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CANTEX INTERSECTS MASSIVE SULPHIDE ZONE IN BOTH OF ITS FIRST TWO DRILL HOLES AT THE NORTH RACKLA CLAIMS, YUKON

Kelowna, Canada – July 31, 2018 – **Cantex Mine Development Corp.** (CD: TSXV) (the “Company”) is pleased to announce that its drill program at the 100% owned North Rackla claims has commenced and that mineralization has been intersected in the first two holes ever drilled into the discovery outcrop. The Massive Sulphide zone extends for three kilometres in strike length.

Both holes were drilled from a drill pad situated on a spur connecting the main hillside to a pinnacle of the steep slope below the discovery end of the massive sulphide zone. The massive sulphides dip steeply towards the drill collar at about 80°. The upper hole intersected the goethite weathered massive sulphide zone to about 24 meters below the surface outcrop. Channel trench samples collected previously across the weathered outcrop analyzed 7.04% lead, 1.85% zinc and 36 g/t silver over an apparent width of 15.7 metres including a 3 metre section analyzing 20.25% lead, 2.39% zinc and 107g/t silver.

The upper hole was inclined at -44 degrees and intersected oxidized mineralization over a 15.4 metre apparent width from 9.22 to 24.62 metres. The hole intersected a bedded, goethitic, fractured dolomite breccia to 9.22 metres and a dolomite breccia from 24.62 metres to the end of hole. The 15.4 meter intersection of massive sulphides was intensely weathered to goethitic gossan.

The second hole was drilled from the same site as the upper hole at an inclination of -63° towards the sharply dipping massive sulphide zone. The still goethitic-weathered massive sulphide zone was intersected over a 4.66 metre apparent width from 11.00 metres to 15.66 metres and a 9.96 metre apparent width between 17.35 and 27.31 metres. The start of the hole, between the mineralized zones and end of the hole intersected clastic layered fractured, goethitic, dolomitic breccia. The hole was ended at 49.71 metres depth.

The drill has now been moved to a second pad located part way down the slope directly below the pad for the first two holes. The third hole is presently being drilled at a -50° inclination towards the discovery outcrop so that the mineralization is projected to be intersected at about 125 metres vertically below the second hole intersection. This hole, collared in 2 metres of overburden, intersected a previously unknown gossan containing galena in-between 2 and 14 metres. The first 67 metres have been examined and after the initial gossan drilling has intersected mostly clastic layered dolomite breccia. The main massive sulphide zone is expected to be intersected at about 100 metres.

Two further drill pads are being prepared at the discovery outcrop to allow a deeper evaluation of the massive sulphide at the discovery zone. Drilling from these pads is expected to intersect mineralization at 230 and 430 metres below surface.

When drilling is complete at this site the rig is scheduled to move to the southwestern end of the massive sulphide mineralization to an area wherein previous surficial drilling encountered 16 weathered goethitic massive sulphide intersections (see April 7, 2017 News Release). As the intersections increased in grade with depth, additional drilling below the high grade silver-copper-lead-zinc intersections is warranted.

As this long (three km strike length) massive sulphide zone is hosted in clastic marine sediments of Proterozoic age, the Cantex directors are hopeful that the massive sulphides are similar to other Proterozoic massive sulphide deposits hosted in clastic marine sediments (such as Sullivan BC, and Mount Isa & Broken Hill in Australia).

After this year's drilling of the massive sulphides is complete the drill is scheduled to be moved to drill a newly discovered but not yet drilled gold deposit in the northern part of the same North Rackla claims (see October 11, 2016 News Release for details).

The technical information and results reported here have been reviewed by Mr. Chad Ulansky P.Geol., a Qualified Person under National Instrument 43-101, who is responsible for the technical content of this release.

Signed,

Charles Fipke

Charles Fipke
Chairman

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