



ASX Release  
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ASX : RSL

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## RESOURCE STAR DEFINES TARGETS AT ILOMBA HILL, MALAWI

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New, well-defined radiometric targets have been generated by the initial interpretation of a recently-completed aeromagnetic and multi-spectral radiometric survey conducted over Resource Star's 90%-owned Ilomba Hill tenement.

**Key Results:**

- **Modern, systematic geophysical dataset acquired over multi-metal alkali intrusive**
- **Historical anomalism located within a major uranium/thorium feature, new satellite targets identified:**
  - Strong radiometric target defined over a 1-1.5km strike length at **Ilomba Hill**
  - Additional satellite targets associated with cross-cutting features

**Work Planned:**

- Reconnaissance mapping and systematic soil sampling
- Application made to acquire additional nearby prospective geology

Resource Star Ltd (ASX: **RSL**) today announced that it has identified radiometric anomalies at its 90%-owned Ilomba Hill Uranium-Niobium Project in Malawi.

Interpretation of the recently completed airborne geophysical survey provides for the first time, modern multi-method data which has allowed the Company to identify new targets for ongoing exploration.

The newly-defined features are radiometric anomalies within the alkali syenite intrusive which will form the focus of ground exploration scheduled to commence by the end of October and designed to develop trenching and drilling targets.

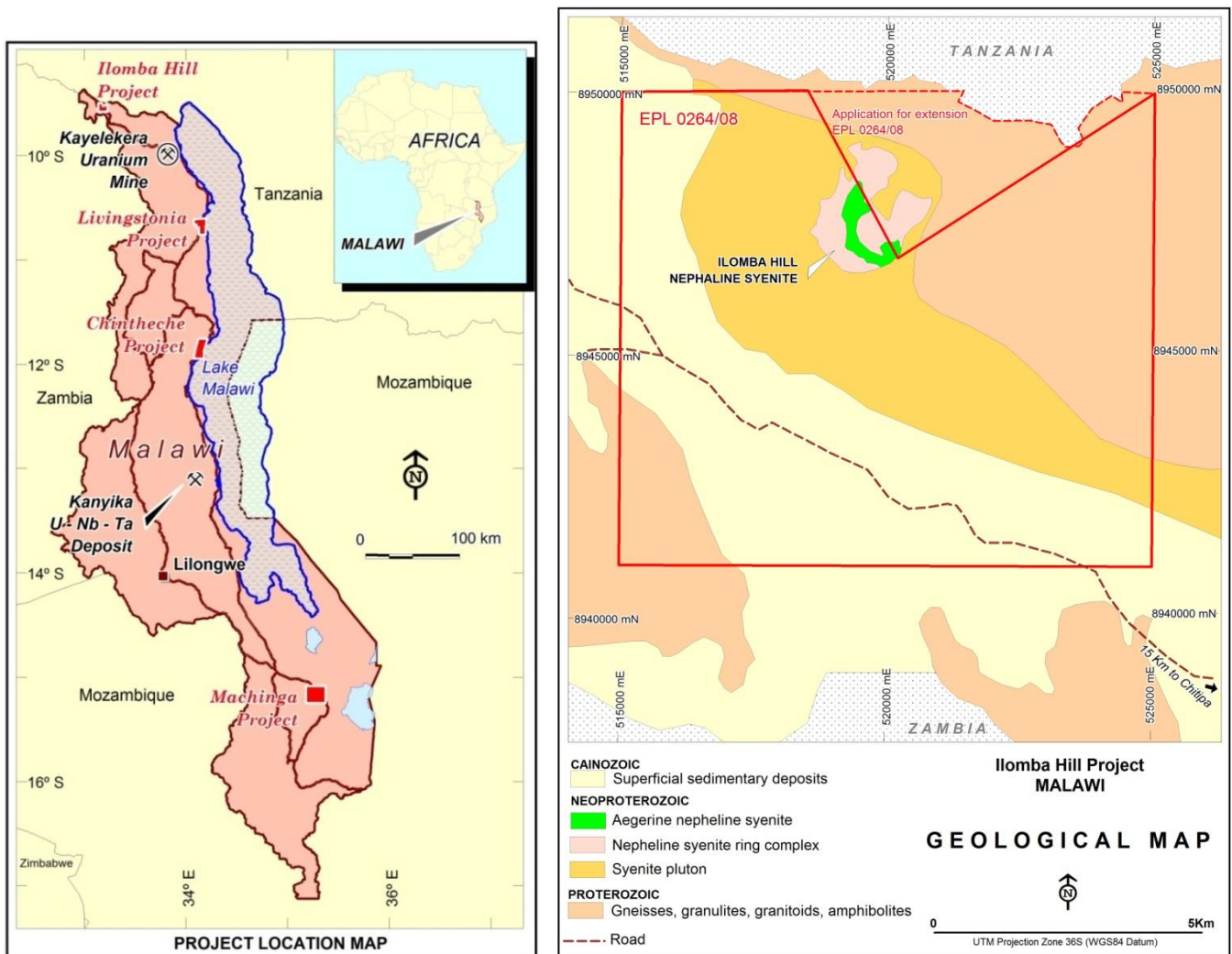
The Ilomba Hill Project is a key part of Resource Star's existing uranium and uranium-related specialty metals portfolio in East Africa and Australia and demonstrates similarities to RSL's Machinga JV Nb-REE project.

## Ilomba Hill Project

In conjunction with a Malawian private company, Nyalihanga Enterprises Ltd, Resource Star Ltd has commenced exploration of the Ilomba Hill Uranium-Niobium Project. Resource Star is managing the Project and holds 90% equity.

The tenement covers the majority of a nepheline syenite, which is an alkali intrusive body that is part of a suite of similar systems that are known to host niobium, tantalum, uranium and rare earth mineralisation in Malawi.

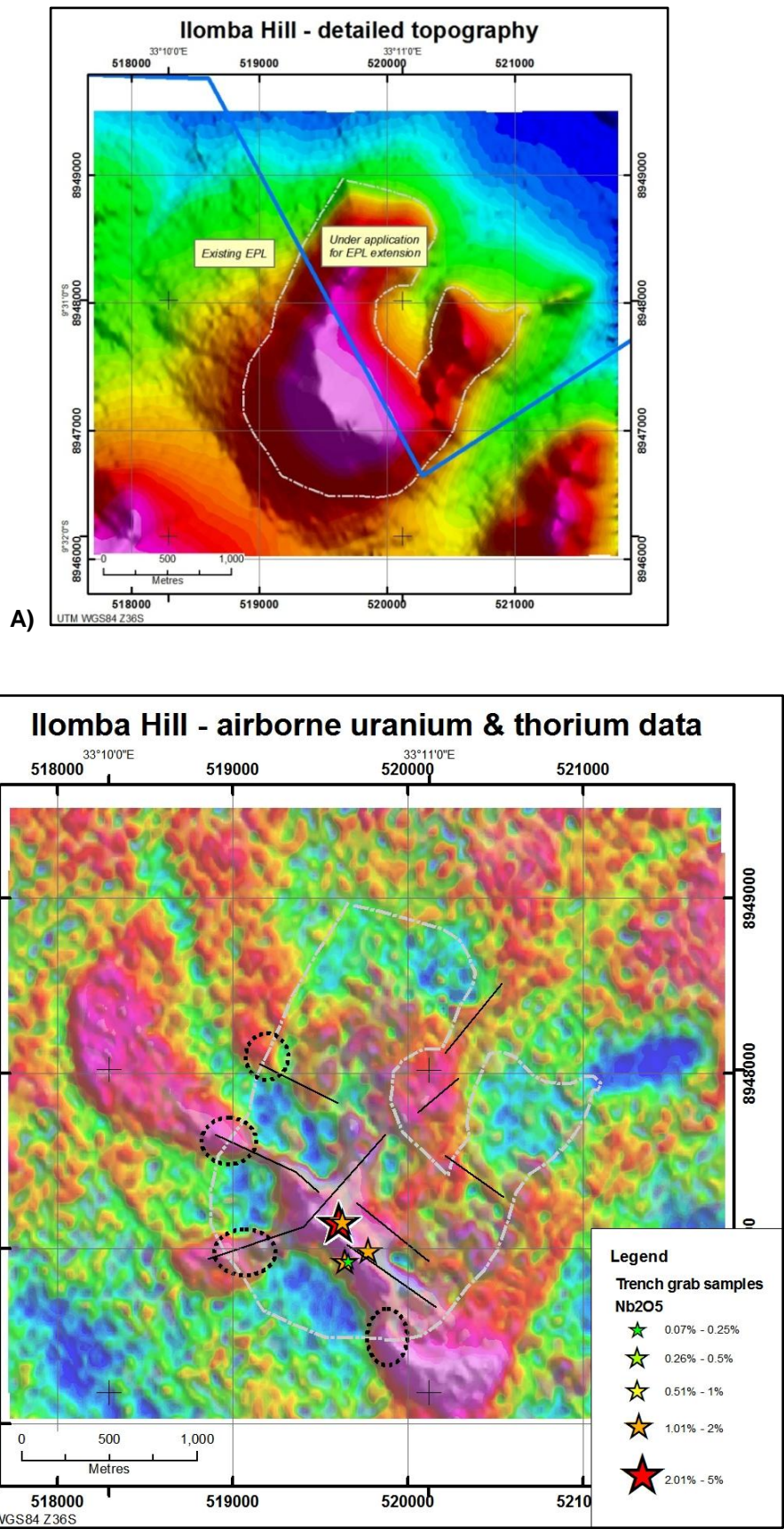
An application has been made to extend the exploration tenement to cover the whole of the nepheline syenite.



Prospectivity was recently confirmed by previously unpublished historical results. Four of the eight historical samples are highly anomalous in niobium ( $>1\% \text{Nb}_2\text{O}_5$ ) and uranium (2,000ppm to  $>1\% \text{U}_3\text{O}_8$ ), and six have elevated zirconium results ( $>0.5\% \text{ZrSiO}_4$ ). These samples are detailed on the geophysical maps below.

Resource Star recently completed a comprehensive low-level airborne multispectral radiometrics, aeromagnetics and radar elevation geophysical survey over the project (Fig 2). The 270 line kilometre program was conducted by NRG of South Africa, with 50 metre spaced flight lines and 20-30 metre flight height.

Initial interpretation of data has generated a number of targets and enhanced information about topography and geology. Mapping and soil sampling of these targets is planned during the fourth quarter 2010 with a view to generating trench or drill targets.



**Figure 2: A) Ilomba Hill topography** showing a mottled scree slope, outside the dashed outline, which will mask underlying geology, **B) Combined Uranium & Thorium data** with a strong response coincident with historical sampling, but also a number of satellite features of interest along the margins of the scree slope

The data collected show a strong north-west trending uranium and thorium response of 1 to 1.5km length along the top of Ilomba Hill. This feature contains the highly anomalous historical results reported previously (shown in Fig 2B) and will be the prime focus of upcoming ground exploration. In addition there are a number of peripheral features that appear to be associated with, but separate to, the main response.

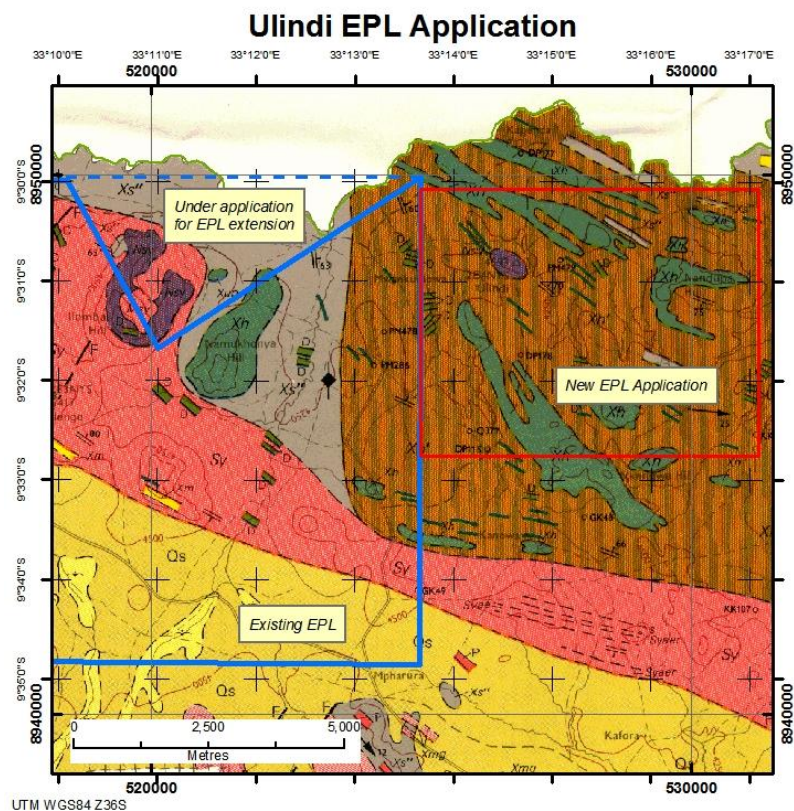
A series of linear features include a NW-trending set cross-cut by a NE-trending feature near the peak geophysical and geochemical response seen to date, and may have genetic implications.

The strong responses seen within the interpreted scree slopes, outside the horse-shoe shaped dashed outline of outcrop, will also be investigated. The extent of the surface response here will be exaggerated by the downhill redistribution of material, but a number of responses (circled) seem to be closely related to apparently primary features right at the outcrop / scree boundary.

Soil sampling is planned for the fourth quarter 2010, which will also show the distribution of non-radiogenic metals, such as niobium, tantalum, zircon and potentially any rare earth elements in the system.

### Ulindi Project

In conjunction with the JV partner in the Ilomba Hill Project, Nyalihanga Enterprises Ltd, Resource Star has applied for an area of similar geology directly to the east of Ilomba Hill. If granted, Resource Star will manage the Project and will own 90% equity.



### Chintheche Project

Resource Star's 2009 exploration follow-up of an airborne radiometric anomaly discovered thin, localised mineral sands mineralisation on the shore of Lake Malawi near the township of Chintheche.

After discussions with the Malawi Department of Mines it was decided that such a discovery was unlikely to find a locally-active partner, so a submission has been made to relinquish that tenement.

\*\*\*ENDS\*\*\*

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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, 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 are currently earning 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.

Resource Star recently reported a maiden JORC-compliant Inferred Resource estimate completed by CSA Global on the Livingstonia uranium mineralisation, defining 7.7Mt at 270ppm U<sub>3</sub>O<sub>8</sub> for a total of 4.6Mlb of contained metal.

**Competent Person Statements**

*The information in this report that relates to Exploration Results is based on information compiled by Mr Richard Evans, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Evans is an employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Evans consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

**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.*