

Retail Star Limited

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Dated: 9 January 2008

First Malawi Licence Granted

Retail Star Ltd (“the Company”) announces the granting, by the government of Malawi, of the Machinga uranium licence in the East African country of Malawi. This property comprises an Exclusive Prospecting Licence (“EPL”) covering an area of 378 sq km.

The licence is held by Eastbourne Exploration Ltd (“Eastbourne”), a company beneficially owned by the Company. Eastbourne has also recently been granted two strategically located uranium tenements in the Northern Territory covering 159sq km.

The grant of the EPL and the tenements is pursuant to the agreement dated 26th July 2007 and subsequently approved by shareholders on 6th August 2007 (the “Agreement”) whereby Red Rock Resources plc (“RRR”) agreed to sell its Australian uranium interests to the Company. Following grant of the EPL to the Company’s nominee Eastbourne, 30,000,000 B Class Converting Performance Shares issued to RRR convert to 30,000,000 new fully paid ordinary shares in the Company.

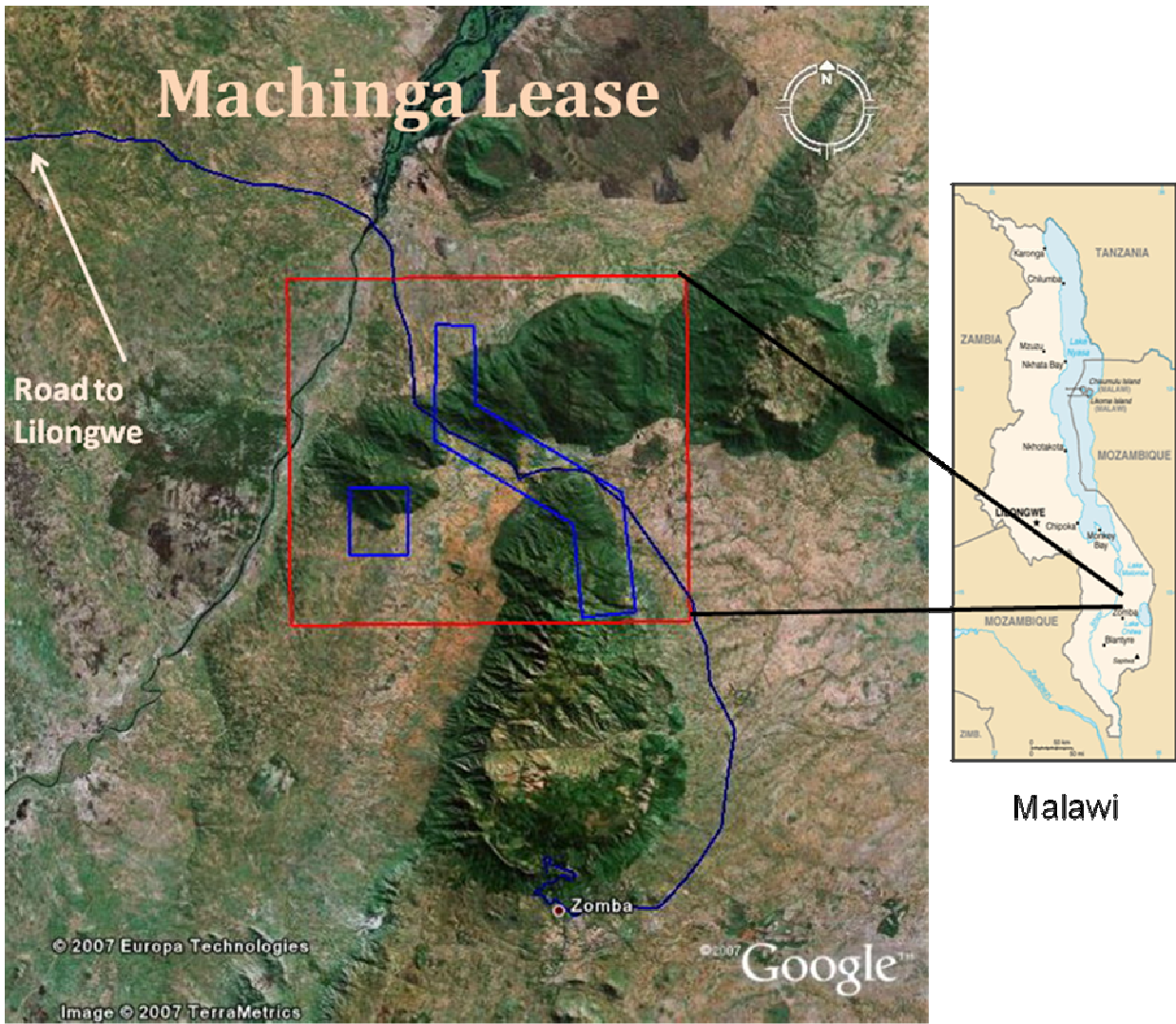
Uranium in Malawi

There has been a significant increase in exploration activities, and in the application for EPLs in Malawi, led by the activities of Paladin NL of Australia (a subsidiary of Paladin Energy Ltd), focused on the Kayelekera uranium deposit. The government of Malawi has signalled its interest in further developing mining activities within the country.

The Machinga Property

The Machinga property covers some 378 sq km just north of the old capital city of Zomba in south central Malawi. The “Interpretation of Airborne Geophysical Survey Results” carried out by Paterson, Grant & Watson for the United Nations Development Programme Report in Oct 1987, and refined by them for RRR in late 2006, highlighted two areas for investigation for uranium exploration; the Chinduzi Radioactive Zone, and the Machinga Radioactive Zone. Both of these target areas are covered by the Machinga Property and are marked in blue on the attached map.

The EPL encompasses a number of high priority targets for uranium exploration. Peak airborne radiometric anomalies are in the order of 10 to 12 times higher than background readings within these target zones.



The Malawi exploration programme is scheduled to commence in the first quarter of 2008. The intended programme is summarised in the Company’s AGM presentation released to the ASX on 6th December 2007.

The Company believes exposure to uranium-prospective countries of East Africa, with a positive attitude to uranium exploration, and in particular Malawi, reduces the risk of becoming heavily reliant to one region and gives diversification. The Malawi government has expressed commitment to assisting companies exploring for or wishing to produce uranium.

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Northern Territory Tenements

Through Eastbourne, the Company now has in addition two recently granted tenements in the Northern Territory totalling 159 sq km (EL26219, EL26220), which adjoin RSL's highly prospective Edith River lease (EL23568).

Corporate

The Company also advises that it has changed its Registered Office to:

Level 9
440 Collins Street
MELBOURNE VIC 3000

The Company also advises that it is not aware of any information which could be an explanation for the recent trading in the Securities of the Company.

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