



RESOURCE STAR

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ASX: RSL

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## RESOURCE STAR SUCCESSFULLY COMPLETES 2010 EXPLORATION PROGRAMS

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**Resource Star Limited's exploration programs in Malawi and Northern Territory have been successfully concluded for 2010, and results are awaited.**

### **MALAWI**

#### **Livingstonia:**

- 1,502 metres of percussion drilling completed to follow-up on the maiden JORC-compliant Inferred Resource Estimate of 7.7Mt @ 270ppm U<sub>3</sub>O<sub>8</sub>.

#### **Ilomba:**

- Comprehensive soil sampling covering 1.5 km anomaly highlighted from recent airborne radiometric survey. 867 soil samples collected over more than 10km<sup>2</sup>.

### **NORTHERN TERRITORY**

- 891 metres of RC exploratory drilling at **Edith River** (Tennysons and YMCA) and **Hayes Creek South**.
- Systematic sampling program at **Marrakai** to highlight prospective targets for future work.

### **BUSINESS DEVELOPMENT**

#### **Specimen Reef Joint Venture:**

- Nimrodel Resources (ASX: NMR) announced that it has agreed to acquire 100% of the issued share capital of Walkabout Resources Pty Ltd.
- The Specimen Reef Joint Venture (35% owned by Resource Star) in Tasmania is included in this agreement, and free-carried exploration for IOCG style mineralisation will commence next year.

Resource Star's Chairman, Andrew Bell, said: "We are delighted to have completed work on these projects after a busy year which has included our relisting on the ASX, the implementation of a number of strategic JVs, flying detailed geophysics in both Africa and the Territory, drilling on four projects, the discovery of heavy rare earths mineralisation at Machinga and the definition of a maiden inferred uranium resource at Livingstonia."

Resource Star Ltd (ASX: RSL) has developed a portfolio of uranium and specialty metals exploration projects in regions of known prospectivity that present strong minerals development potential. In its first year of activity after relisting on the ASX in March 2010 RSL has achieved its goals of consolidating its portfolio and aggressively progressing work on its prime exploration targets. Detailed airborne geophysics has been completed over more than 500km<sup>2</sup>, and drilling has been completed on four Projects. Heavy REE mineralisation has been found to complement the niobium at Machinga, and a maiden Inferred Resource has been completed at Livingstonia.

### Livingstonia Joint Venture

Drilling at Livingstonia was completed in November for a total of 1,502 metres. It consisted of thirteen percussion holes testing both interpreted controls on the sandstone-hosted redox uranium mineralisation and extensions to the known mineralisation.

The Livingstonia Project is subject to a Joint Venture with Globe Metals and Mining (ASX: GBE) in which RSL is earning up to 80% ownership. Drilling of 1,000 metres and the JORC-compliant Mineral Resource Estimate by CSA Global Pty Ltd, which resulted in an Inferred Resource of 7.7Mt @ 270ppm U<sub>3</sub>O<sub>8</sub>, were part of the first earn-in period. This period concludes on 31<sup>st</sup> December 2010, after which RSL has the option to proceed with the second stage of the Joint Venture.

As well as logging the holes using a down-hole gamma probe, samples from the mineralised zones have also been sent for analysis in Johannesburg and Perth. RSL expects to have the results from the probing shortly.



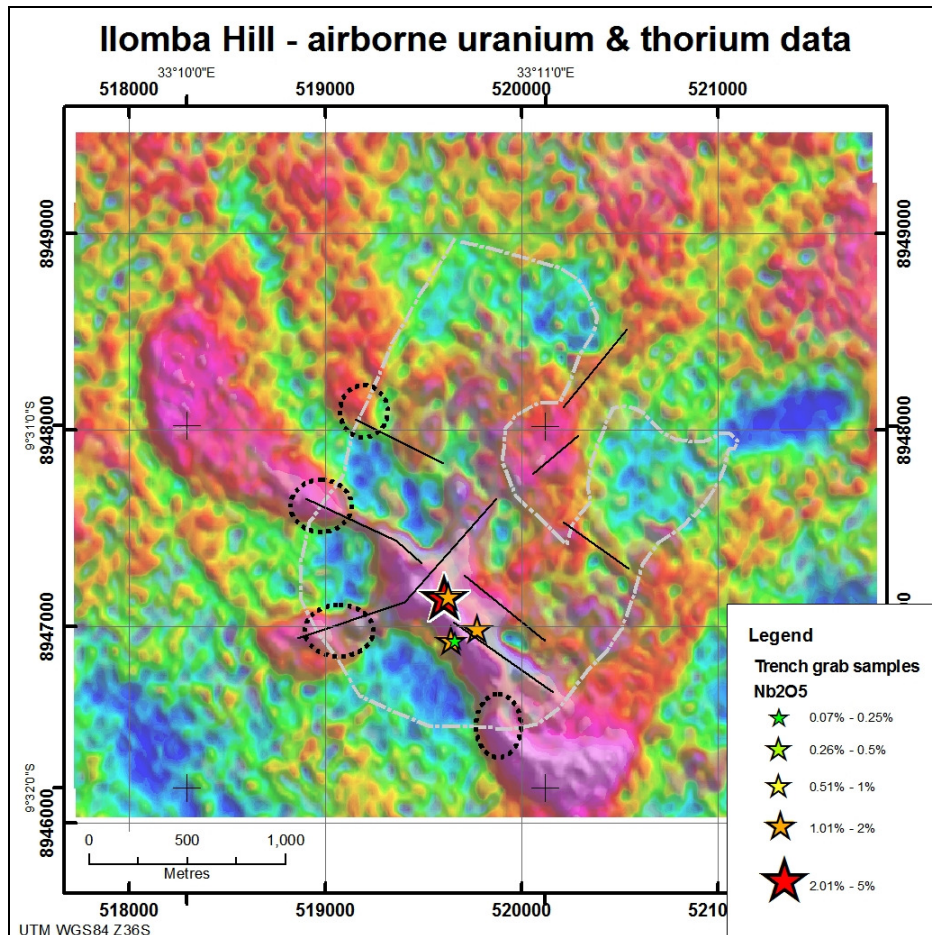
Figure 1: Percussion drilling at Livingstonia

## Ilomba

The 90%-owned Ilomba Hill Uranium-Niobium Project in Malawi, is centred on the well-defined radiometric targets identified within the alkali syenite intrusion from recently completed airborne geophysical surveys.

A comprehensive soil sampling program over identified anomalies has now finished with samples currently in transit to Johannesburg for analysis.

Results are expected in February next year.



**Figure 2: Ilomba Hill airborne radiometric survey** with a strong response coincident with historical sampling, but also a number of satellite features of interest along the margins of the scree slope, all now covered by systematic soil sampling

## Northern Territory

Based on the results of both RSL's recent detailed airborne geophysical survey, and mapping and rock chip sampling an initial exploratory RC drill program over **Tennysons**, **YMCA** and **Hayes Creek South** has been completed.

A total of 891 metres was drilled in 25 holes to test for mineralisation and allow for a better understanding of the underlying geology. Fourteen were at Tennysons, eight at Hayes Creek South and three at YMCA.

Samples from the drilling have been sent for analysis and results are expected in the New Year. RSL plans further follow-up work in the Northern Territory next year, and will continue testing the numerous targets already defined at the Edith River Project.



At **Tennysons** (EL 23568), part of the Edith River Uranium Project, recent mapping and sampling has confirmed that there are significant zones of outcropping foliation, alteration, veining and brecciation here that could provide an early understanding of the mineralisation style.

A number of significantly uranium-anomalous haematite breccia in granite grab samples have been located (peak of 0.44%  $U_3O_8$ , averaging 1,837ppm  $U_3O_8$ ). Drilling is designed to test the mapped structural features that localise the mineralisation at surface.



**Figure 2: Drilling at Tennysons** with the anomalous outcrop in the foreground

At **YMCA** (EL 23568), also part of the Edith River Project, historical drilling by the Bureau of Mineral Resources in 1952-4 indicated the presence of uranium mineralisation with reported intersections of 1m and 1.5m at 1,000ppm e $U_3O_8$ . Ground radiometric surveys completed by Resource Star confirmed the presence of highly anomalous areas associated with the intersection of the more prominent north-west shear zone with a north-east striking shear zone.

Three RC holes have been drilled testing the intersection of these structures.

At **Hayes Ck South** (EL 24432) some 60km to the NW of the Edith River Project on what is interpreted to be a splay of the Hayes Creek Fault Zone (Fig 4), the fault-coincident radiometric anomaly from the recent airborne survey has been assessed on the ground for the first time.

The largest of the radiometric targets in the lease with a strike length of 2.5km and the area of recent work runs along a clear boundary between two geophysically-defined terrains. The anomaly has now been mapped by ground radiometrics, and an outcrop of Depot Creek Sandstone has been located (Fig 4). Drilling has tested the two peak radiometric responses.

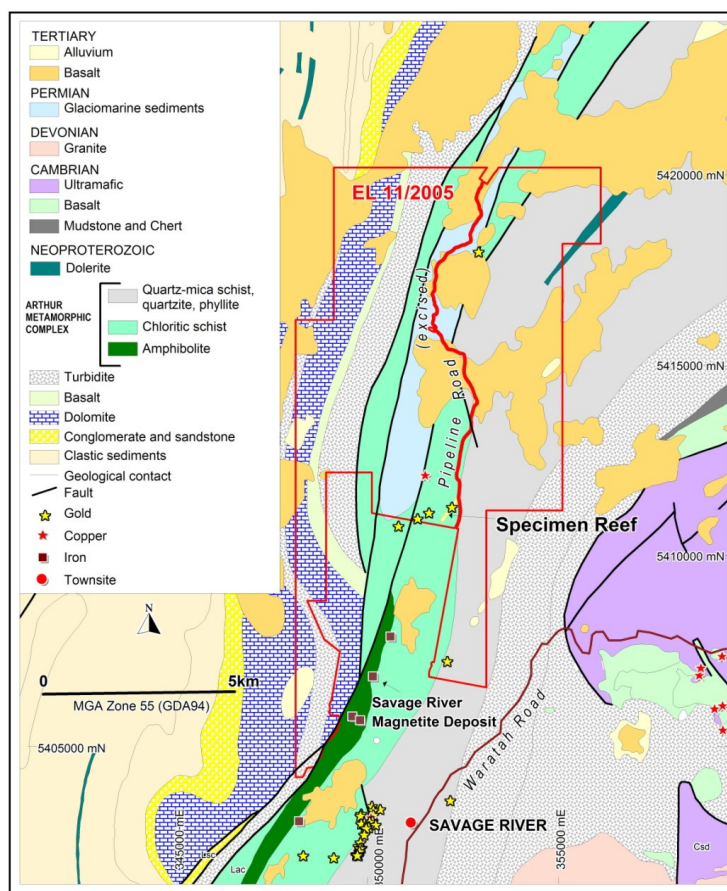
Furthermore at **Marrakai**, also in the Territory, near the historic South Alligator uranium field, soil sampling was completed to highlight any areas of anomalism within a zone of airborne radiometric response and structural deformation of sediments and provide information on potential targets for drilling next year.

Results are expected early next year.

### Specimen Reef Joint Venture

Walkabout Resources Pty Ltd recently announced the purchase of its entire issued share capital by Nimrodel Resources, listed on the ASX. RSL's Joint Venture at Specimen Reef with Walkabout Resources will now be managed and funded by Nimrodel Resources.

The Joint Venture agreement in place with Walkabout Resources requires an initial \$250,000 expenditure on the license in the first year after listing and RSL has a free carried 35% interest in the three licenses up to \$10,000,000 of expenditure.



**Figure 3: Resource Star's EL 11/2005** which forms part of the three license Specimen Reef Joint Venture

\*\*\*ENDS\*\*\*

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**About Resource Star Ltd**

Resource Star Ltd is a publicly-listed Australian company (ASX: RSL) that has interests in uranium and uranium-associated exploration assets in the Northern Territory, Western Australia, Tasmania and Malawi, south-east Africa.

The Company's main assets are the 100%-owned Edith River Uranium Project and the Hayes Creek South tenement in the Northern Territory, and joint ventures with Globe Metals & Mining on the Machinga Niobium-Rare Earths Project and the Livingstonia Uranium Project in Malawi.

Globe is managing the Machinga program, with input from Resource Star, and they are currently earning equity through exploration expenditure. In a staged process Globe can earn up to 80% in the project by funding all activity up to and including a feasibility study.

Resource Star is managing the Livingstonia Project in a similar earn-in deal, and recently announced a Mineral Resource estimate indicating an Inferred Resource of 7.7Mt @ 270ppm U<sub>3</sub>O<sub>8</sub>, for 4.6 Mlb U<sub>3</sub>O<sub>8</sub>.

### **Competent Person Statements**

*The information in this report that relates to Exploration Results is based on information compiled by Mr Richard Evans, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Evans is an employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Evans consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

### **Forward Looking Statements**

*This report contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information might include, among other things, statements with respect to the Company's business strategy, plans, objectives, performance, outlook, growth, shareholder value, projections, targets and expectations, Mineral Reserves and Resources, results of exploration and related expenses, property acquisitions, mine development, mine operations, drilling activity, sampling and other data, grade and recovery levels, future production, capital costs, expenditures for environmental matters, life of mine, completion dates, uranium prices, demand for uranium, and currency exchange rates. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast' and similar expressions. Persons reading this report are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different.*

*Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in the Company's Annual Report.*

*This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intent or obligations to update or revise any forward-looking statements whether as a result of new information, estimates or options, future events or results.*