

Appendix 4E
Preliminary final report

Resource Star Limited

30 June 2009

Lodged with the ASX under Listing Rule 4.3A

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Resource Star Limited
 Period ended 30 June 2009
 (Previous corresponding period: Year ended 31 July 2008)

Results for Announcement to the Market

A\$,000

Revenue	Down	65%	to	37
Profit/(loss) after tax attributable to members	Down	193%	to	(1,479)
Net profit/(loss) for the period attributable to members	Down	193%	to	(1,479)

Dividends/distributions	Amount per security	Franked amount per security
Final dividend	-	-
Interim dividend	-	-

Record date for determining entitlements to the dividend

N/A

Explanation of Revenue

Revenue includes interest income of \$11,890. Last year's income included interest of \$105,137.

Explanation of Profit/(loss) after tax

The financial period reports a loss of \$1,479,243 compared to a loss of \$767,699 in the prior year. This increase is a result of a write down of capitalised exploration expenditure of \$612,479. This period is for 11 months due to the change of reporting dates, prior period was 12 months.

Explanation of Net Profit/(loss)

See above: explanation of profit/(loss) from ordinary activities after tax

Resource Star Limited
Preliminary consolidated income statement
For the period ended 30 June 2009

		A\$,000	A\$,000
	Notes	Reporting Period	Previous Corresponding Period
Finance revenue		12	105
Other income		25	1
Administration expenses		(705)	(299)
Auditors remuneration		(35)	(32)
Directors' fees		(119)	(422)
Due diligence costs		-	(28)
Secretarial fees		(36)	(84)
Write off of inventory to net realisable value		-	(9)
Finance cost		(9)	-
Exploration expenditure written off		(612)	-
Profit/(loss) before income tax	3	(1,479)	(768)
Income tax expense		-	-
Net (profit)/loss attributable to outside equity interests		-	-
Profit/(loss) attributable to members of the parent		(1,479)	(768)
Basic earnings per share (cents)	6	(4.3148¢)	(0.1413¢)
Diluted earnings per share (cents)	6	(4.3148¢)	(0.1413¢)

The above consolidated income statement should be read in conjunction with the accompanying notes.

Resource Star Limited
Preliminary consolidated balance sheet
As at 30 June 2009

	Notes	A\$,000 Reporting Period	A\$,000 Previous Corresponding Period
Current assets			
Cash and cash equivalents		129	907
Trade and other receivables		12	27
Other current assets		8	163
Total current assets		149	1,097
Non-Current assets			
Exploration and Evaluation Expenditure	7	2,720	3,031
Property, Plant and Equipment		3	6
Total non-current assets		2,723	3,037
Total assets		2,872	4,134
Current liabilities			
Trade and other payables		44	331
Interest-bearing liabilities		249	27
Employee benefits		22	10
Total current liabilities		315	368
Total liabilities		315	368
Net assets		2,557	3,766
Equity			
Issued Capital		28,626	28,388
Reserves		32	
Retained Earnings/(Accumulated losses)	3	(26,101)	(24,622)
Total equity		2,557	3,766

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Resource Star Limited
Preliminary consolidated cash flow statement
For the period ended 30 June 2009

	A\$,000 Reporting Period	A\$,000 Previous Corresponding Period
Cash flows from operating activities		
Interest income	12	107
Other Income	-	1
Payments to suppliers and employees	(646)	(781)
Net cash flows from/(used in) operating activities	(634)	(673)
Cash flows from investing activities		
Purchase of plant and equipment	-	(9)
Payments for exploration and evaluation expenditure	(529)	(1,871)
Net cash flows from/(used in) investing activities	(529)	(1,880)
Cash flows from financing activities		
Proceeds from issue of shares and options	-	2,209
Proceeds from loans	484	-
Share issue costs	(99)	(169)
Net cash flows from financing activities	385	2,040
Net increase / (decrease) in cash and cash equivalents	(778)	(513)
Cash and cash equivalents at beginning of period	907	1,420
Cash and cash equivalents at end of period	129	907

The above consolidated cash flows statement should be read in conjunction with the accompanying notes.

Resource Star Limited

Other notes to the preliminary consolidated financial statements

For the period ended 30 June 2009

Note 1. Future Developments

The Company continues to review opportunities that will add to shareholder value. This includes the exploration and evaluation of the Group's tenements and possible new opportunities.

Note 2. Material factors affecting the revenues and expenses of the group for the current period

Revenues: see above: explanation of revenue

Expenses: see above: explanation of profit/(loss)

Note 3. Retained Earnings/(Accumulated losses)

	A\$,000	A\$,000
	Reporting Period	Previous Corresponding Period
Accumulated Losses at the beginning of the financial year/period	(24,622)	(24,111)
Net profit/(loss) attributable to members of Resource Star Limited	(1,479)	(767)
Cancelled unlisted incentive options	-	56
30 June 2008 options lapsed	-	200
Accumulated Losses at the end of the financial year/period	<u>(26,101)</u>	<u>(24,622)</u>

Note 4. NTA Backing

	Reporting Period	Previous Corresponding Period
Net tangible asset backing per ordinary share	7.457¢	10.558¢

Note 5. Other significant information

This preliminary financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction any public announcements made by the Company during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Resource Star Limited

Other notes to the preliminary consolidated financial statements

For the period ended 30 June 2009

Note 6. Earnings Per Security (EPS)

Basic earnings per share (cents)	(4.3148¢)	(0.1395¢)
Diluted earnings per share (cents)	(4.3148¢)	(0.1395¢)

Earning reconciliation

	A\$,000	A\$,000
	Reporting Period	Previous Corresponding Period
Net Profit/(loss)	(1,479)	(767)
Basic and diluted earnings	(1,479)	(767)

Weighted average number of shares used as the denominator

Number for basic earnings per share:

Ordinary shares	34,283,179	543,166,047
Effect of share options	958,456	83,164,529
<i>Number for diluted earnings per share</i>	<u>35,241,635</u>	<u>626,330,576</u>

For the reporting period, the numerator used in the calculation of both Basic EPS and Diluted EPS is \$1,479,243 and there are no reconciling items. The denominator used for the Basic EPS and for the Diluted EPS calculation is 34,283,179 (weighted average number of shares). Share options with an exercise price above the average market price during the period have been excluded from the calculation of the diluted EPS. Diluted earnings per share is not reflected as the result is anti-dilutive in nature.

Note that the reporting period numbers are post re-organisation of capital and amounts for the previous reporting period are pre re-organisation of capital.

Resource Star Limited

Other notes to the preliminary consolidated financial statements

For the period ended 30 June 2009

Note 7. Controlled entities

Name	Country of Incorporation	Percentage of equity interest held by the group	
		2009	2008
Orion Exploration Pty Ltd	Australia	100%	100%
Eastbourne Exploration Pty Ltd	Australia	100%	100%

Note 8. Exploration and evaluation expenditure

	A\$,000 Reporting Period	A\$,000 Previous Corresponding Period
Costs carried forward in respect of areas of interest in the following phase:		
Exploration and evaluation phase – at cost		
Balance at beginning of year	3,031	-
Mineral tenements on acquisition of subsidiary	-	1,499
Assignment of Machinga tenement in Malawi to subsidiary	-	450
Assignment of Chintheche tenement in Malawi	-	450
Expenditure incurred	301	632
	<u>3,332</u>	<u>3,031</u>
Expenditure written off	(612)	-
Total deferred exploration expenditure	<u>2,720</u>	<u>3,031</u>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

Audit

This report is based on accounts which are in the process of being audited.