



ASX Release
24 October 2011

ASX: RSL

ACQUISITION OF INTEREST IN CUE RESOURCES NOT TO PROCEED AT THIS TIME

Resource Star Limited ("RSL") announces that it will not proceed with the acquisition of a strategic interest in the TSX-V listed Cue Resources Ltd ("Cue Resources") from Red Rock Resources plc ("RRR") and Regency Mines plc ("Regency Mines") at this time. The conditional agreement to acquire the strategic interest was announced to the ASX on 4 May 2011.

Since the conditional transaction was announced, RSL has been in discussions with RRR and Regency Mines to finalise the transaction. However, the parties have now agreed that the movement in equity market prices since the initial agreement and the continuing uncertainty in global markets mean that proceeding at this time would not be in the interests of RSL's, RRR's or Regency Mines' shareholders.

The parties have agreed to monitor the situation and may consider renewing discussions in the future.

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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.

The Company's main projects are the 100%-owned Edith River and Hayes Ck South Uranium Projects in the Northern Territory, the Spinifex joint venture with Thundelarra Exploration in Western Australia, 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 have currently earned 20% 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.

In July 2011, Resource Star reported an upgraded JORC-compliant Inferred Resource for Livingstonia, of 8.3 Mt @ 325ppm eU₃O₈ for a total of 6.0 Mlb of contained metal.

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.