



10 April 2014

Dear Shareholder

NON-RENOUCEABLE RIGHTS ISSUE

Resource Star Limited (**Resource Star** or **the Company**) has announced a non-renounceable entitlement issue on the basis of one (1) New Share for every one (1) Share held by shareholders at 5.00pm on the record date of 17 April 2014 at \$0.004 per New Share together with one (1) free attaching listed option for every two (2) New Shares issued with an exercise price of \$0.004 on or before 31 March 2016 (**Rights Issue**).

The Rights Issue will result in the issue of approximately 156,000,000 New Shares and 78,000,000 Listed Options and will raise approximately \$624,000 (before expenses).

Truestone Capital Limited has entered into an Underwriting Agreement with the Company to fully underwrite the Rights Issue. The Company will pay Truestone Capital Limited an underwriting fee of 6% of the total amount raised pursuant to the Rights Issue plus a \$5,000 initial fee.

The Rights Issue is being undertaken pursuant to a Prospectus that was lodged with the Australian Securities and Investments Commission on 08 April 2014. The Prospectus is available on the ASX website www.asx.com.au.

The timetable and important dates of the issue are set out below:

Lodgement of Prospectus with the ASIC	08 April 2014
Lodgement of Prospectus & Appendix 3B with ASX	08 April 2014
Notice sent to Shareholders	10 April 2014
Ex date	11 April 2014
Record Date for determining entitlements	17 April 2014
Prospectus despatched to Shareholders & Company announces despatch has been completed	28 April 2014
Closing Date	12 May 2014
Securities quoted on a deferred settlement basis	13 May 2014
ASX notified of under subscriptions	15 May 2014
Date securities are to be issued	20 May 2014

The Company reserves the right to extend the Closing Date, in accordance with the requirements of the ASX Listing Rules. If the dates in the above timetable change, the Company will make an announcement to the ASX.

The Company will use the funds raised under the Rights Issue for:

- Exploration work on Company Tenements;
- Identification of new opportunities; and
- General working capital purposes including paying creditors and meeting the costs of the Offer

In the event that circumstances change or other opportunities arise, the Directors reserve the right to vary the proposed use of funds to maximise benefits to Shareholders.

The capital structure of the Company on completion of the Rights Issue will be as follows:

Shares

	Number
Shares currently on issue	156,000,000
New Shares offered pursuant to the Rights Issue	156,000,000
Total New Shares on issue after completion of the Rights Issue	312,000,000

Options

	Number
Unlisted Options (exercise price \$0.004, expiry date 31 March 2016)	78,000,000
Total Options on issue after completion of the Rights Issue	78,000,000

The New Shares will rank equally with all fully paid ordinary shares in the capital of the Company already on issue.

In calculating entitlements under the entitlement issue fractions will be rounded up to the nearest whole number.

The Rights Issue is available to Resource Star shareholders registered on the record date of 17 April 2014 (**Record Date**) and who reside in Australia or New Zealand (**Eligible Shareholders**).

Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 28 April 2014. Entitlements will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

Eligible Shareholders may apply for Shares in addition to their pro rata entitlement under the Rights Issue.

Full detail of the issue will be contained in the Prospectus that will be mailed to all Shareholders who are registered on the record date. Shareholders eligible to participate should read the Prospectus carefully.



Eryn Kestel
Company Secretary