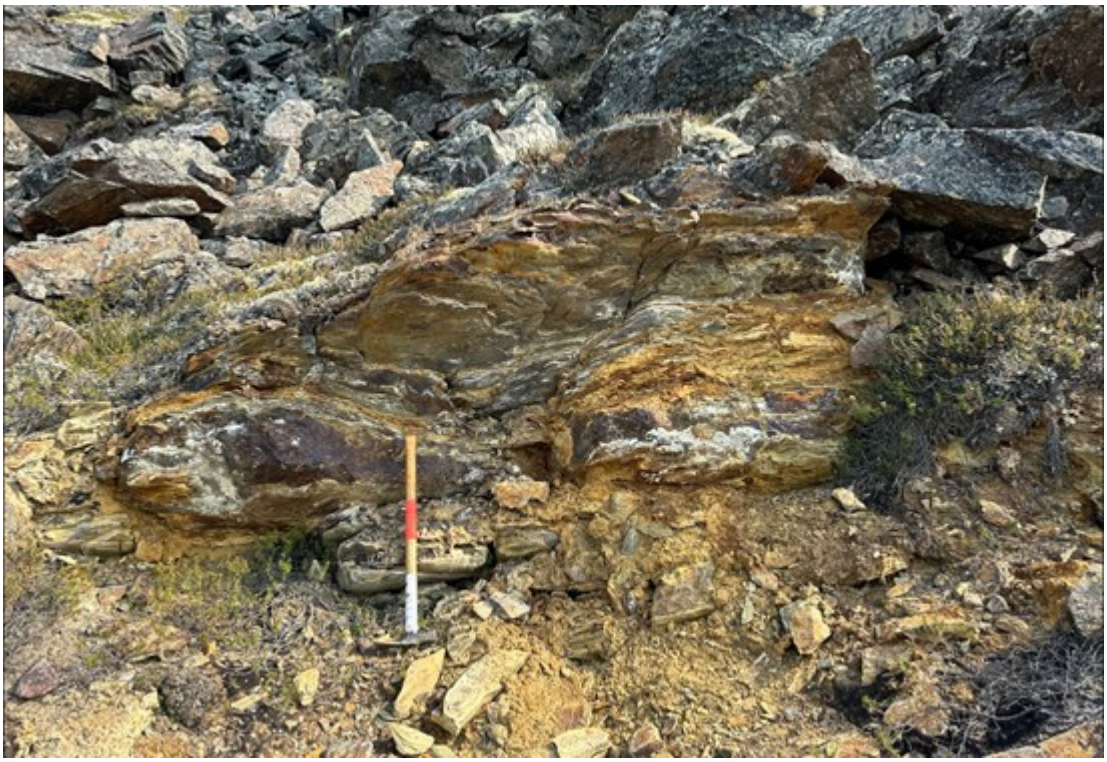

Plate 1: Sample Location of C120851 at Penthouse Prospect.

To view an enhanced version of this graphic, please visit:
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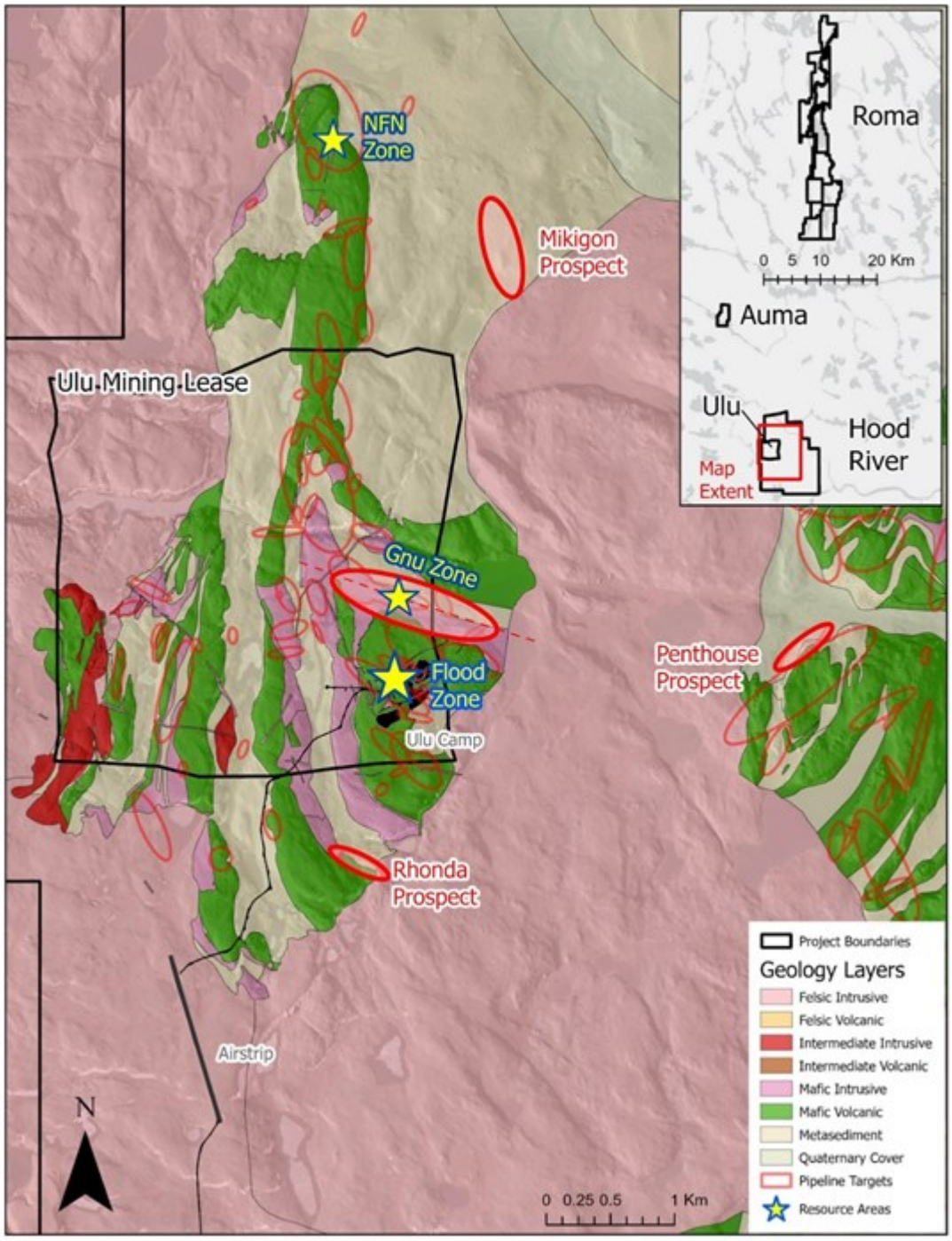

Table 1: Select Results, Full Tables Available on Company's Website.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/2421/176449_0921dda544557a06_004full.jpg

Location	Sample_ID	Au_ppm	Ag_ppm	Co_ppm	Cu_ppm	Pb_ppm	Zn_ppm
Mikigon Prospect	C120856	**47.1**	5.62	135	203	11.8	74
Mikigon Prospect	H502539	6.42	1.69	169	176.5	10.6	102
Mikigon Prospect	H502540	**29.6**	3.53	82.8	166	9.2	88
Mikigon Prospect	H502541	1.88	1.83	108	103.5	9.5	39

Mikigon Prospect	H502542	**22.7**	4.37	494	274	12	49
Mikigon Prospect	H502545	1.86	1.24	19.6	49.3	13.7	37
Mikigon Prospect	H502569	5.42	1.71	193.5	259	11.2	44
Mikigon Prospect	H502574	1.69	0.61	673	262	18.4	50
Mikigon Prospect	H502575	1.91	1.23	220	217	21.5	39
Mikigon Prospect	H502584	1.93	1.9	58.3	492	13.7	72
Rhonda Prospect	H502529	0.26	29.3	28.3	276	3370	**54500**
Rhonda Prospect	H502530	6.04	30.7	50.4	1520	2760	**60800**
Rhonda Prospect	H502531	3.36	43.4	47.6	708	6440	**76700**
Rhonda Prospect	H502532	2.47	38.8	122.5	594	7940	**124000**
Rhonda Prospect	H502533	4.89	37.9	69.2	3850	3140	6200
Rhonda Prospect	H502535	0.81	15.65	258	686	338	**10600**
Rhonda Prospect	H502563	0.62	23.4	36.8	665	2950	3090
Rhonda Prospect	H502564	2.26	32.6	19.6	1630	422	425
Rhonda Prospect	H502565	2.79	36.2	28.3	2410	3600	**17400**
Rhonda Prospect	H502566	4.53	69.9	27.5	942	**13600**	**59300**
Rhonda Prospect	H502567	0.12	36.4	2.8	5870	983	2780
Penthouse Prospect	C120851	**26.9**	**184**	44.7	**57300**	5730	**71200**
Penthouse Prospect	H501465	1.54	8.59	**6850**	3450	10.5	101
Penthouse Prospect	H501467	0.78	44.1	198.5	**13700**	3860	**108500**
Penthouse Prospect	H502501	3.24	58	67.5	1440	2070	**126500**
Penthouse Prospect	H502555	1.85	28.6	115	4280	1470	9110

Blue Star's Projects

The Company's properties are located approximately 525 km NNE of Yellowknife, NT in the Kitikmeot region of western Nunavut. Kugluktuk is approximately 210 km to the NW. The total area of Blue Star's projects cover over 45 km of the highly prospective and underexplored High Lake Greenstone Belt.

The Ulu Gold Project, comprised of the Ulu Mining Lease and the contiguous Hood River Property together encompass greater than 12,000 hectares of high potential exploration ground. The recent acquisition of the prospective and underexplored Roma Project increased the Company's landholdings by more than 14,000 hectares in the High Lake Greenstone Belt.

The Ulu Mining Lease hosts the advanced stage Flood Zone gold deposit, where a significant high-grade gold resource has been outlined. Several additional gold prospects (including, but not limited to, Zebra, Contact, Central, Axis, and Gnu) are spatially related to the axis of the ~5 km long Ulu Fold, which extends from the Ulu lease onto the northern part of the Hood River Property and culminates at the North Fold Nose Zone. The recent expansion of the Hood River concession added several new target zones south of the Flood Zone gold deposit. The eastern side of the Hood River Property is contiguous to the Ulu Mining Lease, and hosts over twenty known gold showings. The Hood River prospects have the same deformation history (including tight folding) as well as similar mineralisation styles (acicular arsenopyrite and polymetallic quartz veins) and stratigraphic sequences as the Flood Zone. One of the most prospective target areas on the eastern Hood River Property is the 4 km long Crown-Pro trend which has seen only limited drilling.

The Roma Project lies in the northern section of the High Lake Greenstone Belt. The project covers high grade gold showings discovered by previous explorers, notably BHP Minerals from 1988 to 1994. Multiple significant gold showings are present within a 6.5 km x 2.4 km area on the historic Roma claim block. The original showing is a 0.30 to 3.0 m wide quartz vein exposed in outcrop and boulders for 2 km. In 1991, BHP drilled ten shallow holes totaling 465 metres to test 1.72 km of the strike of the vein. All drill holes intersected quartz veins from 15 m to 37 m vertically below surface. Visible gold was noted in three of the drillholes and the best results were 12.38 g/t gold over 2.31 m (including 64.0 g/t gold over 0.37 m) from DDH MD-01, and 8.69 g/t gold over 1.87 m from MD-03. No drilling was conducted downdip of the high-grade intersection in DDH MD-01 and no step out drilling to the north from this intercept was conducted. No follow up drilling is known to have been completed on this property since BHP's initial drill program in the 1990's. The company has not verified the historical results from the Roma Project and has presented information obtained from two assessment reports submitted by BHP Minerals: G. McMaster (1995), Roma 3, 4, 5 and 6 claims 1995 geological and geochemical report; and L. Anonby and W. Jopson (1992), geological, geochemical, geophysical and drilling report on the Roma 1 and 2 claims.

The Auma Prospect is located on the western margin of the High Lake Greenstone Belt and covers high grade gold showings discovered by previous explorers, notably BHP Minerals from 1990 to 1995, Strongbow Resources from 2004 to 2006 and Oz Minerals from 2007-2008. In 1995 BHP undertook drilling of six 'gopher' holes in two zones; results from Zone 1 included 2.6 m of 15.3 g/t gold (AR083564 Zaremba,C. and Takenaka,C. 1995 Geological, Geochemical and Geophysical Report on the Bamakao6 and 9 Claims, NTS 76M3. BHP Minerals Canada Ltd.). In 2006 Strongbow mapped the area in detail and noted numerous unsampled veins; sampling also discovered Zone 3 with a grab sample value of 39.3 g/t gold (AR084947 Strongbow Exploration/Allyn Resources 2004-2005 (Bryan 2005)); in 2008 Oz Minerals evaluated the area with a result of 183.79 g/t gold from Zone 3 (pers.comm., T.Toole, 2023).

The site of the future deep-water port at Grays Bay is 40 - 100 km to the north of the properties, and the proposed route corridor for the all-weather Grays Bay road passes near the Roma and Ulu Gold Projects.

Technical Disclosure

Darren Lindsay, P. Geo. and Vice President Exploration for Blue Star, is a Qualified Person under National Instrument 43-101 ("NI 43-101") and has reviewed and approved the technical information contained in this news release.

Prospecting samples are grab samples which are selective by definition and have been collected from outcrop, subcrop and felsenmeer. Samples are sent under chain of custody to ALS Geochemistry in Yellowknife, NT for sample preparation which are then forwarded to ALS Canada Inc. in North Vancouver, BC for final analysis. Samples are prepared using code PREP-31 (crushing and pulverising) and analysed using codes Au-AA26 (50-gram fire assay with atomic absorption finish) and ME-MS61 (48 element four acid digestion with ICP-MS finish). Over limits for non-gold elements are ore grade four acid digestion with ICP-AES finish. The QAQC program for prospecting consists of regular insertion of certified reference materials (CRMs) resulting in a 20% insertion rate.

About Blue Star Gold Corp.

Blue Star is a gold company focused on exploration and development within Nunavut, Canada. Blue Star's landholdings total 270 square kilometres of highly prospective and underexplored mineral properties in the High Lake Greenstone Belt, Nunavut. The Company owns the Ulu Gold Project, comprised of the *Ulu Mining Lease* and *Hood River Property*, and the Roma Project which includes the Auma Prospect. A significant high-grade gold resource exists at the Flood Zone deposit (*Ulu Mining Lease*), and numerous high potential exploration target areas occur throughout the Company's extensive landholdings, providing Blue Star with excellent resource growth potential.

Blue Star is listed on the TSX Venture Exchange under the symbol: BAU, the U.S. OTCQB Venture Market under the symbol: BAUFF, and on the Frankfurt Exchange under the symbol: 5WP0. For information on the Company and its projects, please visit our website: www.bluestargold.ca.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

This press release contains "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding prospective income and revenues, anticipated levels of capital expenditures for fiscal year, expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities and governmental and regulatory investigations and proceedings, and estimates of mineral resources and reserves on our properties.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and

other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets, strategic actions, including acquisitions and dispositions and our success in integrating acquired businesses into our operations, developments and changes in laws and regulations, including increased regulation of the mining industry through legislative action and revised rules and standards applied by the regulatory bodies in Nunavut, changes in the price of fuel and other key materials and disruptions in supply chains for these materials, closures or slowdowns and changes in labour costs and labour difficulties, including stoppages affecting either our operations or our suppliers' abilities to deliver goods and services to us, as well as natural events such as severe weather, fires, floods and earthquakes or man-made or other disruptions of our equipment, and inaccuracies in estimates of mineral resources and/or reserves on our mineral properties.