

CANADA FLUORSPAR INC.
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NEWS RELEASE
TSX Venture Exchange
Trading Symbol: CFI

Canada Fluorspar Completes Initial Investment by Arkema

New Directors Appointed

TORONTO, Canada, June 27, 2011 - Canada Fluorspar Inc. ("CFI" or the "Company") (TSXV:CFI) and Arkema ("Arkema") (PA:AKE) are pleased to announce the completion of the previously announced initial investment by Arkema in CFI.

This initial investment amounted to CDN\$15.5 million and consisted of Arkema acquiring a 9.9 percent interest in CFI through the issuance of 10.3 million common shares from treasury at a price of \$0.75 per share and 10.4 million subscription receipts at a price of \$0.75 per subscription receipt, representing a further 10.0 percent of the common shares on conversion (a total of 19.9 per cent on a when-converted basis). The investment of CDN\$7.85 million received from the purchase of subscription receipts has been placed in escrow to be released to CFI upon the closing of the subsequent investment in a new partnership described in the press release of June 15, 2011.

Arkema's second investment tranche of CDN\$68.0 million will be funded into the new partnership to be owned equally by CFI and Arkema, and which is expected to be closed in August, 2011. As part of the new partnership, CFI will contribute the mining rights and permits related to the Blue Beach mine, Tarefare mine, the mill facilities and the tailings pond needed to produce fluorspar. Upon completion of the subsequent investment, Arkema's total investment in CFI will amount to CDN\$83.5 million.

CFI is also pleased to announce that Mr. Richard Rowe and Ms. Lisa Brody, nominees of Arkema, have both been appointed to the board of directors of CFI effective today.

Richard Carl, Executive Chairman of CFI commented, "With the closing of Arkema's initial investment in CFI, we are now well capitalized to commence our efforts in the reopening of our St. Lawrence fluorspar project." Richard Carl also noted, "On behalf of the management team and the Board of Directors, I would like to welcome Ms. Brody and Mr. Rowe as new members of the Board of Directors."

About the Company

The Company is a specialty mineral resource company engaged in the development and production of fluorspar deposits at its property located in St. Lawrence, Newfoundland, Canada, and is moving forward to reactivate existing underground fluorspar mines, expand an existing mill, construct a new, environmentally-sound Tailings Management Facility and build a new deep-water marine terminal in the outer St. Lawrence Harbour for the export of fluorspar concentrate product.

For more information please see: www.canadafluorspar.com

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.

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Cautionary Note and Forward-looking statements

This press release contains forward-looking statements which include, but are not limited to: statements regarding the results and projections contained in the preliminary feasibility study of the project at St. Lawrence, establishment of the Partnership, conversion of subscription receipts to common share, receipt of TSX-V approvals, completion of definitive agreements, and outlook, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it cannot give any assurance that such expectations will prove to be correct. Results of the Company may be affected by a variety of variables and risks associated with mining development including: loss of market, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, ability to access sufficient debt and equity capital from internal and external sources, ability to generate sufficient cash flow to meet its current and future obligations, regulatory approvals affecting construction and mining operations. Such forward-looking statements are also based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about the following: the availability of financing for exploration and development activities; the estimated timeline for the development of the project at St. Lawrence, the supply and demand for, and the level and volatility of the price of fluorspar, the assumptions on which resource estimates are based, the receipt of necessary permit, market competition, ongoing relations with employees and impacted communities, and general business and economic conditions. In addition, the operating and capital costs in the preliminary feasibility study were developed to be reasonable estimates within industry benchmarks. There is no certainty that the results of the preliminary feasibility study will ever be realized. Should one or more of the risks or uncertainties involved in forward-looking statements relating to the preliminary feasibility study materialize, or should the assumptions underlying the preliminary feasibility study prove incorrect, actual results of the preliminary feasibility study may vary materially from those anticipated, believed, estimated or expected. Accordingly, readers should not place undue reliance on forward-looking statements.

The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement and are made as of the date of this news release. Unless otherwise required by applicable securities laws, the Company does not intend nor does it undertake any obligation to update or review any forward-looking statements to reflect subsequent information, event, results or circumstances or otherwise.