22 January 2008

ASX ANNOUNCEMENT

BRIGHTSTAR GOLD PROJECT DEVELOPMENT UPDATE

- New mining appointments made
- Grade control drilling commences on near surface high grade ore
- Final plant engineering design work due this month

INTRODUCTION

The Board of A1 Minerals Limited is pleased to announce further progress on developing the BrightStar Gold Project. Exploration drilling is completed and a new resource estimate expected at the new Delta discovery by the end of the month. The A1 management is now totally focussed on achieving production this year.

MINING DEVELOPMENT

New appointments to mine planning and development.

Mine Planning Engineer – Glenn Williamson

Glenn Williamson is a mining engineer with over 35 years experience in open cut and underground operations, contracting, development, construction, planning and feasibility, environmental aspects and mine closure. His work has been predominantly in gold, copper, nickel, coal, silver and lead. He most recently spent 12 years working with Equigold NL (recently merged with Lihir Gold Limited) carrying out or co-ordinating most of their mining design work, mining development and long term scheduling for their gold operations in Australia and West Africa.

Senior Mine/Development Geologist – Sean Ashcroft

Sean Ashcroft is a career mine geologist with more than 14 years continuous experience in mining and development of open-pit and underground mines including starting 16 new open-pits. He has worked in senior roles with Norilsk Nickel, BHP Billiton Iron Ore and Kalgoorlie Consolidated Gold Mines Limited with responsibilities that have included planning and supervision of mining activities.

CIP Plant design work by GR Engineering in Perth is due to be completed by month end enabling construction quotes to be completed.

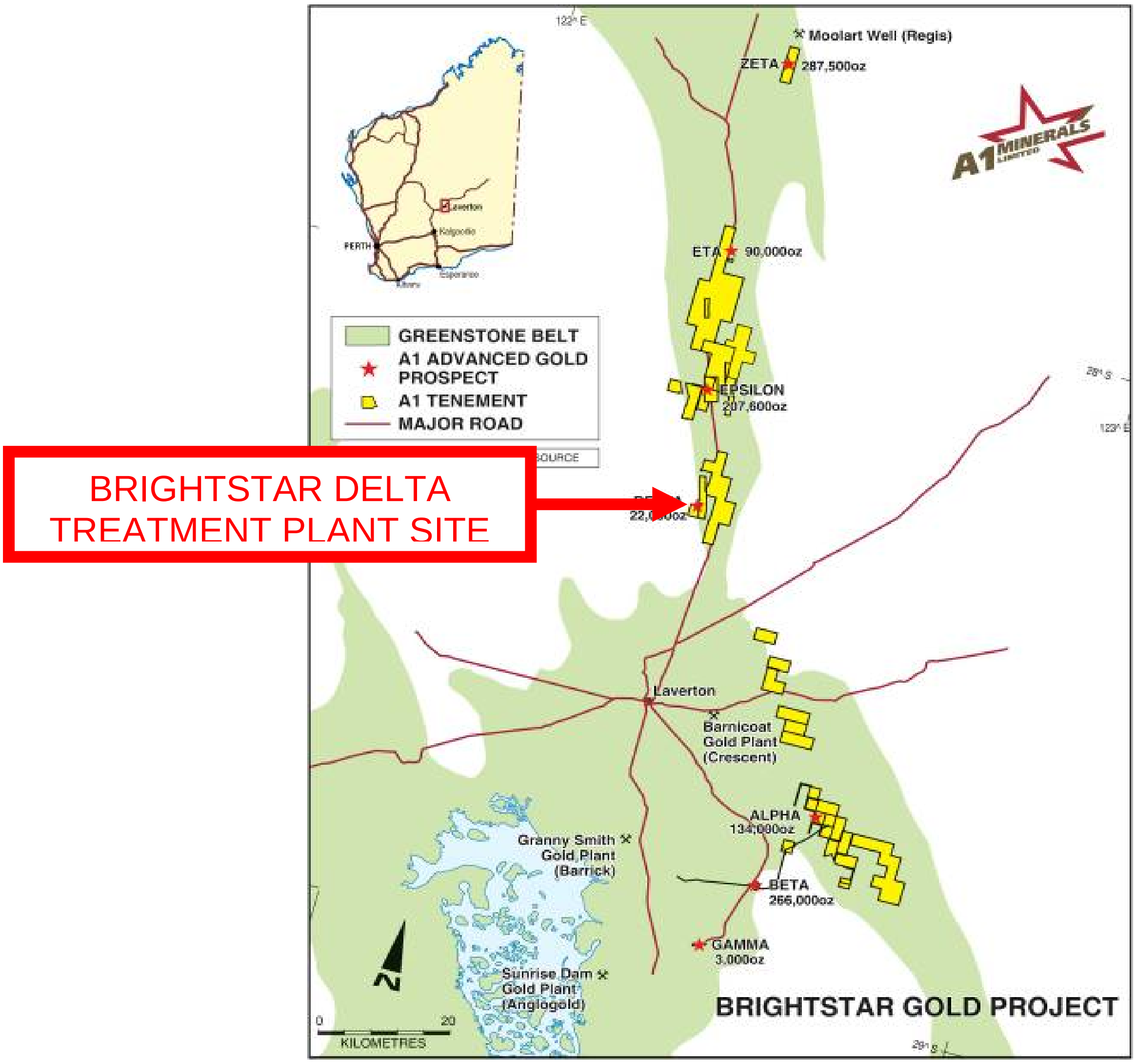
Submission of the first Mining Proposal application has gone into the Western Australian Dept of Mines and Petroleum.

Grade control drilling conducted during January on near surface high grade (NSHG) ore blocks, results are anticipated in the early part of next month..

Resource estimation continued at Delta with new JORC estimate due by end of month.

BACKGROUND INFORMATION

A1 MINERALS LIMITED is an ASX listed company developing the BrightStar Gold Project in the highly endowed Laverton gold district of Western Australia. The BrightStar Gold Project has 1.01Moz resources. The addition of the Delta discovery is expected to significantly add to the resource base and gold production expected to start in 2009.



Suite 34, 25 Walters Drive, Osborne Park WA 6017
Telephone (618) 9244 1400 Facsimile (618) 9244 1600
Email info@a1minerals.com.au Website www.a1minerals.com.au
ABN 44 100 727 491

The BrightStar project requires very little capital to commence production. Delta has existing mining infrastructure and is close (35kms) to the Laverton township with service and accommodation facilities.

In order to maximise the chance that self funding is achievable A1 will commence production in stages:

- Grade control drilling to estimate near surface high grade deposits(NSHG) and factor into mining schedule and cash flow budget (completed in Jan 09)

- Construct processing plant on the basis of >250,000tpa eventually increasing throughput to >500,000tpa

- Once NSHG ore has contributed to the cash flow sufficiently an earthmoving contractor will be appointed to carry out waste stripping for a multiple open-pit operation.

A1 Minerals initially expects to start producing gold at a rate of 30,000oz per annum. Cash costs are expected to be AUD$600 per ounce (US$ 420/oz).

For more information please contact John Williams on 61 8 9244 1400 or visit the Company's web site at www.a1minerals.com.au

John Williams
Managing Director

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr John Williams who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Williams is a full time employee of A1 Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Williams has consented to the inclusion in this report of the matters based on information in the form and context in which it appears. Mr Williams is a Shareholder of A1 Minerals Limited.

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