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## **CANSTAR RESOURCES UPDATES ON MARY MARCH APPEAL HEARING, NEWFOUNDLAND**

**Toronto, Ontario, January 29, 2008** – The Directors of Canstar Resources Inc. (TSX Venture: ROX) would like to update shareholders on the progress of the Mary March appeal and cross appeal. The court of appeal met with both sides on January 24, 2008 to clarify some of the evidence given during the hearing held between October 16 and November 9, 2007. This should represent the final stage of the hearing process and management is confident that a decision will be reached in the near term. The Company will update shareholders as soon as news is available.

At last week's hearing Canstar asked that the court give a final determination on the legal issues and not send it back for further hearing before the Mineral Rights Board or the trial division.

Management is confident that we are nearing the end of the dispute and would like to thank shareholders for their continued patience. Canstar is well funded, and plans are currently being made for a substantial drilling program on the Mary March deposit following a favourable outcome to the cross-appeal.

The Mary March property is located in central Newfoundland, 20 kilometers northeast of, and within the same geological group that hosts the prolific former producing Buchans mine. Drilling by Phelps Dodge in 1999 resulted in the discovery of the Mary March deposit, and produced some of the highest-grade base and precious metal diamond drill intersections (9.2m @ 10.33% Zn, 1.62% Pb, 0.66% Cu, 118.1g/t Ag and 4.1 g/t Au) ever achieved in the area outside the Buchans mine. Canstar has the right to earn 50% interest in the property, with first refusal rights on the remaining 50%, from Phelps Dodge.

### Mary March Legal Background

The Mary March dispute began in 2000, when a privately held Newfoundland company, Vinland Resources Limited, filed applications seeking Map Staking Licenses over the core Mary March discovery areas. The Mineral Claims Recorder (Newfoundland), on the basis of evidence that the lands in question had been privately held since 1905, rejected the applications, however, on December 20, 2000, Vinland filed a grievance with the Mineral Rights Adjudication Board, asking that the Mineral Claims Recorder's decision be overturned.

In a favourable decision to Canstar, the Supreme Court overturned the decision of the Mineral Rights Adjudication Board. Vinland filed notice of appeal in August 2006 and Phelps Dodge-Canstar responded with the cross-appeal asking that Vinland's claim be dismissed without a rehearing.

### About the Company

Canstar Resources is a junior exploration company focused on base and precious metal exploration in eastern Canada. In addition to the Mary March project in the Buchans area of Newfoundland the company owns property in the McFauld's Lake area of the James Bay Lowlands of Ontario, proximal to the high-grade nickel-copper-PGE discovery of Noront Resources. The McFauld's Lake properties comprise 70 claims covering 1,120 hectares of the McFauld's Lake volcanic belt, to the east of the recent high-grade nickel-copper-PGE discovery. Canstar has begun exploration on the McFauld's Lake properties, in preparation for a winter (2008) drilling program. In addition to these two properties, Canstar holds a 100% interest in the Shrimp Lake and Tahoe Lake VMS/gold properties north of Red Lake, Ontario, a 75% interest in the Slate Bay copper-gold project in Red Lake's "Mine Trend", and a 100% interest in the Miminiska gold property near Pickle Lake, Ontario. The Company is well financed and currently has 59.9M shares issued and outstanding.

Canstar's shares trade on the TSX Venture Exchange under the symbol ROX.

David Palmer, Ph.D., P.Geo., is the qualified person for all technical information in this release. To find out more about Canstar Resources, visit our website at [www.canstarresources.com](http://www.canstarresources.com) or contact:

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