

CAPSTREAM VENTURES INC.

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NEWS RELEASE

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TSXV Symbol: CSP

CAPSTREAM ANNOUNCES CLOSING OF PREVIOUSLY ANNOUNCED PRIVATE PLACEMENT OF COMMON SHARES WITH TRUE INCUBE

Vancouver, British Columbia – Capstream Ventures Inc. (“**Capstream**” or the “**Company**”) (TSX Venture: CSP) is pleased to announce that it has completed its non-brokered private placement (the “**Private Placement**”) of common shares in the capital of Capstream (the “**Shares**”) previously announced in Capstream’s news release dated December 27, 2016. Capstream issued 20,000,000 Shares at a price per Share of CAD\$0.50 for gross proceeds of CAD\$10,000,000. True Incube Co., Ltd. (“**True Incube**”), a subsidiary of True Corporation Public Company Limited, acquired all 20,000,000 Shares.

The majority of the net proceeds of the Private Placement will be used for the joint venture between Capstream and True Incube to establish a video game academy and development studio in Thailand. The remaining net proceeds will be used for working capital requirements for further investment activities and other general corporate purposes.

The Shares issued under the Private Placement are subject to a statutory four-month hold period and a three-year voluntary trading restriction without prior consent of Capstream.

In addition, in connection with the Private Placement, True Incube shall have the right to appoint a director to Capstream’s board of directors.

The Company paid a cash finder’s fees of 6% of the proceeds to a finder in connection with the Private Placement.

The securities offered in connection with the Private Placement have not been registered under the United States *Securities Act of 1933*, as amended, or applicable state securities laws, and may not be offered or sold to persons in the United States absent registration or an exemption from such 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 jurisdiction in which such offer, solicitation or sale would be unlawful.

On behalf of Capstream Ventures Inc.

“*John Todd Bonner*”

Chief Executive Officer
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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibilities for the adequacy or accuracy of this release.

Cautionary Statement Regarding Forward-Looking Information

The foregoing information contains forward-looking statements regarding Capstream's future plans. In making the forward-looking statements in this release, Capstream has applied certain factors and assumptions that are based on information currently available to Capstream as well as Capstream's current beliefs and assumptions made by Capstream, including the anticipated use of proceeds from the Private Placement. Although Capstream considers these beliefs and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Such risk factors include, among others, risks associated with the business of Capstream and that Capstream may need to expend the proceeds from the Private Placement in a manner not currently contemplated. Although Capstream has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Capstream does not undertake to update any forward-looking information, except in accordance with applicable securities laws.