

Resource Star Limited
Level 9, 440 Collins Street, Melbourne Vic 3000
P. +61 3 9607 1322 F. +61 3 9607 1329
www.resourcestar.com.au ABN 71 098 238 585



16 July 2008
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The Company Announcements Platform
ASX Limited
SYDNEY NSW

Entitlements Offer and General Offer of Shares

Resource Star Limited refers to the announcement on the 7th July 2008 regarding the Non-Renounceable Entitlement Offer and General Offer of Shares together with free attaching Options.

Shareholder notifications will be dispatched to eligible participants and **attached** is a copy of the Notification.

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16 July 2008
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Dear Shareholder

Entitlements Offer and General Offer of Shares

Resource Star Limited (formerly Retail Star Limited) (the **Company**) is pleased to advise that it will be offering its shareholders a Non-Renounceable Entitlements Issue (**Entitlements Offer**) comprising of 2 New Shares for every 9 Shares held at an issue price of 20 cents per Share on a post consolidated basis. Shareholders who hold Resource Star Limited Shares at 5.00pm (EST) on 8 August 2008 (**Record Date**) will be entitled to participate in the Entitlements Offer.

The **Company** will make an offer of 2,500,000 fully paid ordinary shares (**Shares**) at 20 cents each to raise \$500,000 (**the General Offer**) and up to 7,618,297 Shares at an issue price of \$0.20 each to raise approximately \$1,500,000 (**Entitlements Offer**).

The General Offer and the Entitlements Offer together, comprise the total offer (**Total Offer**).

In addition, for every two (2) Shares issued under the Total Offer, each investor will be issued one (1) Option, exercisable at of \$0.25 on or before 30 November 2008.

The Total Offer is being made pursuant to a prospectus which was lodged with the Australian Securities and Investments Commission on 4 July 2008 (**Prospectus**). The Prospectus is available for viewing on the ASX website (company announcements section, ASX code: RSL) at www.asx.com.au, or the Company's website at www.resourcestar.com.au. You will shortly receive a copy of the Prospectus together with a personalised Entitlement and Acceptance Form. If you are eligible and wish to participate, please read the Prospectus when you receive it and carefully follow the instructions. The Total Offer is expected to close on 26 August 2008 (**Closing Date**).

The purpose of the Total Offer is to satisfy ASX requirements for re-listing following a change to the nature of the Company's activities.

On 30 May 2008 the Company issued a Notice of Meeting for the General Meeting to be held on 14 July 2008 (**General Meeting**). At the General Meeting the Company will seek shareholder approval to:

1. Divest its existing online retail business and focus its business on uranium exploration assets held in the Northern Territory, Western Australia and the Republic of Malawi, as well as other potential mining exploration opportunities;
2. Undertake a consolidation of capital, on the basis of 1 security for every 17 securities (**Consolidation**); and
3. Proceed with the General Offer.

Post Consolidation, the Company will have 429,414 Options on issue, the terms of which do not allow for the participation by those Option holders in new issues of Securities. Those Option holders will, however, be entitled to exercise their Options during the time period set out in the ASX Listing Rules in order to participate in the Offer.

In addition to the securities proposed to be issued under the Prospectus, within three to six months after the re-listing on ASX, the Company proposes to undertake a non-renounceable entitlement issue of loyalty options (**Further Entitlement Issue**). All Shareholders registered on a date to be announced by the Company, will be entitled to participate in the Further Entitlement Issue if they hold Shares on the relevant record date. The exercise price and the expiry date of the options issued pursuant to the Further Entitlement Issue will be determined by the Company after its securities have been reinstated to trading on the ASX.

The Company intends to use the funds raised pursuant to the Total Offer to explore its Australian and Malawi Tenements, meet the expenses of the Total Offer and for general working capital purposes.

The Entitlements Offer is partly underwritten by Red Rock Resources plc up to the amount of \$1,100,000. Pursuant to an Underwriting Agreement between the Company and Red Rock Resources plc, the Company has agreed to pay an underwriting fee equal to 4% of the underwritten amount raised under the Prospectus.

A summary of key information and a timetable are set out below for your information.

Summary of Key Information:

Entitlements Offer:

| | |
|----------------------|---|
| Type of offer: | Non-renounceable pro rata entitlements offer to shareholders of up to 7,618,297 Shares. |
| Offer price: | 20 cents per Share. |
| Offer ratio: | 2 Shares for every 9 shares held at the Record Date. Fractions will be rounded up. |
| Amount to be Raised: | Up to approximately \$1,500,000. |

General Offer

| | |
|----------------------|---|
| Type of offer: | Public offer of up to 2,500,000 Shares. |
| Offer price: | 20 cents per Share. |
| Amount to be Raised: | Up to \$500,000. |

Timetable*:

The indicative timetable for the proposed transactions is as follows:

| Event | Date |
|--|------------------|
| Lodgement of Prospectus with the ASIC | 4 July 2008 |
| Lodgement of Supplementary Prospectus with the ASIC | 11 July 2008 |
| Suspension of Company's Securities from trading on ASX (at the opening of trading) | 14 July 2008 |
| General Meeting to approve transaction | |
| Notification to ASX of results of General Meeting | |
| Opening of General Offer under the Prospectus | 15 July 2008 |
| Notice to Shareholders under Entitlements Offer | 16 July 2008 |
| Ex Date (in relation to Entitlements Offer) | 1 August 2008 |
| Record Date for determining Shareholder entitlements (for Entitlements Offer) | 8 August 2008 |
| Despatch of Prospectus to eligible Shareholders (for the Entitlements Offer) | 12 August 2008 |
| Opening of Entitlements Offer under the Prospectus | 12 August 2008 |
| Closing Date of Entitlements Offer and General Offer under the Prospectus | 26 August 2008 |
| Trading on a deferred settlement basis (for Entitlements Offer) | 27 August 2008 |
| Notification to ASX of any under subscriptions | 28 August 2008 |
| Despatch date (for Entitlements Offer) | 2 September 2008 |
| Deferred settlement market ends (for Entitlements Offer) | |
| Last day for Securities to be entered into the holders' Security holdings (for Entitlements Offer) | |
| Anticipated date the suspension of trading is lifted and Company is re-listed on the ASX | 4 September 2008 |

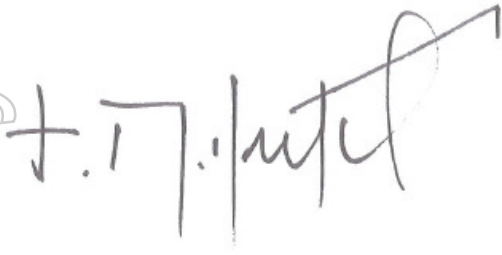
* Dates are subject to change and are indicative only. The Company reserves the right to amend this timetable including, subject to the Corporations Act 2001 (Cth) and the Listing Rules of ASX, to extend the Closing Date.

If you are eligible and wish to participate in the General Offer, the Entitlements Offer or both, it will be necessary for you to complete your personalised Entitlement and Acceptance Form which will accompany your copy of the Prospectus and return it, with the appropriate application monies, to the Company before the Closing Date.

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If you have any questions in relation to the Entitlement Offer, please do not hesitate to contact the Company Secretary on (08) 9367 8133.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. Kestel', with a long horizontal stroke extending to the right.

Ross Kestel
Non-Executive Director

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