

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

RETAIL STAR LIMITED

ABN

71 098 238 585

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	*Class of *securities issued or to be issued	Fully Paid Ordinary Shares; November 2008 Listed Options; and Director Options	
2	Number of *securities issued or to be issued (if known) or maximum number which may be issued	Pre Consolidation	Post Consolidation
		129,511,049 Shares	7,618,297 Shares (Entitlement Issue per a Prospectus dated 4 July 2008)
		85,000,000 Shares	5,000,000 Shares (Share Placement subject to approval by Shareholders at General Meeting on 14 July 2008)
		64,755,524 Options	3,809,149 Options (Entitlement Issue per a Prospectus dated 4 July 2008)
		42,500,000 Options	2,500,000 Options (Share Placement subject to approval by Shareholders at General Meeting on 14 July 2008)
		11,900,000 Options	700,000 Director Options (Issue of Director Options subject to approval by Shareholders at General Meeting on 14 July 2008)

<p>3 Principal terms of the *securities (eg, if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion)</p>	<p>The Fully Paid Ordinary Shares will rank equally;</p> <p>The Listed Options are exercisable at \$0.25 and expire at 5.00pm (WST) on 30 November 2008; and</p> <p>Director Options are exercisable as follows:</p> <ul style="list-style-type: none"> (i) 300,000 Options are exercisable at \$0.30 and expire at 5.00pm (WST) on 31 December 2008; (ii) 200,000 Options are exercisable at \$0.35 and expire at 5.00pm (WST) on 31 December 2009; (iii) 200,000 Options are exercisable at \$0.40 and expire at 5.00pm (WST) on 31 December 2010
<p>4 Do the *securities rank equally in all respects from the date of allotment with an existing *class of quoted *securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Shares issued as a result of the exercise of all the Options will rank equally with existing Fully Paid Ordinary Shares on issue</p>
<p>5 Issue price or consideration</p>	<p>Issue price of the Shares will be \$0.20 per Share; and Options are free attaching</p> <p>The Director Options will be granted for nil consideration; accordingly no funds will be raised</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The funds raised from the Entitlement Issue will be used in the following areas:</p> <ul style="list-style-type: none"> (i) Evaluation and Exploration of Malawi and Australian Projects; (ii) To cover expenses of the issue; and (iii) Working capital <p>The funds raised from the Share Placement will be used for the purpose of the proposed budget of expenditure as set out in the Notice of General Meeting.</p>
<p>7 Dates of entering *securities into uncertificated holdings or despatch of certificates</p>	<p>To be advised</p>

	Number	*Class
8	Pre Consolidation	
	582,799,753	Ordinary Shares on Issue
	129,511,049	Ordinary Shares under the Entitlement Issue
	85,000,000	Ordinary Shares under the Share Placement
	64,755,524	November 2008 Options under the Entitlement Issue
	42,500,000	November 2008 Options under the Share Placement
	Post Consolidation	
	46,900,635	Ordinary Shares
	6,309,148	November 2008 Options

	Number	*Class
9	Pre Consolidation	
	1,333,334	Unlisted options exercisable at \$0.261 expiring on 15 December 2009
	3,300,000	Unlisted options exercisable at \$0.25 expiring on 15 December 2009
	1,333,334	Unlisted options exercisable at \$0.287 expiring on 15 December 2010
	1,333,332	Unlisted options exercisable at \$0.314 expiring on 15 December 2011
	20,000,000	Class A Performance Shares
	11,900,000	Director Options
	Post Consolidation	
	78,432	Unlisted options exercisable at \$4.437 expiring on 15 December 2009
	194,118	Unlisted options exercisable at \$4.25 expiring on 15 December 2009
	78,432	Unlisted options exercisable at \$4.879 expiring on 15 December 2010
	78,432	Unlisted options exercisable at \$5.338 expiring on 15 December 2011
	1,176,471	Class A Performance Shares
	700,000	Director Options

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged
----	--	-----------

Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 are not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other Securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Questions 35 to 42 not applicable

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

+ See chapter 19 for defined terms.

Signed:

Date: 11 July 2008

A handwritten signature in blue ink, appearing to read 'Simon Headon', written over a horizontal line.

Simon Headon
Company Secretary

=====