

**CANADA FLUORSPAR INC.**

10060 Kennedy Road  
Markham, Ontario  
L6C 1N9

**NEWS RELEASE**

TSX Venture Exchange  
Trading Symbol: CFI

**ESCROW RELEASE CONDITION SATISFIED IN RESPECT OF THE PREVIOUSLY ANNOUNCED STRATEGIC  
INVESTMENT WITH ARKEMA RE-ACTIVATING THE ST. LAWRENCE FLUORSPAR PROJECT**

TORONTO, Canada, October 18, 2011 – Canada Fluorspar Inc. (“CFI” or the “Company”) is pleased to announce that the escrow release condition to the previously announced strategic agreement with Arkema to re-activate CFI’s fluorspar project located in St. Lawrence, Newfoundland has been satisfied.

Further to the Company’s press release of October 21, 2011, Arkema’s investment of \$60 million and CFI’s investment \$14 million has been released from escrow into Newspar, a newly formed general partnership held equally by CFI and Arkema, and the mining rights and permits related to the Blue Beach mine, the Tarefare mine have also been transferred into Newspar.

In addition, subscription receipts held by Arkema since June 27, 2011 issued at \$0.75 per share will be converted to 10,357,722 common shares and \$7.76 million held in escrow has been released to CFI.

**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](http://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.*

**For further information please contact:**

Lindsay Gorrill  
President and CEO  
Canada Fluorspar Inc.  
Tel: 1-800-823-8095  
[lgorrill@canadafluorspar.com](mailto:lgorrill@canadafluorspar.com)

- or -

Ali Mahdavi

Partner  
Spinnaker Capital Markets Inc.  
am@spinnakercmi.com