



ASX: **RSL**

Resource Star Limited

Drilling and producing oil in Abilene, Texas

Investor presentation
August 2013

www.resourcestar.com.au

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SUMMARY

Resource Star Limited (RSL) is an ASX listed public company that is shifting its mining activities from uranium into new resource sectors, oil in continental USA.

On 2 August 2013 RSL announced to the market that it had entered into a binding terms sheet to acquire a 50% shareholding interest in D-Bar Leasing, Inc., a company incorporated in Abilene, Texas.

D-Bar Leasing has a 100% working interest in approximately 2,732 acres, in Abilene, Texas USA where it is already producing between 30-50 barrels of oil per day.

The acquisition of D-Bar Leasing will involve a change in the nature and scale of RSL's activities and RSL anticipates that it will need to comply with Chapters 1 & 2 of the ASX Listing Rules if the acquisition is approved by shareholders.

CAPITAL STRUCTURE

22 August 2013

ASX Code: RSL
Share price: \$0.033
Market Cap: \$4.174 M

Shares issued: 126.5 M
Options issued: NIL
Cash balance: \$0.15 M



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DEAL STRUCTURE

The consideration to be paid to SEAREX by RSL for its 50% equity in D-Bar Leasing is as follows:

- \$1 million cash and 65 million fully paid ordinary RSL shares on completion.
- 41,000 performance shares issued in tranches which convert into ordinary shares on a 1:10,000 basis subject to vesting conditions being satisfied:

Tranche Number	No of performance shares	Vesting Condition	Vesting Expiry Date	No ordinary shares on conversion
One	5,000	80 BOPD	6 months	50,000,000
Two	5,000	120 BOPD	9 months	50,000,000
Three	7,500	200 BOPD	12 months	75,000,000
Four	7,500	300 BOPD	15 months	75,000,000
Five	8,000	400 BOPD	18 months	80,000,000
Six	8,000	500 BOPD	24 months	80,000,000

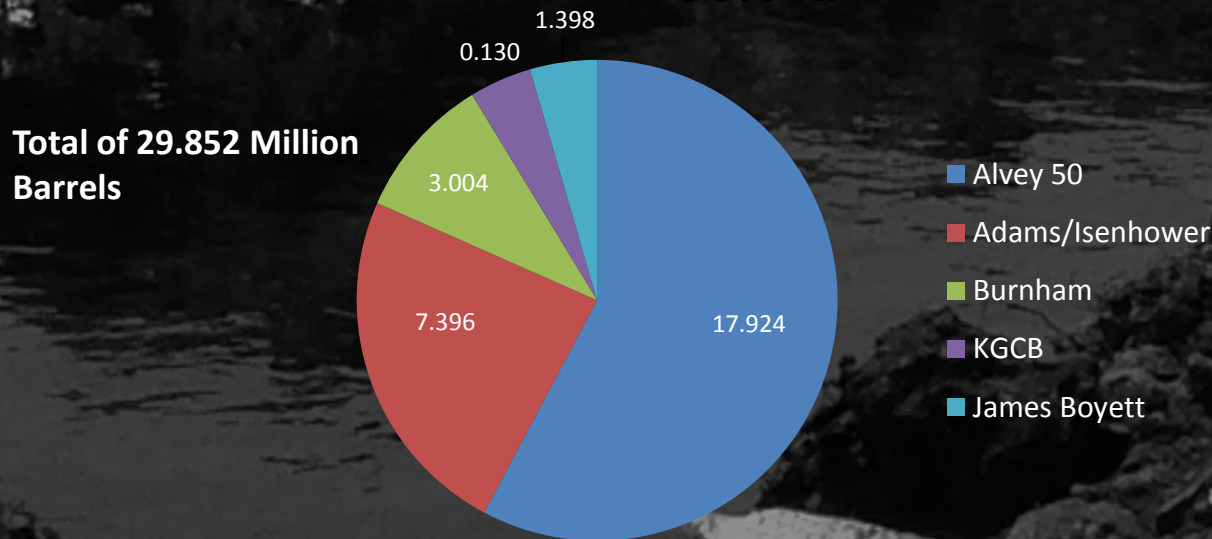
RSL will also take over the \$18.635m deferred consideration obligations under the share sale agreement between SEAREX and Danny Hyde (\$2m of which goes towards working capital).

PROJECT D-BAR HIGHLIGHTS

- Texas oilfield rework and development opportunity located in Abilene, Texas on edge of Llano uplift.
- Easy access via rail, road and air.
- Excellent infrastructure, technical and operational expertise.
- Robust legal system, minimal risk of political instability
- Environmental permits in place.
- 8 groups of leases covering approximately 2,732 acres with 96 existing wells.
- Historic output of 37-42° API since 1960s.
- 4 wells recently re-worked as successfully.
- \$5m in debt funding needed to complete transaction and begin re-work program; low cost of entry.
- 6-12 month re-work program prepped, followed by 4 year expansion plan.

FOREIGN RESOURCES ESTIMATES

The table below represents the Estimated Contingent Oil Resource (Million barrels) at the existing lease group based on well work-over program of 80/96 wells.



- Reserve estimates are not reported in accordance with JORC.
- The competent person has not done sufficient work to classify the estimates as reserve or resources in accordance with the JORC Code.
- It is uncertain that following evaluation and/or exploration work that the estimates will be able to be reported as resource or reserve in accordance with the JORC Code.
- Reserves estimates based on independent reports prepared 4 May 2013 by Cesar Orosco, Independent Geologists (American Association of Petroleum Geologists).

KEY ASSUMPTIONS

The following key assumptions apply to the foreign contingency resource estimates:

- Excellent permeability & porosity consistent with region.
- Thick pay section with stratigraphic and structural traps.
- 2-3 Additional production horizons between 500-1000 feet in the shallow wells.
- Planned water flood program.
- All leases have a past and current history of production
- Hydraulic fracturing as part of the work over program will re-establish oil production at /or above historic rates
- The workover program to also produce oil from several significant newly identified oil bearing formations from reinterpreted electric logs.
- JORC oil reserve/Resource with quantities and categories will be defined and details released over the course of the workover and development drilling programs

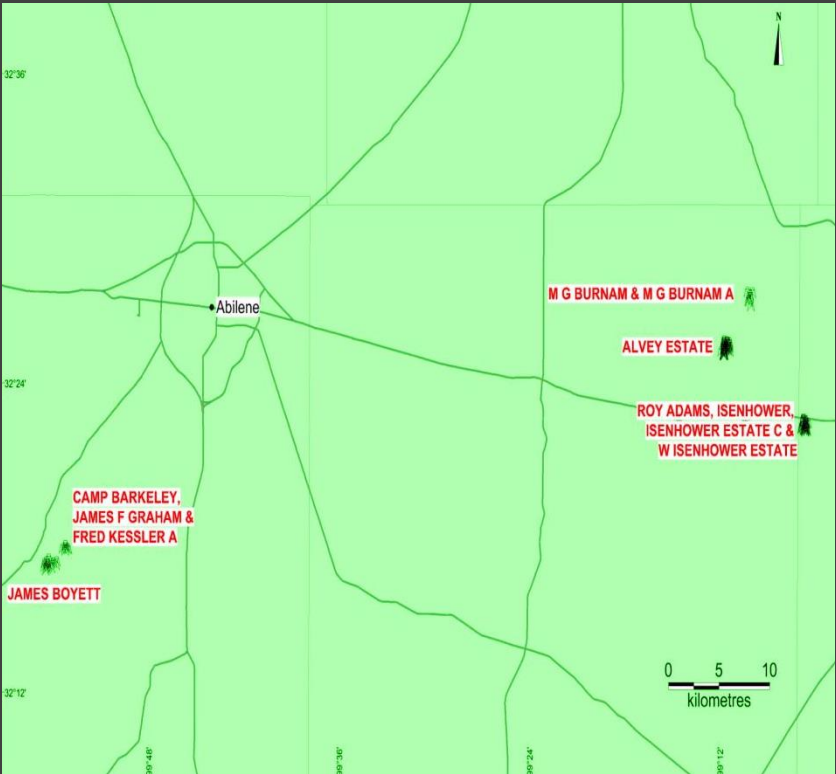
LEASES – SIZE AND WELLS

Lease Name	Acres	No of wells
Burnham	320 acres	5 wells
Alvey Estate	1,598 acres	33 wells
James Boyett	200 acres	12 wells
Contract Area 1 (Roy Adams & Isenhower)	494 acres	36 wells
Kessler/Graham/Camp Barkley	120 acres	10 wells
TOTALS	2,732 acres	96 wells

- D-Bar has owned these leases for a period of between 2 – 10+ years.
- Expansion opportunities via Alvey Estate and others in region.
- Estimated average well life of 15-20 years following work over.

LEASES – LOCATIONS

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WORK-OVER PROGRAM - 2013/14

Lease (no of existing wells)	No of wells w/o	No of wells w/o 2013	Total cost well w/o 2013	No of wells w/o 2014	Total cost well w/o 2013
Adams (35)	31	15	\$525,000	16	\$560,000
Alvey (33)	26	15	\$525,000	11	\$385,000
Burnham (9)	7		-	7	\$245,000
Boyett (14)	14	3	\$250,000	11	\$360,000
KGCB (5)	2		\$230,000	2	\$120,000
TOTALS (96)	80	33	\$1,530,000	47	\$1,670,000

Work over on 4 wells at already completed.

NEW WELL PROGRAM 2014-2016

Lease	No of new wells	2014	2015	2016	Total estimated cost
Alvey 1	60	30	30	-	\$9,000,000
Boyett	8	8	-	-	\$2,200,000
KGCB	2	2	-	-	\$550,000
Alvey 2	100		50	50	\$15,000,000
TOTALS	170	40	80	50	\$26,750,000

RSL will look to utilise operating revenues to undertake new wells program, as well as raise some further working capital.

RSL AND SEAREX/D-BAR TEAM

RSL Board

Andrew Bell Non-Executive Chairman	<ul style="list-style-type: none"> • Extensive experience as a broker, fund manager and corporate financier. • Current Chairman of RSL largest shareholder, Red Rock Resources PLC.
Chris Burrell Executive Director	<ul style="list-style-type: none"> • 13+ years commercial /corporate law experience to private and ASX listed entities. • Held directorships and senior management positions with large private companies.
Bill Guy Non-Executive Director	<ul style="list-style-type: none"> • 20+ years mining and exploration experience, as a geologist and exploration manager. • Member of Australian Institute of Geologists (AIG).

SEAREX/D-Bar Executive Team

Heath Middleton Managing Director/CEO	<ul style="list-style-type: none"> • 20+ years experience within financial industry with primary focus on resources. • Past 5 years working on oil and gas and renewable projects in USA and Asia Pacific.
Danny Hyde Director/Original Owner	<ul style="list-style-type: none"> • 38+ years oil and gas experience, including expertise in work-over programs. • Owned and/or held senior management positions in various oil and gas businesses.
Brian Cornish Technical Director	<ul style="list-style-type: none"> • 50+ years direct experience in Australian and International oil and gas exploration in areas such as Papua New Guinea, New Zealand, Indonesia, Malaysia, Canada & USA.

FOR FURTHER INFORMATION

For further information regarding investment of project details, please contact:

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COMPETENT PERSON STATEMENTS

Any reference to Reserve/ Resources/ Foreign Resource Estimate in this release does not meet the guidelines set forth by the Society of Petroleum Engineers – Petroleum Resource Management System (SPE-PRMS).

The Foreign Resource Estimate set out in this presentation is not reported in accordance with the JORC Code.

The geological and technical information has been compiled by Mr. Brian Cornish (AAPG Member #128137, Since 1971). Mr. Cornish is a consultant for SEAREX Petroleum (BVI) Ltd, who is qualified person as defined under ASX Listing Rule 5.11 and has given his consent as of the date of the ASX announcement to the inclusion of these statements and information in the form and context in which it appears in this ASX release..

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