



6 February 2009

Market update

On 16 January 2009, Resource Star Limited (RSL) announced that it had decided not to proceed with the recent Rights Issue and General Offer. Shareholders who applied under the Prospectus dated 4 July 2008 will have their application funds refunded. The Company's share registry, Computershare, is currently arranging this and applicants should expect to receive the funds within 2-3 weeks. Computershare can be contacted on 1300 85 05 05 (within Australia) if you require further details on this process.

As presented to the RSL Annual General Meeting on 11 December 2008, market conditions have thwarted the Company's current fund raising effort. However, major shareholder, Red Rock Resources, still intend to support the company with the expectation that market conditions will soon improve.

In the meantime, management have completed a comprehensive review of all costs and have implemented the outcomes. Exploration activities have been suspended until relisting is confirmed. The Company is actively seeking new projects and co-operation opportunities to complement existing projects.

RSL's exploration tenements in Malawi, the Northern Territory and Western Australia remain as quality assets.

Uranium market fundamentals remain strong for the medium to long term. Market sentiment towards uranium and gold continue to remain the most positive amongst the major metals.

I thank shareholders for your support to date and for your patience during this difficult period.



Ian Scott
Managing Director