

# RESOURCE STAR LIMITED

(formerly Retail Star Limited)

ABN 71 098 238 585

## THIRD SUPPLEMENTARY PROSPECTUS

### IMPORTANT INFORMATION

This Third Supplementary Prospectus is dated 23 October 2008 and is supplementary to the prospectus dated 4 July 2008 (**Prospectus**), the first supplementary prospectus dated 11 July 2008 (**First Supplementary Prospectus**), and the second supplementary prospectus dated 31 July 2008 issued by Resource Star Limited (ABN 71 098 238 585) (**Company**).

This Third Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 23 October 2008. The ASIC does not take any responsibility for the contents of this Third Supplementary Prospectus.

This Third Supplementary Prospectus must be read together with the Prospectus and the First and Second Supplementary Prospectuses. If there is a conflict between the Prospectus, First or Second Supplementary Prospectuses, and this Third Supplementary Prospectus, this Third Supplementary Prospectus will prevail. Terms and abbreviations defined in the Prospectus have the same meaning in this Third Supplementary Prospectus.

This Third Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Internet at [www.asx.com.au](http://www.asx.com.au).

This document is important and should be read in its entirety. Please consult your legal, financial or other professional adviser if you do not fully understand the contents.

## 1. UNDERWRITING BY RED ROCK RESOURCES PLC

Pursuant to an underwriting agreement dated 4 July 2008 (**Underwriting Agreement**) between the Company and Red Rock Resources (**Underwriter**), the Entitlements Issue was partly underwritten to an amount of \$1,100,000.

Since lodgement of the Prospectus, the Company and the Underwriter entered into a second underwriting agreement. The underwriting agreements have subsequently been terminated by mutual agreement because the agreements to underwrite in their current form would not have ensured the receipt of the minimum subscription.

The Underwriter has advised the Company that it intends to negotiate and enter into a new underwriting agreement in due course.

The purpose of this Third Supplementary Prospectus is, in part, to record the amendments to the Prospectus to reflect the termination of the current underwriting arrangements.

## 2. MINIMUM SUBSCRIPTION

This Third Supplementary Prospectus is also being issued, in part, because the minimum subscription under the Prospectus has increased as a result of exploration and administrative expenditures, and expenditures connected with the Offer and the Prospectus.

## 3. LOAN AGREEMENT

This Third Supplementary Prospectus is also issued to record the terms of a loan agreement entered into between the Company and Red Rock Resources on 14 October 2008 (**Loan Agreement**). The Directors believe that the execution of the Loan Agreement is material to the financial position and performance of the Company and therefore its terms require disclosure.

## 4. EXTENSION OF TIME TO LIST ON ASX

This Third Supplementary Prospectus is also being issued, in part, because the Shares the subject of the Offer have not been admitted to quotation on ASX within three months of the date of the Prospectus.

This Third Supplementary Prospectus has been lodged following the granting of a modification by ASIC pursuant to section 741(1) of the Corporations Act 2001 (Cth) (**Act**) on 23 October 2008. The modification relates to the amendment of sections 723(3)(b), 724(1)(a) and the insertion of a new section 724(1)(b)(ii) of the Act. The grant of the modification gives the Company a further 3 months after the date of this Third Supplementary Prospectus to obtain quotation of the Shares on ASX (being 23 January 2009). The modification also gives the Company a further 4 months after the date of this Supplementary Prospectus to raise the minimum subscription of \$2,000,000 (which has been increased from the previous minimum subscription amount of \$1,500,000).

Given the abovementioned extensions, the General Offer closing date has now been extended to **22 January 2009**.

## **5. EFFECT OF TERMINATION OF UNDERWRITING AGREEMENTS ON SECTIONS OF THE PROSPECTUS**

The variations referred to in Section 1 above have an effect on certain sections of the Prospectus. These sections and the variations are set out below.

### **5.1 Front cover**

The front cover will not include any statement to the effect that the Entitlements Issue or the General Offer are partly underwritten by Red Rock Resources Plc.

### **5.2 Minimum Subscription**

The reference to an underwritten amount in Section 4.5 ceases to apply.

### **5.3 Underwriter**

Section 4.9 is deleted.

### **5.4 Underwriting Agreements**

Section 12.1 of the Prospectus will be amended to include details of the Second Underwriting Agreement. Accordingly, section 12.1 will state the following:

“On 4 July 2008, the Company entered into an underwriting agreement (**Underwriting Agreement**) with Red Rock Resources (**Underwriter**). Subsequently the Company and the Underwriter entered into a second underwriting agreement (**Second Underwriting Agreement**) (together, the **Underwriting Agreements**).

Pursuant to the Underwriting Agreements, the Underwriter agreed to underwrite \$1,100,000 of the Entitlements Offer and \$400,000 of the General Offer. In consideration for this, the Company has agreed to pay the Underwriter a fee equal to 4% of the underwritten amount.

The Company also agreed to reimburse the Underwriter for all reasonable agreed costs and expenses incurred in connection with the underwriting.

The Underwriting Agreements were terminated by mutual agreement between the Company and the Underwriter.

The Underwriter has expressed its intention to negotiate and enter into a new underwriting agreement that reflects recent developments, including the increased minimum subscription.”

### **5.5 Voting Power**

Section 12.2 is deleted.

## **6. EFFECT OF INCREASE IN MINIMUM SUBSCRIPTION ON SECTIONS OF THE PROSPECTUS**

### **6.1 Minimum Subscription**

The minimum subscription amount stated in section 4.5 is amended from \$1,500,000 to \$2,000,000.

## **7. EFFECT OF THE LOAN AGREEMENT ON SECTIONS OF THE PROSPECTUS**

### **7.1 Loan Agreement**

Section 12 of the Prospectus will be amended to include the Loan Agreement. Accordingly Section 12.8 will be inserted into the Prospectus and will state the following:

“On 14 October 2008, the Company entered into a loan agreement (**Loan Agreement**) with Red Rock Resources (**RRR**), pursuant to which RRR agreed to lend the Company sufficient funds to ensure that the Company’s cash at bank remains at all time AU\$200,000 (**Minimum Amount**).

Under the Loan Agreement, the initial advance of AU\$100,000 will be provided by no later than 22 October 2008. The Company will inform RRR each month of the amount of funds required to meet the Minimum Amount.

The loan will be treated as an advance in consideration of a subscription for shares in the Company at an issue price of 20 cents per share.

The Company may repay the loan in cash at any time. The loan must be repaid in full by 14 October 2009, subject to Company having the financial capacity on that date to repay the loan.

Interest is payable on the loan at a rate of 4% per annum, payable quarterly in arrears. The loan is unsecured.”

## **8. CHANGE OF EXPIRY DATE OF OPTIONS**

Due to the delays in closing the Offer, the Company advises that it has extended the expiry date for the Options to be issued under the Prospectus. The expiry date of the Options is extended to 31 March 2009.

Sections 4.1 and 13.3 of the Prospectus are amended to reflect this revised expiry date. All other terms of the Options under the Prospectus remain unchanged.

## **9. APPLICATIONS FOR SECURITIES**

All existing applicants for Shares under the Prospectus, if they so desire, will have one (1) month to withdraw their applications and be repaid. Any investor falling into this category may make this election by giving written notice to the Company.

The Company advises that the Entitlements Offer has closed. However, Eligible Shareholders who did not participate in the Entitlement Issue can still take up their entitlement through the General Offer. Furthermore, Shareholders wishing to apply for more Shares than their Entitlement may apply under the General Offer.

Applications for Shares under the General Offer must be made using the Application form attached or accompanying either the Prospectus or this Third Supplementary Prospectus. Payments for Shares must be made in full at the issue price of \$0.20 per Share.

If you wish to participate in the General Offer you must forward the completed Application Form together with your cheque drawn on an Australian bank or bank draft made payable in Australian currency to **“Resource Star Limited – General Offer”** and crossed “Not Negotiable” to **Computershare Investor Services Pty Ltd, Level 3, 60 Carrington Street, Sydney, NSW 2000.**

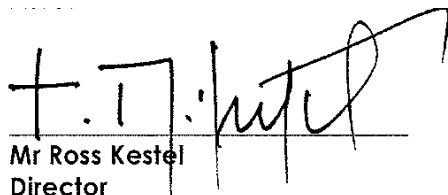
Your completed Application Form and cheque must reach Computershare Investor Services no later than 5pm EST on the revised closing date of the General Offer, which is now 22 January 2009.

The Company reserves the right to close the General Offer early.

#### **10. DIRECTOR'S AUTHORISATION**

This Third Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Third Supplementary Prospectus with the ASIC.

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**Mr Ross Kestel**  
**Director**  
**For and on behalf of**  
**Resource Star Limited**

Note: All other details in relation to the terms of the Offers and other matters under the Prospectus remain unchanged. The Directors believe that the changes in this Third Supplementary Prospectus are not materially adverse from the point of view of an investor.



## INSTRUCTIONS TO APPLICANTS

Please post or deliver the completed Application Form together with a cheque to the share registry of the Company. The Form must be received by the Registry no later than 5.00pm on the closing date of the General Offer.

- A. Application for Shares**  
The Application Form must only be completed in accordance with instructions included in the Prospectus.
- B. Name of Applicant**  
Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected.
- C. Name of Joint Applicants or Account Designation**  
If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.
- D. Address**  
Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.
- E. Contact Details**  
Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the Application Form.
- F. CHESS HIN or existing SRN Details**  
The Company participates in CHESS. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESS HIN. If the applicant is an existing shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.
- G. Cheque Details**  
Make cheques payable to "Resource Star Limited– General Offer" in Australian currency and cross them "**Not Negotiable**". Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the Application Form.
- H. Declaration**  
By completing the Application Form, the Applicant will be taken to have made to the Company the declarations and statements therein. The Application Form does not need to be signed.

If an Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept an Application Form, and how to construe, amend or complete it, shall be final. An Application Form will not however, be treated as having offered to subscribe for more Shares than is indicated by the amount of the accompanying cheque.

**Forward your completed application together with the application money to:**

**Resource Star Limited– General Offer**  
**C/- Computershare Investor Services Pty Ltd**  
**Level 3, 60 Carrington Street**  
**Sydney, NSW 2000**

### CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund