

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, 24/10/2005.

Name of entity	Resource Star Limited
ACN	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; and Listed Options
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	156,000,000 Shares; and 78,000,000 March 2016 Listed Options
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)	Fully Paid Ordinary Shares rank equally; and One (1) free attaching Listed Option for every four (4) Shares issued, exercisable at \$0.004 on or before 31 March 2016
4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: <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 	Shares issued will rank equally with existing fully paid Ordinary Shares on issue; Shares issued upon the exercise of the Unlisted Options will rank equally with existing fully paid Ordinary Shares on issue; Listed Options will exist in a class of their own as there are no other Unlisted Options on issue
5	Issue price or consideration	\$0.004 per Share for a total consideration of \$624,000; and Listed Options are free attaching so no consideration will be raised from their issue

+ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>The Company will use the funds raised under the Rights Issue for:</p> <ul style="list-style-type: none"> • Exploration work on Company Tenements; • Identification of new opportunities; and • General working capital purposes including paying creditors and meeting the costs of the Offer 						
6a	<p>Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes						
6b	The date the security holder resolution under rule 7.1A was passed	At the Company's Annual General Meeting held on 29 November 2013						
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	Nil						
6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	Nil						
6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil						
6f	Number of securities issued under an exception in rule 7.2	156,000,000 Shares; and 78,000,000 Unlisted Options						
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A						
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<p><u>Remaining Issue Capacity under Rule 7.1</u> 23,769,051 Securities</p> <p><u>Remaining Issue Capacity under Rule 7.1A</u> 29,197,309 Shares</p>						
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	27 May 2014						
8	Current Number and ⁺ class of all ⁺ securities quoted on ASX	<table border="1"> <thead> <tr> <th data-bbox="917 1747 1061 1780">Number</th> <th data-bbox="1220 1747 1300 1780">Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="917 1780 1061 1814">312,000,000</td> <td data-bbox="1077 1780 1439 1814">Ordinary Shares</td> </tr> <tr> <td data-bbox="917 1814 1061 1848">78,000,000</td> <td data-bbox="1077 1814 1439 1863">March 2016 Listed Options exercisable at \$0.004 per Option</td> </tr> </tbody> </table>	Number	Class	312,000,000	Ordinary Shares	78,000,000	March 2016 Listed Options exercisable at \$0.004 per Option
Number	Class							
312,000,000	Ordinary Shares							
78,000,000	March 2016 Listed Options exercisable at \$0.004 per Option							

+ See chapter 19 for defined terms.

9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	Class	
		50,000	Unsecured Notes	Convertible

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not Applicable
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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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information

- 35 X If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 X If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 N/A A copy of any trust deed for the additional +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 and Securities issued on expiry or conversion of convertible securities

Questions 38 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.

+ See chapter 19 for defined terms.

- 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.

Sign here:



Date: 28 May 2014

Print name: **Eryn Kestel**
Company Secretary

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	121,439,754
Add the following: <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period 	164,800,000 5,733,334 -
Note: <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	N/A
“A”	291,973,088

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	43,795,963
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	20,026,912
“C”	20,026,912
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	43,795,963
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	20,026,912
Total [“A” x 0.15] – “C”	23,769,051 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	291,973,088
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	29,197,309
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	29,197,309
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	-
Total ["A" x 0.10] – "E"	29,197,309 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.