

## **STAR MINERALS GROUP LTD. BEGINS PRODUCTION ON MONTANA GOLD OPERATION**

SASKATOON, Saskatchewan – August 6, 2014 - Star Minerals Group Ltd. (CSE:SUV) (“**Star**” or the “**Company**”) is pleased to announce the Company’s 100% owned subsidiary Star Minerals Group U.S., LLC (“**Star US**”) has signed a definitive agreement with the Komberec family from Drummond, Montana to lease certain mineral claims and assume management of the Casey-Snyder placer gold operation near Drummond, Montana. It is also pleased to announce that over the course of the last four months the Komberec family and Star US began preparation to commence production. On July 28, 2014 the plant was commissioned and production began on August 1, 2014.

Star US began production under the terms of the definitive agreement:

- Lease the Casey-Snyder mineral claims for a period of 10 years, or as long as commercial production is maintained.
- Pay the Lessor a 15% royalty on all gold produced from the Casey-Snyder operation with a minimum royalty payable of US\$50,000. The royalty can be paid in cash or gold, at the Lessor’s option. Star US will advance US\$25,000 of the initial royalty payment on signing the lease agreement.
- Lease additional mineral claims in the vicinity of the Casey-Snyder property for US\$10,000 per annum, with lease payments escalating to US\$20,000 commencing on the second anniversary and beyond until gold production is achieved on the claims, after which payment will revert to the same 15% royalty arrangement applicable to the Casey-Snyder property.
- Rent suitable existing operating equipment from the Lessor.
- Provide sufficient start-up working capital to recommence operations.

The start-up costs have been slightly under budget, and start-up was only slightly behind the scheduled date due to a delay in receiving all final permits and authorizations. The Company intends to provide regular updates on the results of this operation.

The Casey-Snyder property is situated in an historic gold mining area. Since the 1890s, both hard rock and placer gold mining operations have existed in the immediate area of the Casey-Snyder claims, and since the 1980s, small scale placer gold mining has taken place on the Casey-Snyder claims. The area on the claims to be processed is approximately 70 meters wide and 10 kilometers long. The property also offers excellent exploration potential to locate an in situ source of the gold as well, and will be pursued through an exploration program presently being planned.

Star President and CEO Jim Engdahl continues to emphasize, “Star’s core focus of strategic metals is strengthened through the acquisition of the Casey-Snyder placer gold operation. The operation is a strategic asset which is intended to produce short and long term cash flow to the company to further its core exploration assets. This will enable further progress on acquiring and advancing presently owned or JV property in a diversified strategic metals portfolio while increasing shareholder value in a continuing volatile market environment. Further, Star is pleased to have secured experienced, dedicated personnel in Montana to ensure short and long term maximization of the cash flow potential of this low capital cost asset.”

### **About Star Minerals Group Ltd.**

Star Minerals Group is a Saskatoon based, diversified exploration-stage company, with a primary focus on strategic technology metals, and its advanced joint venture rare earth project Hoidas Lake. To advance

exploration, the Company has leveraged the strength and experience of its management, board of directors and advisors to identify and acquire strategic investments that have the capability to generate cash flow with low capital expenditure costs.

The Company entered into a joint venture in an advanced rare earth project in Saskatchewan – Hoidas Lake. Star also holds a strategic gold exploration property in the Seabee gold mining district, diamond properties in the Fort a la Corne region, as well as base metal and uranium properties.

STAR TRADES ON THE CSE UNDER THE SYMBOL “SUV”.

For more information, please visit our website at [www.starminerals.ca](http://www.starminerals.ca).

**For further information:**

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**Forward Looking Statements**

This news release contains certain statements which constitute forward-looking statements or information (“forward-looking statements. Such forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Star's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, competition from other industry participants, stock market volatility and the ability to access sufficient capital from internal and external sources. Although Star believes that the expectations in its forward-looking statements are reasonable, they are based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward looking information. As such, readers are cautioned not to place undue reliance on the forward looking information, as no assurance can be provided as to future results, levels of activity or achievements. Other factors that could materially affect such forward-looking statements are described in the risk factors in the most recent management’s discussion and analysis that is available on the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in this document are made as of the date of this document and, except as required by applicable law, Star does not undertake any obligation to publicly update or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. This cautionary statement expressly qualifies the forward-looking statements contained in this document.