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**NEWS RELEASE 05-2008**

**June 17, 2008**

## **MARY MARCH PROPERTY ADJUDICATION HEARING SCHEDULED; RED LAKE DRILLING PROGRAM PLANNED**

**Toronto, Ontario, June 17, 2008** – The Directors of Canstar Resources Inc. (TSX Venture: ROX) have been advised that the adjudication hearing for the Mary March property has been set for September 15<sup>th</sup>, 2008 and is expected to take ten days to complete.

The hearing will be held by the Mineral Rights Adjudication Board, a three-person panel set up under the auspices of the Ministry of Natural Resources Mines and Energy Branch that is responsible for deciding the ownership of the Mary March property. Ordered by the Supreme Court of Newfoundland and Labrador, this is the second hearing of the Mineral Rights Adjudication Board mandated to decide ownership of the Mary March property. Notably, the Supreme Court, in its decision of July 27, 2007 and upheld by the Court of Appeal in their decision of February 19, 2008, has directed that the burden of proof be placed on Vinland Resources, a decision favourable to Canstar. Owing to historical facts and recent legal decisions, the Company is confident that the Adjudication Board will confirm Canstar's right to the property.

The Mary March deposit is located within the same geological group that hosts the prolific former producing Buchans mine, and drilling has 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 Corporation of Canada.

### Mary March News Article

The dispute is receiving increased public attention with a recent article published in The Business Post (June 11, 2008) detailing the history of the property and dispute. A copy of the article can be found on the Canstar website at [www.canstarresources.com](http://www.canstarresources.com) under the "NEWS" section.

### 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. The recent decision has referred the matter back for a second adjudication hearing.

### Slate Bay Drilling, Red Lake

The Company is currently planning a deep drilling program on its Slate Bay property located along the same trend as Goldcorp's Campbell and Red Lake Mines, and the past-producing Cochenor Mine in the prolific Red Lake Mining District. Previous drilling by Canstar has identified thick (up to 100m) zones of copper- and gold-bearing skarn mineralization, including narrow intervals of high-grade material with assays of up to 7.2 g/t gold, 5.81% copper and 183 g/t silver.

The planned program, expected to begin later in the summer, will focus on expanding the mineralization along strike and at depth, as well as looking for additional high-grade zones.

#### 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 property comprises 70 claims covering 1,120 hectares of the McFauld's Lake volcanic belt, and is under an option-joint venture agreement with United Reef Limited. United Reef is currently planning an exploration program on the property, which will include drilling. 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 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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