

# canstar resources inc.

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**NEWS RELEASE 11-2008**

**November 19, 2008**

## **CANSTAR RESOURCES INC. ANNOUNCES CLOSING OF \$250,000 NON-BROKERED PRIVATE PLACEMENT; ASSAY RESULTS RECEIVED FOR SLATE BAY DRILLING, RED LAKE**

**Toronto, Ontario, November 19, 2008** – The Directors of **CANSTAR RESOURCES INC. (TSX-V: ROX)** ("Canstar") are pleased to announce the closing of a non-brokered private placement financing of \$250,000 comprising the sale of 5,000,000 Units, sold at \$0.05 per Unit, as announced on November 5, 2008. Each Unit consists of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one common share for \$0.10 until November 12, 2010 (the "Warrant Term"), provided, however, that should the closing price at which the common shares trade equal or exceed \$0.18 for 20 consecutive trading days following November 12, 2010, Canstar may accelerate the Warrant Term to the date which is 30 days following the date a press release is issued by Canstar announcing the reduced Warrant Term. All securities issued in conjunction with the offering are subject to a hold period, which expires on March 13, 2009.

Proceeds of the financing will be used to fund exploration on the Company's CBS project located in the Conception Bay South area of Newfoundland's Avalon Peninsula. In addition to historical base and precious metal showings on the property, a recently completed VTEM airborne survey identified at least 25 electromagnetic anomalies within the CBS project. An additional 27 mineral claims were staked as a result of the preliminary airborne results. The Company is now planning a drilling program to test geological and geophysical targets on the property, which is expected to mobilize next week.

The project covers a belt of volcanic rocks of Proterozoic age which are known to host Volcanogenic Massive Sulphide (VMS) type mineralization containing economically significant values in copper, zinc, lead, gold and silver. Grab samples from one showing assayed 8.9 % zinc, 5.2 % lead, 0.8 % copper, 0.3 g/t gold and 1.4 g/t silver.

### **Slate Bay**

Assay results have been received for the diamond drilling program completed on the Company's Slate Bay property in September. Drilling has confirmed the continuation of the copper-gold mineralized zone identified in previous programs at depth and along strike, and has extended breccias- and skarn-hosted mineralization 100m to the northeast of past drilling.

Diamond drill hole SB08-10 was drilled to undercut copper-gold mineralization identified in hole SB05-06, and returned a 34m intersection grading 0.32% Cu, 0.15 g/t Au and 12 g/t Ag, including a 7.5m section averaging 0.85% Cu, 0.06 g/t Au and 31 g/t Ag. This is similar to previous results and indicates a consistency to the mineralization at depth.

Diamond drill hole SB08-11 was drilled 100m northeast of SB08-10, and intersected 17.5m of sulphide mineralized breccias and skarn, returning maximum values of 0.18% Cu, 0.18 g/t Au and 8 g/t Ag in a 1.5m sample. The drill hole tested the mineralized zone at approximately 115m vertical depth.

Diamond drill holes SB08-12, -13 and -14 were drilled from the same location 100m to the northeast of hole SB08-11, and confirmed a strike extent to the mineralization of at least 200m. The three holes all intersected breccias and skarn mineralization, and tested the zone to a depth of 70m.

Highlights from all of the drill holes are as follows:

DDH	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)
SB08-10	127	161	34.0	0.32	0.15	12
Incl.	137	144.5	7.5	0.85	0.06	31
SB08-11	126.5	128	1.5	0.18	0.18	8.4
SB08-12	42.8	44.7	1.9	0.50	0.48	32.4
SB08-12	62.5	73	10.5	0.13	0.10	8.3
SB08-13	27	30	3.0	0.43	0.31	21.4
SB08-14	38.6	39.2	0.6	1.01	0.24	71.3
SB08-14	42.4	45.4	3.0	0.40	0.19	18.2
SB08-14	100.5	103	2.5	0.18	0.14	17.0

The Company is currently evaluating all results in order to determine future exploration plans.

#### **About Canstar:**

Canstar Resources is a junior exploration company focused on base and precious metal exploration in eastern Canada. In addition to the CBS Project, the Company owns property in the Buchans area of Newfoundland and 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. 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 64.9M shares issued and outstanding, which 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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