



RESOURCE STAR QUARTERLY REPORT TO 31 March 2014

Resource Star Limited (**Resource Star**, or **the Company**) (ASX: RSL) provides a report on its operational activities for the March 2014 quarter.

Introduction

The March 2014 quarter was again challenging for Resource Star and saw the resetting of the Company's priorities to ultimately aiming to restore value for the Shareholders.

The Company continued with disciplined and restraint cost cutting measures aimed at "right-sizing" the operations in line with the strategic focus. The monthly "burn" rate has been reduced through cutting out the Melbourne office following the centralisation of operations with the Company Secretary as well as the executive team waiving or cutting their remuneration to reflect the challenging market conditions currently facing the junior exploration section. This highlights the commitment to the Company and the belief in the current direction that the executive team is pursuing.

In order to strengthen finances; the Company continued discussions with a number of potential funding partners. As a result of these discussions; a Placement was successfully completed during the quarter raising \$100,135 which introduced a new funding partner and substantial Shareholder to the Company who is keen to continue the association.

Funding arrangements to strengthen the Balance Sheet and enable the Company to prepare for a suitable transaction include the current rights issue. The focus for a transaction remains in the energy sector, though likely outside of uranium, the historic focus of activity.

Given the likely cost of any transaction, shareholders would be expected to have the opportunity to approve such a transaction

Operations

The Company continued to remain under care and maintenance during the quarter with only the minimal activity being undertaken.

A review of the non-core tenements has been undertaken. A number of tenement rationalisations are being implemented. This rationalisation will result in savings in annual tenements rents as well as annual tenement expenditure commitments.

The Company reassessed its portfolio of tenements and identified that the Spinifex project as being the near-term priority for the Company.

Ilomba Hill Rare Earth Project – Malawi

No work has been undertaken; other than care and maintenance on EPL0264/08.

Spinifex Uranium Project

E80/3572 is currently under application for extension of term. Report and applications were submitted to Department of Mines.

Northern Territory Tenements

Work was restricted to project reviews to ensure minimum tenement expenditure commitments were being met. Currently all tenements in the Northern Territory are applications only; except for ELA25885 which lapsed during the quarter.

The Company has until 31 October 2014 to re-apply to the Northern Land Council for the granting of ELA25884 and ELA271749 at Edith River. There was no exploration expenditure on ELA25884 and ELA271749 during the quarter.

The Application For Consent Pursuant to Section 41(2)(b) and in accordance with Section 41(5) and 41(6) of the Aboriginal Land Rights in respect to Mt Celica Project ELA24414 is still being reviewed by the Northern Land Council.

Mining Tenements Held as at 31 March 2014**WESTERN AUSTRALIA**

Project	Tenement	Interest
Spinifex	E80/3572	Application for Extension

NORTHERN TERRITORY

Project	Tenement	Interest
Edith River Project	ELA25884	Application
	ELA27149	Application
	ELA28903	Application
Celia Prospect	ELA24414	Application
Woolgni Mine Area	MLA24342	Application

MALAWI (AFRICA)

Project	Tenement	Interest
Ilomba Hill	EPL0264/08	90%
Ulindi	EPLA	Application

Mining Tenements Acquired and Disposed during the March 2014 Quarter

ELA25885 – Edith River Northern Territory

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements during the March 2014 Quarter

Nil

Beneficial Percentage Interests Held in Farm-In or Farm-Out Agreements Acquired or Disposed of during the March 2014 Quarter

Nil

Corporate

As at 31 March 2014, Resource Star Limited had 1,451 shareholders and the Share capital position was as follows:

Category	ASX Code	Number on Issue
Issued Ordinary Shares	RSL	156,000,000
Unsecured Convertible Notes	-	500,000

Share data during the quarter under review is as follows:

- i. On 31 March 2014, Resource Star securities closed at a price of \$0.005 per Share;
- ii. The highest traded price of Resource Star securities in the quarter was \$0.008 (15 January 2014), the lowest traded price was \$0.03 per Shares (14 February 2014); and
- iii. 20,026,912 Shares were issued during the quarter at \$0.005 to raise a total of \$100,134.56 in a single Placement

On 14 March 2014, Resource Star released its Interim Financial Report for the period ended 31 December 2013. A copy of the Report can be downloaded from the Announcements section of the ASX's webpage (www.asx.com.au).

There were no changes to the Board structure during the quarter.

Subsequent Events

In April 2014; Resource Star announced a one (1) for one (1) non-renounceable Entitlement Offer at \$0.004 per share to raise up to \$624,000.

The Offer is fully underwritten.

Competent Person Statements

The information in this report that relates to Exploration Results is based on information prepared by Mr Charles Guy, who is a Member of The Australian Institute of Geoscientist. Mr Charles Guy is a consultant of the Company and has sufficient experience which is relevant to 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 Charles Guy 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.