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CANTEX ANNOUNCES \$10 MILLION PRIVATE PLACEMENT OF FLOW-THROUGH SHARES

(Kelowna, Canada – August 1, 2019) Cantex Mine Development Corp. (the "Corporation" or "Cantex") (TSX-V: CD) is pleased to announce that it has entered into an agreement with Canaccord Genuity Corp. and Leede Jones Gable Inc. (the "Underwriters") in connection with a "bought deal" private placement of an aggregate of **1,588,000** common shares of the Corporation that will qualify as "flow-through shares" (within the meaning of subsection 66(15) of the Income Tax Act (Canada)) ("Flow-Through Shares") for aggregate gross proceeds of C\$10 million (the "Offering"). In connection with the Offering; (i) **921,000** Flow-Through Shares will be issued as part of a charity arrangement at an issue price of C\$6.52 per Flow-Through Share (the "Charity Issue Price") for gross proceeds of C\$6,004,920; and (ii) 667,000 Flow-Through Shares will be issued at C\$6.00 per Flow-Through Share (the "FT Issue Price") for gross proceeds of C\$4,002,000.

In addition, the Underwriters have been granted an option to sell up to that number of an additional Flow-Through Shares at the Charity Issue Price and/or the FT Issue Price for additional gross proceeds of up to C\$2,000,000.

The gross proceeds from the Offering will be used by the Corporation to incur eligible "Canadian exploration expenses" that will qualify as "flow-through mining expenditures" as such terms are defined in the *Income Tax Act (Canada)* (the "Qualifying Expenditures") related to the Corporation's projects in Canada. All Qualifying Expenditures will be renounced in favour of the subscribers of the Flow-Through Shares effective December 31, 2019.

The Offering is expected to close on or about August 21, 2019 and is subject to certain closing conditions including, but not limited to, the receipt of all necessary approvals including the conditional listing approval of the TSX Venture Exchange and the applicable securities regulatory authorities. The Offering is being made by way of private placement in Canada. The securities issued under the Offering will be subject to a hold period in Canada expiring four months and one day from the closing date of the Offering. The Offering is subject to final acceptance of the TSX Venture Exchange.

The Underwriters will receive a cash commission equal to 6.0% of the gross proceeds of the sale of the Flow-Through Shares, payable on Closing to the Underwriters (other than in respect of sales of Flow-Through Shares to those persons on the "Presidents List" on which the fee shall be 3%).

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

For further information on Cantex, visit www.cantex.ca Or contact: 250-860-8582

Neither 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.

Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates, projections and interpretations as at the date of this news release. The information in this news release about the Offering; the use of the proceeds from the Offering; the jurisdictions in which the Flow-Through Shares are offered or sold; the number of Flow-Through Shares offered or sold; the gross proceeds from the Offering; the timing and ability of the Corporation to close the Offering, if at all; the timing and ability of the Corporation to satisfy the listing conditions of the TSX Venture Exchange, if at all; the tax treatment of the Flow-Through Shares; the timing of the renounce of the Qualifying Expenditures in favor of the subscribers, if at all, and any other information herein that is not a historical fact may be "forward-looking information". Any statement that involves discussions with respect to predictions, expectations, interpretations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "interpreted", "management's view", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information. This forward-looking information is based on reasonable assumptions and estimates of management of the Corporation, at the time such assumptions and estimates were made, and involves known and unknown risks, uncertainties or other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, risks relating to the Offering; volatility in the trading price of common shares of the Corporation; risks relating to the ability of the Corporation to obtain required approvals, complete definitive documentation and complete the Offering on the terms announced; ability of Cantex to complete further exploration activities; property interests; the results of exploration activities; risks relating to mining activities; the global economic climate; metal prices; dilution; environmental risks changes in the tax and regulatory regime; and community and non-governmental actions. Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Corporation cannot guarantee shareholders and prospective purchasers of securities of the Corporation that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither Corporation nor any other person assumes responsibility for the accuracy and completeness of any such forward looking information. Corporation does not undertake, and assumes no obligation, to update or revise any such forward looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.