

7 December 2009

Team Leader – Geoscience Information
Minerals & Energy Titles Division
Department of Primary Industry, Fisheries and Mines
GPO Box 3000
DARWIN NT 0801

Subject: EL26219 – Nil Technical Report

Dear Sir / Madam,

Eastbourne Exploration Pty Ltd (Eastbourne), which holds EL26219, is 100% owned by Resource Star Limited (RSL).

This letter is to inform you that RSL has chosen to submit a 'nil technical report' for EL 26219, for reasons outlined in the attached application for 'variation of covenant'.

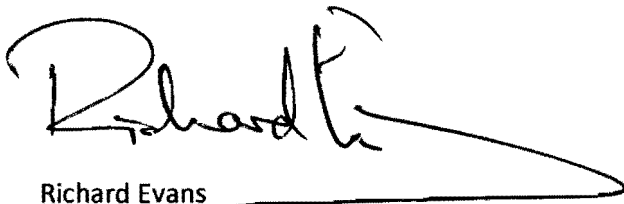
EL26219 is part of a group of granted leases and applications in the Edith River area which RSL considers its highest priority project in Australia, and the company was active in the area in 2008.

A comprehensive technical review was recently submitted for EL23569, which is part of this contiguous group of tenements, and provides RSL's current technical understanding and philosophy for the whole area.

I have recently taken over the role of CEO after the retirement of the previous Managing Director due to ill health. RSL will be moving towards recommencement of field activities as soon as possible during 2010. I will endeavour to make a visit to Darwin as soon as practicable to introduce myself to the relevant government offices and key service providers, and would be keen to update you of the company situation at that time.

Please contact me on the phone number above, should you require further clarification.

Regards,



Richard Evans

CEO – Resource Star Ltd

Email: richard.evans@resourcestar.com.au

Cc Tenement Administration Services

NORTHERN TERRITORY EXPLORATION EXPENDITURE FOR MINERAL TENEMENT

Section 1. Tenement type, number and operation name: (One licence only per form even if combined reporting has been approved)

Type	Exploration Licence
Number	EL26219
Operation Name (optional)	Edith River Project

Section 2. Period covered by this return:

Twelve-month period:		If Final Report:	
From	15.11.2008	From	
To	16.11.2009	To	
Covenant for the reporting period:		\$10,000	

Section 3. Give title of accompanying technical report:

Title of Technical Report	
Author	

Section 4. Locality of operation:

Geological Province	Pine Creek Geosyncline
Geographic Location	Edith River

Section 5. Work program for the next twelve months:

Activities proposed (please mark with an "X"):		<input type="checkbox"/> Drilling and/or costeaning
<input type="checkbox"/> Literature review		<input type="checkbox"/> Airborne geophysics
<input checked="" type="checkbox"/> Geological mapping		<input checked="" type="checkbox"/> Ground geophysics
<input checked="" type="checkbox"/> Rock/soil/stream sediment sampling		<input type="checkbox"/> Other:
Estimated Cost:		\$10,000

Section 6. Summary of operations and expenditure:

Please include salaries, wages, consultants fees, field expenses, fuel and transport, administration and overheads under the appropriate headings below. Mark the work done for the appropriate subsections with an "X" or similar, except where indicated. Complete the right-hand columns to indicate the data supplied with the Technical Report. Note overheads are not to exceed 15% of total.

Do not include the following as expenditure (if relevant, these may be discussed in Section 7):

- | | | |
|--------------------------|------------------|----------------------------------|
| • Insurance | • Transfer costs | • Land Access Compensation |
| • Company Prospectus | • Title Search | • Meetings with Land Councils |
| • Rent & Department Fees | • Legal costs | • Payments to Traditional Owners |
| • Bond | • Advertising | • Fines |

Exploration Work type	Work Done (mark with an "X" or provide details)	Expenditure	Data and Format Supplied in the Technical Report	
			Digital	Hard copy
Office Studies				
Literature search				
Database compilation				
Computer modelling				
Reprocessing of data	X			
General research	X			
Report preparation	X			
Other (specify)				
Subtotal		\$2,382		
Airborne Exploration Surveys (state line kms)				
Aeromagnetics	kms			
Radiometrics	kms			
Electromagnetics	kms			
Gravity	kms			
Digital terrain modelling	kms			
Other (specify)	kms			
Subtotal		\$		
Remote Sensing				
Aerial photography				
LANDSAT				
SPOT				
MSS				
Other (specify)				
Subtotal		\$		
Ground Exploration Surveys				
Geological Mapping				
Regional				
Reconnaissance				
Prospect				
Underground				
Costean				
Ground Geophysics				
Radiometrics				
Magnetics				
Gravity				
Digital terrain modelling				
Electromagnetics				
SP/AP/EP				
IP				
AMT/CSAMT				
Resistivity				
Complex resistivity				
Seismic reflection				
Seismic refraction				
Well logging				
Geophysical interpretation				
Petrophysics				
Other (specify)				

Geochemical Surveying and Geochronology			
(state number of samples)			
Drill (cuttings, core, etc.)			
Stream sediment			
Soil			
Rock chip			
Laterite			
Water			
Biogeochemistry			
Isotope			
Whole rock			
Mineral analysis			
Laboratory analysis (type)			
Petrology			
Other (specify)			
Ground Exploration Subtotal			\$
Drilling (state number of holes & metres)			
Diamond	holes	metres	
Reverse circulation (RC)	holes	metres	
Rotary air blast (RAB)	holes	metres	
Air-core	holes	metres	
Auger	holes	metres	
Other (specify)	holes	metres	
Subtotal			\$
Other Operations			
Costeaming/Trenching			
Bulk sampling			
Mill process testing			
Ore reserve estimation			
Underground development			
(describe)			
Mineral processing			
Other (specify)			
Subtotal			\$
Access and Rehabilitation			
Track maintenance			
Rehabilitation			
Monitoring			
Other (specify)			
Subtotal			\$
TOTAL EXPENDITURE			\$2,382

Section 7. Comments on your exploration activities:

EL26219 is part of a group of six granted leases and applications in the Woolgini – Edith River area that RSL considers its highest priority project in Australia, and the company was active in the area during 2008, but no material work has occurred on the ground during 2009.

Work on the Project has been held up due to resolution of tenement issues relating to the notification in October 2008 that a significant portion of a key tenement in the Project, EL23569, was aboriginal freehold land that had been inadvertently granted to Orion, more than 5 years prior; and due to company restructuring issues

All tasks through to and including the reconnaissance exploration phase on the Project have now been completed and the Exploration Management Plan for a drilling program has been submitted for approval. The total expenditure for whole project has been \$321,558.

I certify that the information contained herein, is a true statement of the operations carried out and the monies expended on the above mentioned tenement during the period specified as required under the *Northern Territory Mining Act* and the Regulations thereunder.

☐ I have attached the Technical Report

1. Name: Richard Evans

2. Name:

Position: CEO

Position:

Signature:



Signature:

Date: 7/12/09

Date: