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RSL QUARTERLY REPORT TO 31 MARCH 2011

Highlights:

Exploration Highlights

- **Livingstonia drilling program confirms strong zone of uranium mineralisation along the eastern edge of previous Inferred Resource**
- **Stacked horizons & thickened mineralisation intersected as targeted**
- **Key points for the Project:**
 - Results received likely to lead to an increased Resource.
 - Mineralisation remains open laterally in a number of directions.
- **Initial results received in quarter from Ilomba Hill soil sampling program**
 - Focused around a 1.5km uranium/thorium anomaly, but designed to include satellite targets associated with cross-cutting features.
 - Subsequent to the quarter full geochemical analysis completed defining new rare earth anomalies.

Business Development

- **Subsequent to the quarter Joint Venture signed with Thundelarra Exploration over Spinifex Uranium Project in WA.**
- **Two defined prospects** with highly anomalous rock chip samples and a zone of fault-associated unconformity targeted for early drill testing.

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Introduction

Emerging uranium and specialty metals explorer, Resource Star Ltd ('Resource Star', 'RSL' or 'Company') (**ASX: RSL**) is pleased to provide its quarterly report for the period ended 31 March, 2011.

Following its relisting on 1st March 2010, the Company has focussed on delivering exploration results on its consolidated portfolio of projects.

The Company has developed a portfolio of uranium and uranium-related projects in regions of known prospectivity that present strong minerals development potential, namely Australia, and Malawi in south eastern Africa.

Resource Star's key projects are the 100%-owned Edith River Uranium Project in the Northern Territory, and joint ventures with Globe Metals & Mining Limited on the Machinga Niobium-Rare Earths Project and the Livingstonia Uranium Project in Malawi.

The balance of RSL's portfolio complements the priority projects in terms of regional and geological synergies, or provide stand-alone cost-effective exploration potential. The Company continues to consider compelling project acquisition opportunities that are in line with this strategy, and these will be assessed during ongoing business development activity.

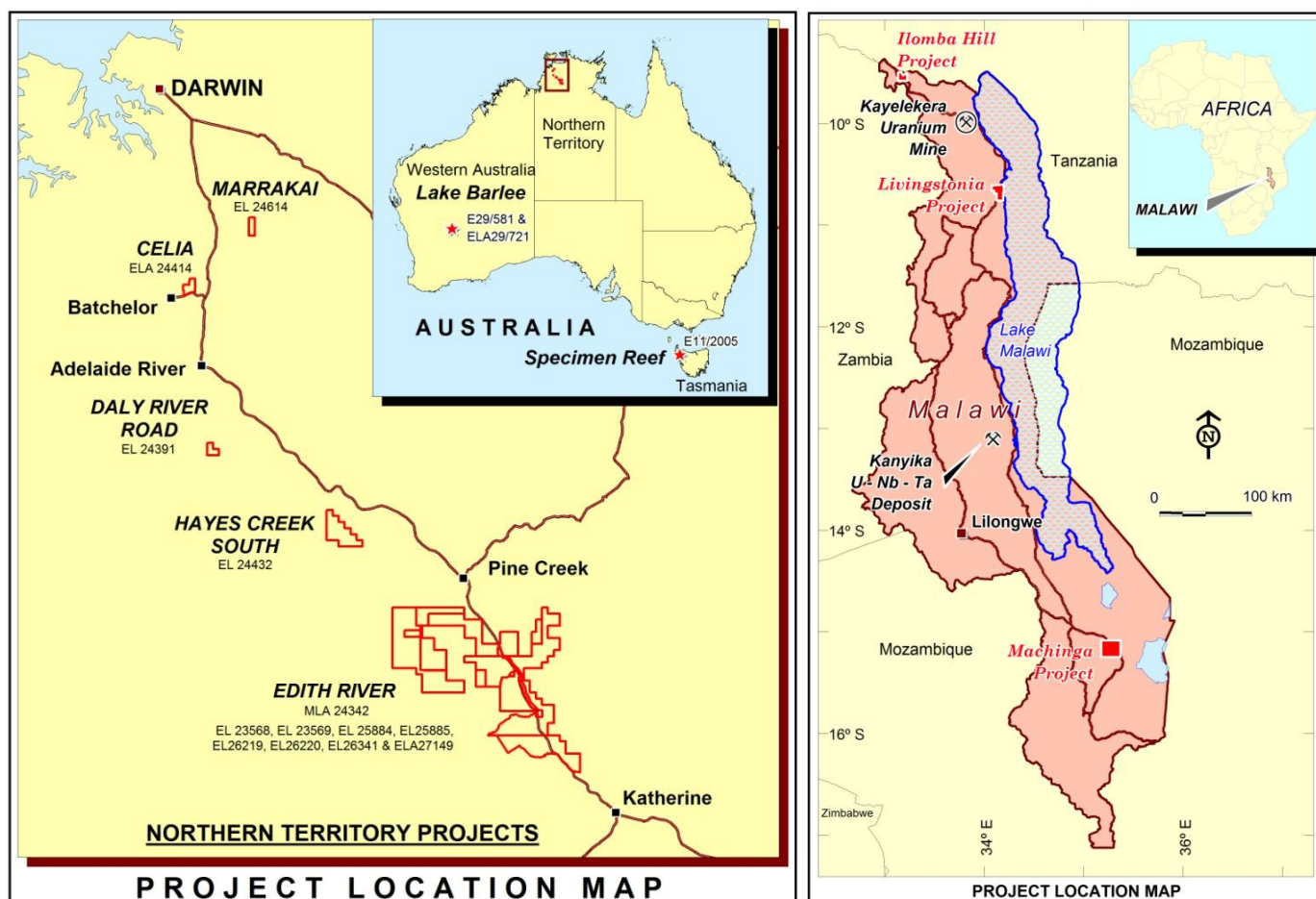


Figure 1: Resource Star's Projects in Australia and Malawi

Operational Overview

MALAWI

Livingstonia Project

The Livingstonia Project is subject to a Joint Venture with Globe Metals and Mining ('Globe') in which RSL is earning up to 80% ownership. With the completion of the requirements for the first earn-in period, namely drilling of 1,000 metres and the JORC-compliant Mineral Resource Estimate by CSA Global Pty Ltd, RSL confirmed that it wished to proceed to the second earn-in period.

Drilling results were received from Livingstonia during the quarter, revealing significantly thicker intersections of uranium mineralisation than discovered to-date and indicating a potential extension to the south east of the current JORC inferred Resource.

The thirteen hole, 1,502m percussion program, testing both interpreted controls on the sandstone-hosted redox uranium mineralisation and extensions to the known mineralisation, successfully encountered mineralisation in all but one hole.

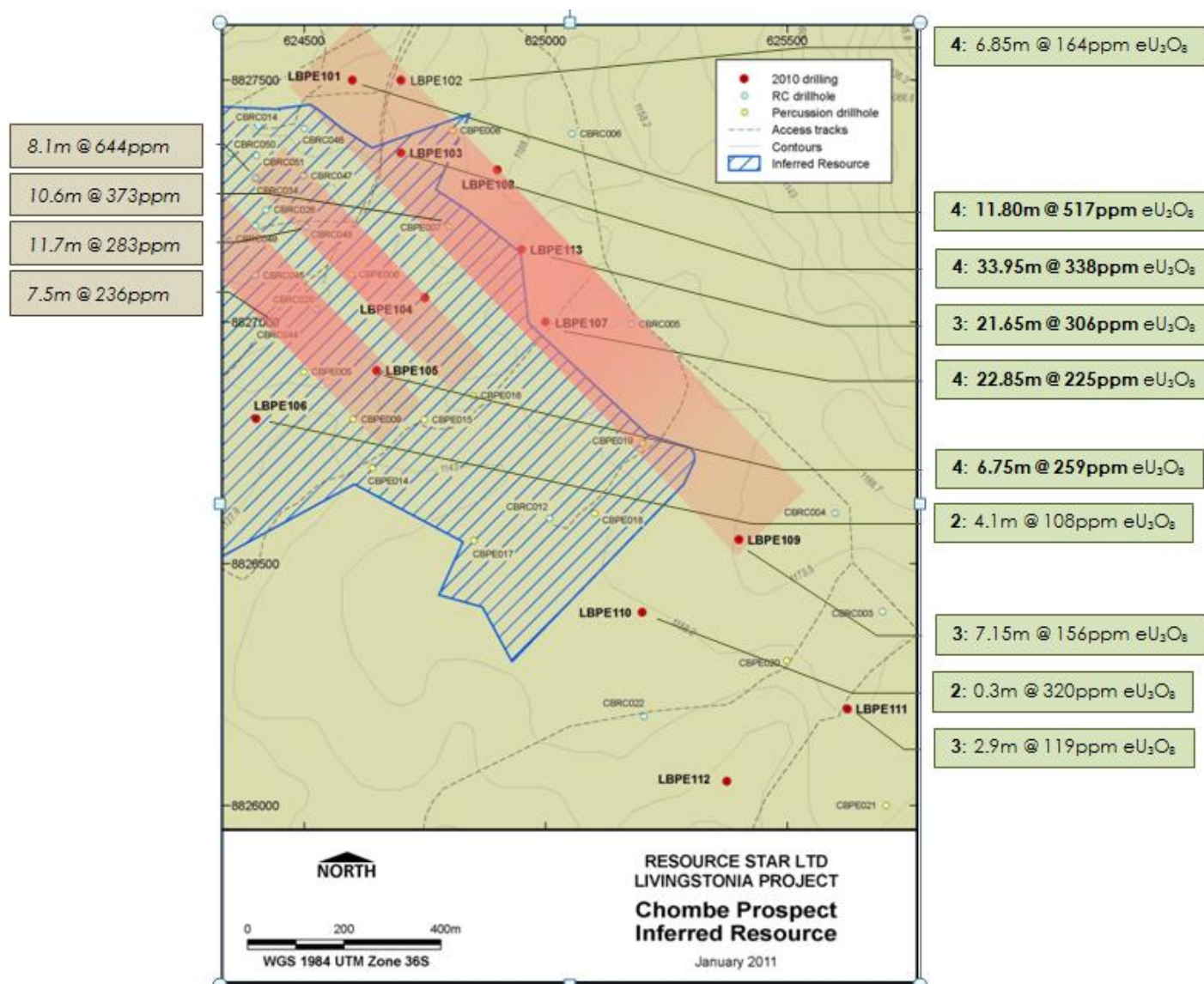


Figure 2: DH Location Plan & Key Results with new intersections on the RHS, showing the number of mineralised horizons identified and the best intersection. The interpreted NW-trending zones of stronger mineralisation are marked in red, while the best of earlier results (LHS), and the existing Inferred Resource outline are also marked.

A new NW-trending zone of mineralisation along the eastern edge of previous drilling was confirmed by drill holes LBPE 101-3, 107-8, 113 and perhaps 109.

Single holes, LBPE104-6, intersected generally weaker mineralisation associated with other interpreted NW-trending zones without significant thickenings, but LBPE105 confirms its trend and there is some continuation of the stacked horizons targeted.

Four holes, LBPE109-12 tested a zone of continuing but thin, low grade mineralisation to the south east of the defined Resource. Three of the four holes intersected some mineralisation, with the best hole being notable for a very thick intersection of marginal mineralisation (LBPE109: 45.80m @ 95ppm eU₃O₈).

An independent review of the existing JORC-compliant Mineral Resource Estimate has begun with the intention of determining the potential for increasing contained metal and preparation for the next phase of work is underway. A conceptual resource development study will be undertaken when the results from the independent review of Resource Estimate have been received.

Lower Grade Cut-off (ppm U ₃ O ₈)	Mineral Resource (million tonnes)	Grade (ppm U ₃ O ₈)	Contained Metal (Mlb U ₃ O ₈)
100 ppm	14.5	201	6.43
150 ppm	7.7	270	4.58
200 ppm	4.2	352	3.25

Table 1: Livingstonia Uranium Project - Inferred Mineral Resource Estimate as at 30th June, 2010

Note - All figures are rounded to reflect appropriate levels of confidence.

The Livingstonia Project is subject to a Joint Venture with Globe Metals and Mining ("Globe") in which RSL is earning up to 80% ownership. With the completion of the requirements for the first earn-in period, namely drilling of 1,000 metres and the JORC-compliant Mineral Resource Estimate by CSA Global Pty Ltd, RSL confirmed that it wished to proceed to the second earn-in period.

Ilomba Hill Project

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.

Historical results from Ilomba have previously highlighted the prospectivity of the licence. Four of the eight historical samples are highly anomalous in niobium (>1% Nb₂O₅) and uranium (2,000ppm to >1% U₃O₈), and six have elevated zirconium results (>0.5% ZrSiO₄).

Results from the systematic soil sampling of the radiometric targets (received in full subsequent to the quarter) was intended to provide targets for further exploration as well as indicating the distribution of non-radiogenic metals, such as niobium, tantalum, zircon and potentially any rare earth elements in the system.

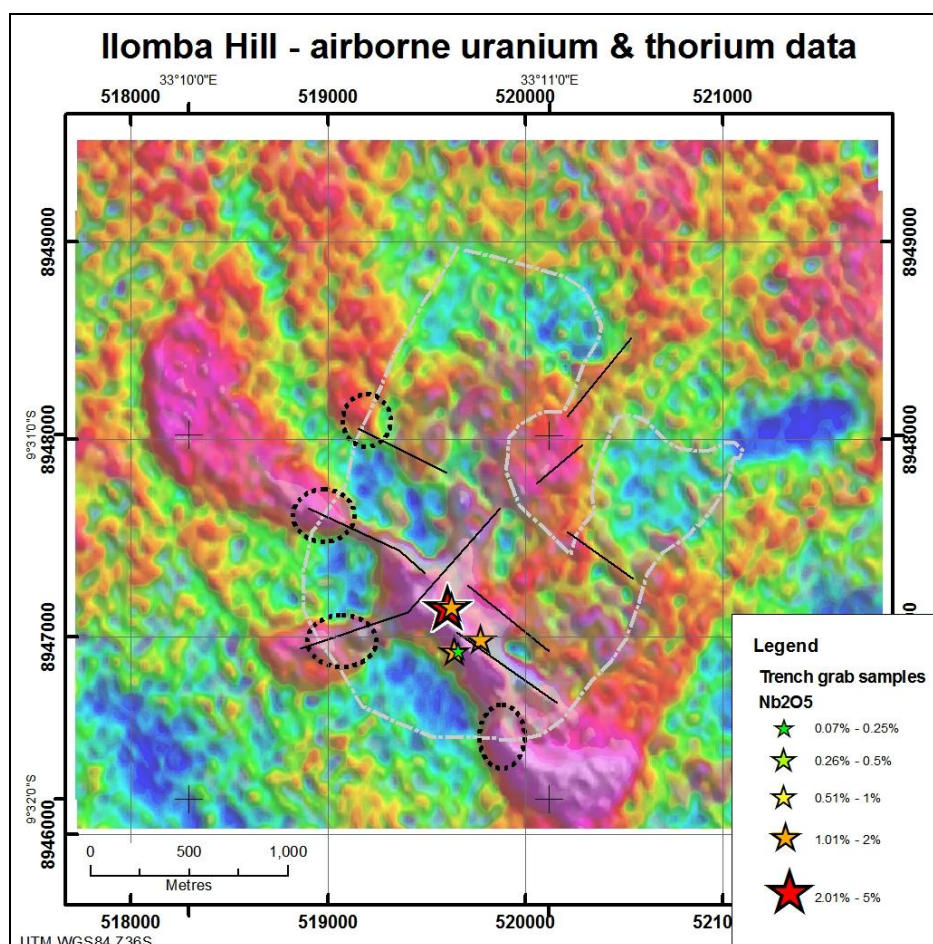


Figure 3: Ilomba Hill airborne radiometric survey with a strong response coincident with historical sampling, but also a number of satellite features of interest along the margins of the scree slope, all now covered by systematic soil sampling

AUSTRALIA

Edith River Project

Results from the Edith River Project RC drill program showed zones of sheared granite and schists with chlorite, epidote, haematite and siliceous alteration intersected in drilling at both Tennysons and YMCA, and within these a number of narrow uranium anomalous zones were defined. All significant uranium results are listed in Table 2.

Table 2 – Edith River RC drilling preliminary uranium results

Hole ID	UTM Zone	mN	mE	Dip	Magnetic Azimuth	From m DH	Width m	Grade ppm U ₃ O ₈
YMCA003	53	8,428,696	182,376	-60°	084	23.0	1.0	224
TY005	52	8,425,402	822,340	-60°	072	22.0	2.0	100
TY006	52	8,425,484	822,344	-60°	103	24.0	3.0	141
TY007	52	8,425,553	822,368	-60°	098	8.0	2.0	112
TY008	53	8,426,465	176,352	-60°	070	13.0	1.0	147
TY009	53	8,426,545	176,314	-60°	085	25.0	2.0	139
TY012	53	8,426,739	176,999	-60°	071	13.0	1.0	106
						15.0	1.0	130

Wider zones of trace element anomalism were noted within the shear zones, and these will be further investigated.

At **Tennysons** (EL 23568), part of the Edith River Uranium Project, recent mapping and sampling had 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 had been located with a peak of 0.44% U_3O_8 , and averaging 1,837ppm U_3O_8 . The drilling reported above was designed to test the mapped structural features that localise the mineralisation at surface.

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 eU_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 were drilled testing the intersection of these structures.

Furthermore at **Marrakai**, also in the Northern Territory, near the historic South Alligator uranium field, soil sampling was completed during 2010 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. Initial results and analysis from the soil sampling show anomalism associated with structural deformation and work will continue to delineate areas to focus future exploration on.

Potential Projects

The Board continues to consider opportunities and projects presented to it that meet Resource Star's criteria for its portfolio.

Corporate

Cash Position

As at 31 March 2011 the Company held \$840,000 in cash.

Subsequent Events

Business Development

Spinifex Joint Venture

Resource Star Ltd and Thundelarra Exploration Ltd agreed to an exploration joint venture on Thundelarra's Spinifex Uranium Project in WA. Highly anomalous uranium rock chip samples and mapping have defined two prospects that have been located in the cover sequence above an unconformity adjacent to the Revolver Creek Fault Zone.

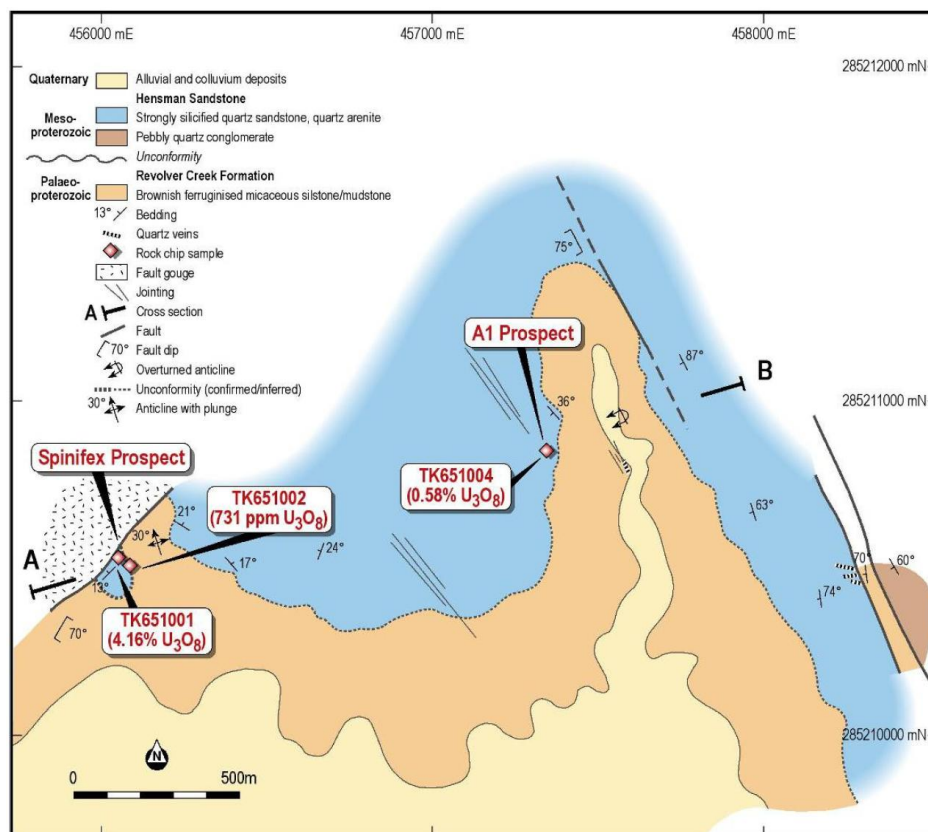


Figure 4: Spinifex Uranium Project THX Sample Location Plan

It is planned to test these fault-associated unconformities with a 1,000m drill program, to be preceded by detailed mapping in the Spinifex-A1 area and permits to undertake a maiden drilling program will be lodged as a first priority by the JV.

The Spinifex project consists of a single tenement covering 30 square kilometres and is located some 50km south of Kununurra, and approximately 60 kilometres north of the Argyle diamond mine, Western Australia.

The original Spinifex prospect was discovered in the 1970s during a regional airborne spectrometric survey by a joint venture between Uranerz and Metals Miniere, but they only undertook trenching activities, confirming the presence of highly anomalous, apparently remobilised uranium above a mapped unconformity. Of a total of 20 samples taken it is reported that half were in excess of 2,000ppm U_3O_8 , with the maximum result being 13.5% U_3O_8 .

No drilling was undertaken at that time.

Thundelarra has more recently undertaken initial mapping and confirmatory sampling in the area, and discovered a new zone of remobilised surface mineralisation at the A1 Prospect along the unconformity

nearby. In this more recent work of 22 samples, four samples were in excess of 0.5% U_3O_8 , and the remainder average 140ppm U_3O_8 .

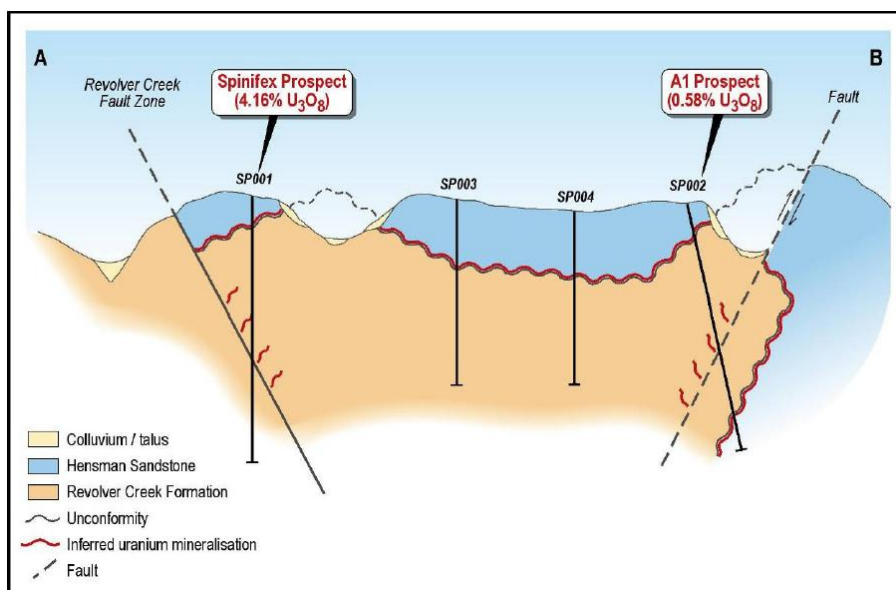


Figure 5: Schematic Section of possible drilling program to test the unconformity associated with both prospects

Resource Star will earn 20% equity in the project through the completion of 1,000m of drilling during the first 12 months of the JV, and a further 31% by completing a total expenditure of \$500,000. Thundelarra may then opt to contribute to project expenditure on an equity basis or dilute further to a 30% share on the completion of a JORC-compliant Mineral Resource Estimate, and again may elect to contribute or dilute to a 10% share on the completion of a feasibility study.

Globe Metals and Mining Ltd Strategic Partnership

Resource Star is pleased to note the completion of Globe's transaction with East China Mineral and Exploration Bureau ('ECE'), whereby ECE will hold over 51% of Globe's shares. The partnership will provide Globe with the funds to conduct exploration over their tenements, including the Machinga Joint Venture with Resource Star.

Exploration

Ilomba Hill

New, well-defined rare earth ("REE") geochemical targets have been generated by the interpretation of a systematic soil sample survey over Resource Star's 90%-owned Ilomba Hill tenement. The REE targets are related to, but appear separate from the radiometric targets generated earlier by RSL's airborne geophysics and known niobium-uranium-zircon anomalism.

The strongest REE target, of up to four to five times background, has been defined over 1.6 x 0.4km and defines a newly-identified anomalous zone of the intrusive complex. A further six new subsidiary REE and Nb-Ta-U-Th targets have been defined, associated with other parts of the complex.

Geochemical Services Pty Ltd of Australia has completed analysis on the subsequent soil sampling survey following receipt of all results. Analysis was completed by ALS Chemex in Johannesburg, South Africa, using lithium borate fusion ICP-MS assay with four-acid digest. Geochemical Services report that the QAQC results (duplicates, blanks and certified reference material) are fit for purpose.

A total of 914 samples, including QAQC, were taken over the Ilomba Hill alkali intrusive complex and surrounding areas, covering approximately 10km². The data show a number of anomalous features, as seen in Fig 2, with many of the targets, including the high priority REE target “ILB001”, in areas that were not highlighted by the airborne geophysics.

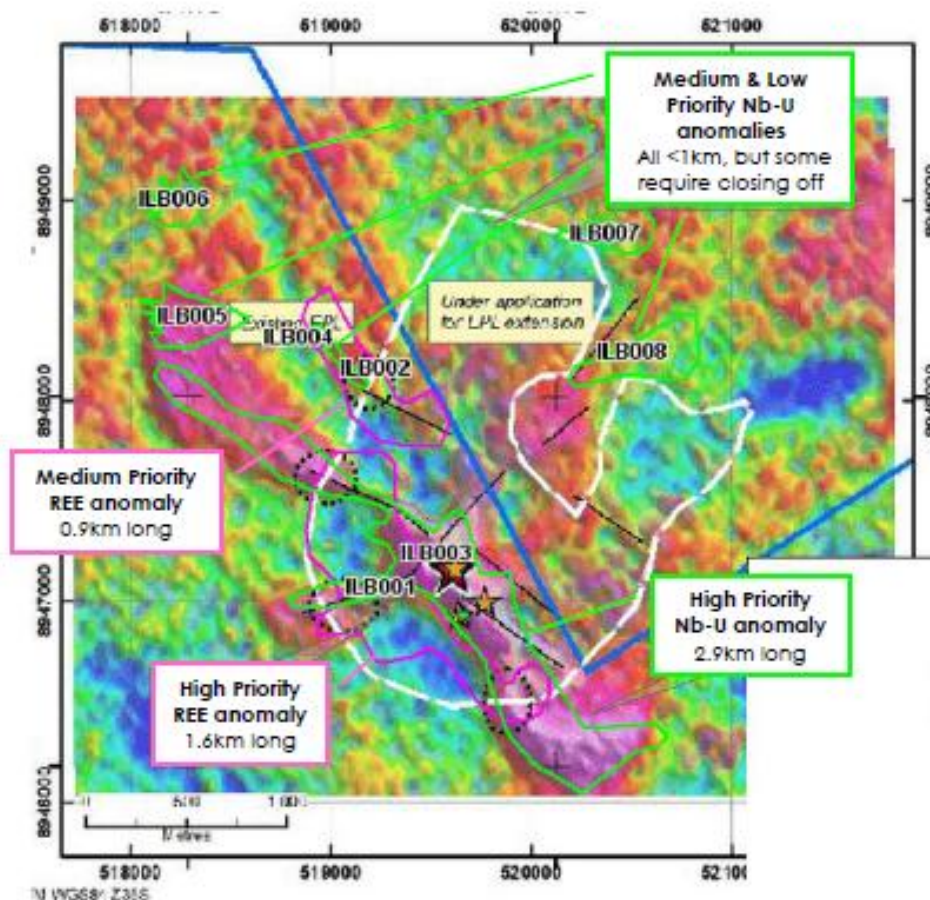


Figure 6: Ilomba Hill soil geochemical anomalies overlaid on combined uranium & thorium airborne response with the strongest REE response (ILB 001) lying parallel to but not coincident with the known Nb-U trend (here ILB 003). The white dashed outline defines the limit of outcrop of Mt Ilomba. Results outside are likely to be due to a combination of both residual and transported material. See Fig 3 for separate soil response for each group of metals.

Two high priority anomalies were defined, one being the known Nb-Ta-U-Th trend associated with highly anomalous rock chip results in historical sampling; and the other the new REE trend that lies parallel to it. In summary, the newly-defined soil anomalies are:

Name	Priority	Known	Length	Key elements	Comments
ILB 001	High	No	1.6km	REE	Parallel to known Nb-U trend
ILB 002	Medium	No	0.9km	REE	Possible secondary, parallel structure?
ILB 003	High	Yes	2.9km	Nb-Ta-U-Th	Some is likely to be transported material
ILB 004	Medium	No	0.4km	Nb-Ta-U-Th	Within ILB002 REE anomaly
ILB 005	Low	No	0.5km	Nb-Ta-U-Th	Requires closing off
ILB 006	Low	No	0.3km	Nb-Ta-U-Th	Requires closing off
ILB 007	Low	No	0.4km	Nb-Ta-U-Th	
ILB 008	Low	No	0.7km	Nb-Ta-U-Th	

RSL's 2011 Ilomba Hill exploration program will focus on further exploration work to better understand the geology and fresh rock response associated with anomalies ILB 001 - 004.

Company Directory

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Ross Kestel (Non Exec)

Rob Benussi (Non Exec)

Cyril Geach (Non Exec)

Management

Richard Evans (Consultant)

Frederick Bell (General Manager)

Eryn Kestel (Company Secretary)

Share Registry

Computershare Ltd

GPO Box D182

Perth, WA, 6840

ASX Listed Securities (as at 31 March 2011):

56,928,182 ordinary shares

Competent Person Statements

The information in this report that relates to Exploration Results is based on information prepared by Mr Richard Evans, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Evans is a consultant 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
