

2<sup>nd</sup> March 2011

**Current Issued Capital:**  
200,668,425 Ordinary Shares

**Market Cap**  
at 7.8 cents: \$15.6m

## A1 Minerals - Laverton Gold Project Update

- **Milling operations resumed at Brightstar following recent flooding**
- **Mine preparation resumed at nearby Alpha - ore to be delivered within two weeks**
- **Geological review for entire Laverton Gold Project following management changes in August 2010**
- **Geological Review to include review of Mineral Resources by Independent Consultant**

### **Mining Operations at Brightstar**

As announced on 18 February 2011, the recent rains at Laverton resulted in a suspension of all mining and milling operations at the Company's Brightstar Gold Project at Laverton. A1 is pleased to announce that the Brightstar mill has resumed operations and is currently milling stock-piled ore from the Beta pit.

The ground conditions away from the Brightstar Mill are still wet and heavy transport is not yet possible. However the mining contractor, Watpac, has moved the excavator to the new Alpha pit by 'walking' it there. Grade control drilling is complete with assays pending. Removal of top soil and road works to repair the haul road to the Brightstar Mill have commenced.

The Company expects to commence trucking ore from its Alpha Pit within two weeks which should continue to provide ore to the Brightstar mill for the remainder of 2011.

### **Geological Review of Laverton Gold Project (including Brightstar)**

The Board of directors of A1 is now directing its attention to the future of the Laverton Gold Project beyond 2011 and is re-considering the various options for its next mining operation.

The next two possible mining operations foreshadowed by the previous Managing Director, Mr John Williams, were the extension of the Beta Pit in the vicinity of the 'North Paddock Discovery' and the nearby Gamma Prospect. Both these possibilities were based on geological information provided to the Board by Mr Williams.

Since Mr Williams' departure, the Board has found reason to doubt the geological data provided by him to the Board. Much of the information upon which his geological modelling at the Brightstar Project was claimed to be based cannot be located by the Company. The Board therefore initiated an internal review of the geological data that it does have available. The Company is currently unable to verify or substantiate some of the reserves and resources at Brightstar calculated by Mr Williams (as a JORC Competent Person).

The Board also had concerns about the veracity of the geological information and resource modelling at A1's North Laverton tenements where the Company had reported JORC Compliant resources at Delta (previously the old Cork Tree Well Mine) (7,556,000 tonnes @ 3g/t Au for 730,000 ounces) and Epsilon (previously Ben Hur and King of Creation gold mines) (2,938,800 tonnes @ 2.2 g/t Au for 208,000 ounces). These resources were compiled by Mr Williams and Mr Tony Ryall (also a Competent Person for JORC).

The Board included these previously reported resources in its internal geological review. This review has been unable to substantiate these resources.

The Board's view is this does not necessarily mean it will not be possible to determine resources of this magnitude - just that the Company's internal review cannot substantiate the published resources from the information the Company has available to it.

The Board has therefore referred these North Laverton resources at Delta and Epsilon to a reputable independent resource consultant for review. The results of this review are expected during March 2011 and will be released to the market upon receipt of the external report.

### **The Future**

The Board of A1 remains confident that its Laverton Gold Project is highly prospective for the discovery of new economic gold prospects, including the upgrading of existing prospects at Delta and Epsilon. The success of Regis Resources Limited's exploration adjacent to A1's Epsilon Prospect and to its north encourages the Board to be optimistic about these two project areas.

The Company has prepared a drilling program designed to enhance both these projects. The Company's geological team expects that with sufficient additional drilling, A1 should be able to replace the currently reported ounces at these projects.

The Board is also confident about the mining operations at Alpha, after having carried out detailed grade control drilling and further geological modelling at this pit, following the departure of Mr Williams.

It is disappointing that the Board has had to conduct a review of its geological database and in particular its gold resource inventory. However, in the circumstances, the Board considers it essential to ensure that the market can have confidence in A1's published geological data.

Yours sincerely,

**Michael Hunt**

**Chairman – A1 Minerals Limited**

For full reports and information go to A1 Minerals website: [www.a1minerals.com.au](http://www.a1minerals.com.au) or **ASX Code: AAM**

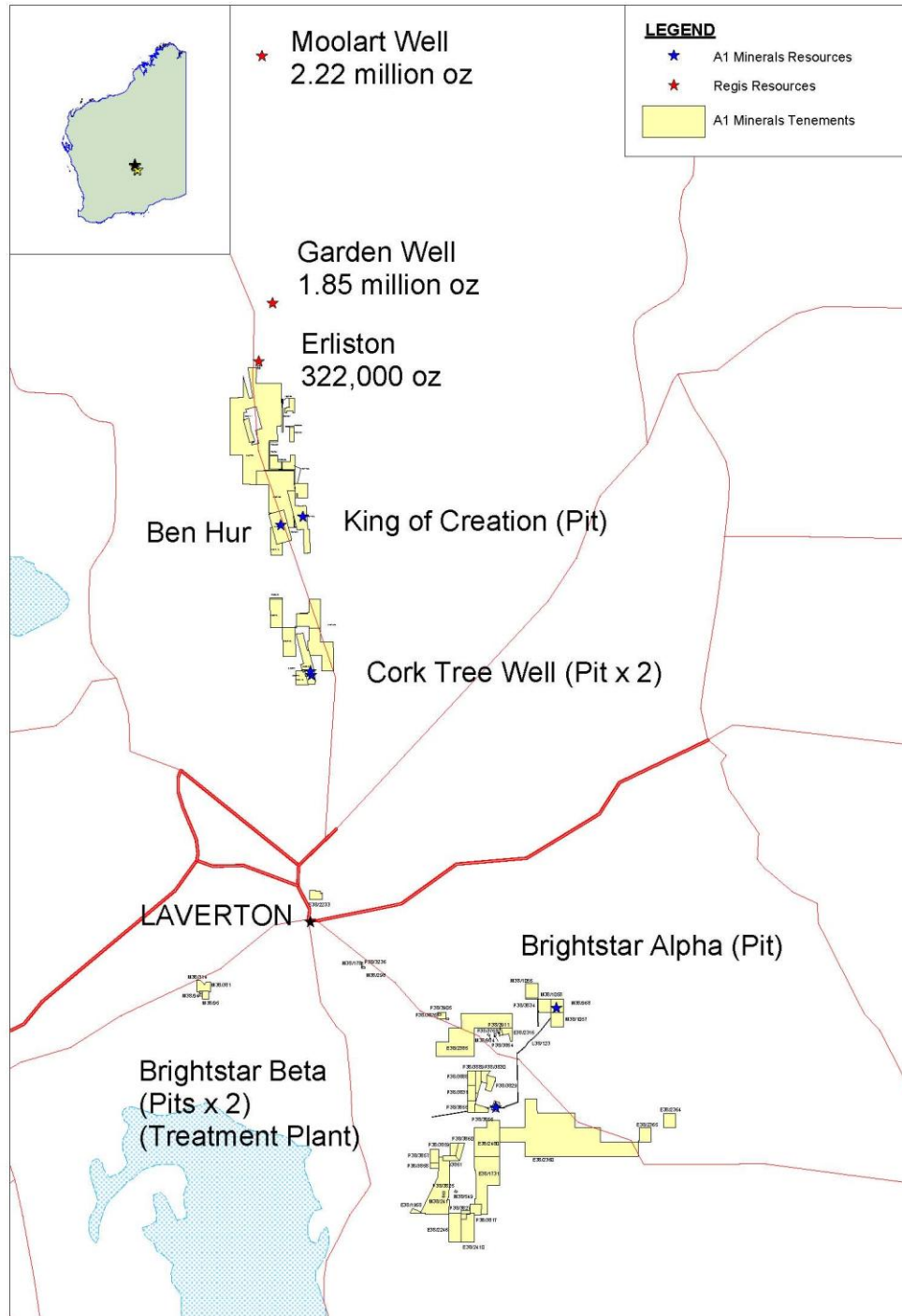
For further information, please see other ASX announcements or email Liam Wheaton from Investor Relations on [LiamW@a1minerals.com.au](mailto:LiamW@a1minerals.com.au).

#### BACKGROUND INFORMATION ON A1 MINERALS LIMITED

A1 Minerals Limited (A1) is an emerging Australian gold miner with its 100% owned BrightStar Gold Project currently in full production. BrightStar is situated in the highly prospective Laverton district in the Eastern Goldfields of Western Australia, a frontier for new gold deposits, some of which have become world class mines, including Barrick's Wallaby/Granny Smith and AngloGold Ashanti's Sunrise Dam gold operations. Since listing on the ASX in December 2003, A1 Minerals has grown its assets through prudent acquisition and successful exploration. In May 2010 the Brightstar Beta gold plant commenced production and is targeting a minimum of 30,000oz gold per annum.

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Tenement map showing A1's mines and prospects



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