



RESOURCE STAR

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ASX: RSL

DRILLING COMMENCES AT LIVINGSTONIA URANIUM PROJECT

A percussion drilling rig has mobilised to site to commence drilling on the Livingstonia Uranium Project in Malawi, East Africa.

- This is the first drilling program since the recent maiden Inferred Mineral Resource Estimate (7.7Mt @ 270ppm U₃O₈, using a 150ppm cut-off) based on earlier work.
- ~1,500m of drilling is planned to test continuation of three identified trends of thickened, high grade or stacked zones of the sandstone-hosted uranium mineralisation; an interpreted possible fourth parallel zone; and, if timing of the current drill program permits, a potential extension to the south east.
- Uranium spot prices have increased by about 20% in recent months to more than US\$48/lb after a long period of stagnation. Contract prices are also reported to have reversed a long downward trend.

Resource Star Ltd (ASX: **RSL**) has commenced a drilling program on the Livingstonia Uranium Project in Malawi, East Africa. RSL is managing exploration in a Joint Venture to acquire an 80% interest in the Project from Globe Metals & Mining Ltd (ASX: GBE).

The drilling program is designed to test the continuity of the best zones of sandstone-hosted mineralisation defined in a recent Mineral Resource Estimate, both inside and outside the existing boundaries. A chemically reduced zone, with indications of large scale metal mobilisation, is also being targeted to the south of the main area of mineralisation.

The prime purpose of this program is to gain confidence in the geological interpretation, with a view to being able to better understand and target the thicker, higher grade zones apparent in the system to date. The goal of this is to be able to increase the grade of the defined Resource and to provide vectors to finding extensions to the system.

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Drill Targets

A series of three NW-trending zones of thickened and/or higher grade stacked mineralised horizons have been interpreted in previous drilling at Livingstonia. The validity of this interpretation, which is important to the future successful discovery of both tonnes and grade, is being tested by the current drilling program.

A further area, parallel to these trends, where significant thicknesses of pyritic alteration in the permeable host sequence (the 'potential reduced zone') could indicate the proximity of further strong mineralisation, will also be tested.

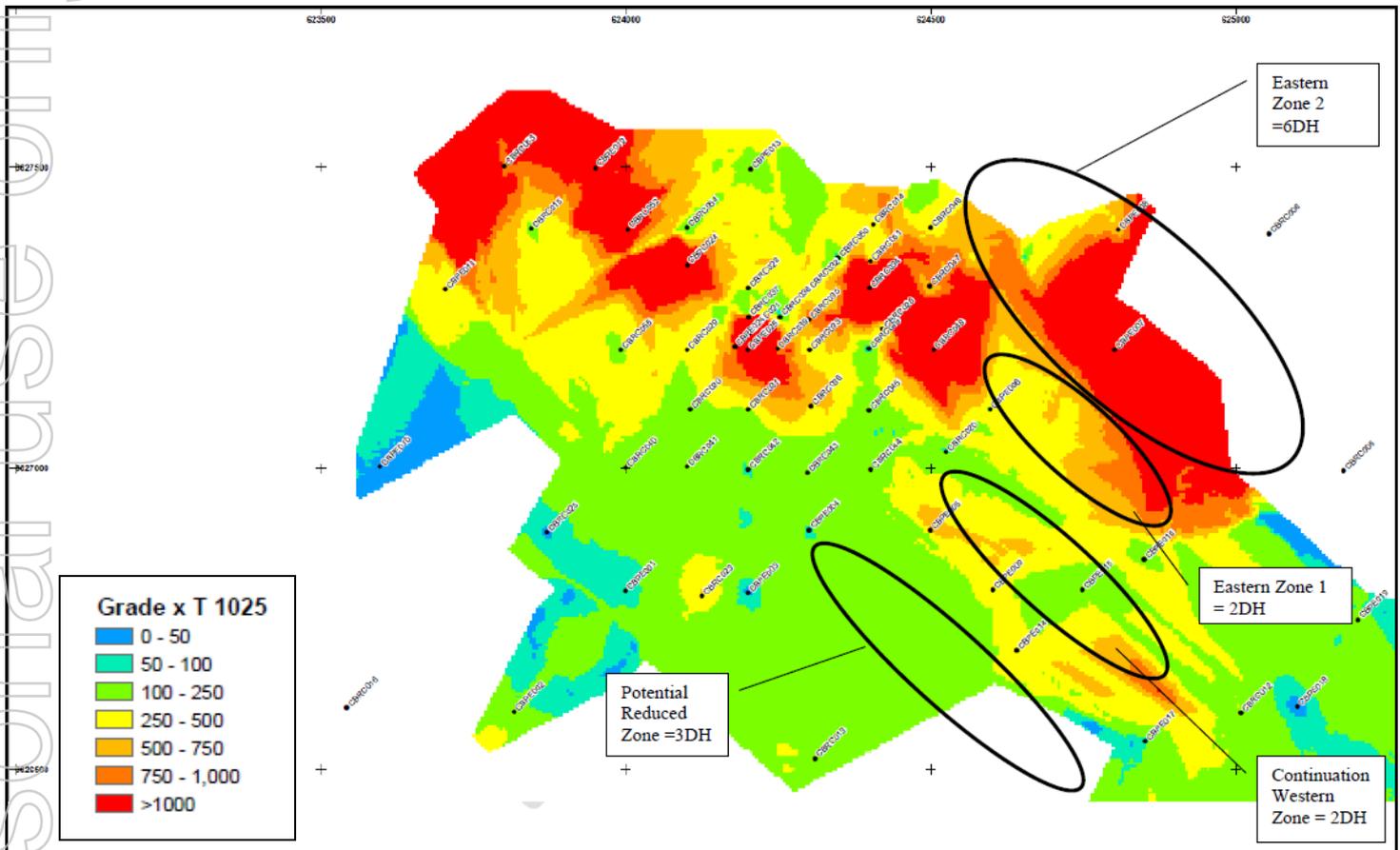


Figure 1: Livingstonia Mineral Resource grade x thickness (ppm*m) plot of the Chombe 1025 Horizon showing target areas for the current drilling program

Other areas, including the extension of the whole mineralising system to the southeast of the currently defined Resource, may also be tested if timing of the current drill program permits.

Background

The Livingstonia Uranium Project was discovered by Globe Metals & Mining ("Globe", ASX: GBE), and is a sandstone-hosted redox uranium project, similar to and hosted by an equivalent sedimentary basin to the nearby Kayelekera Uranium Mine recently brought into operation by Paladin, and Mantra's Mkuju River Project in neighbouring Tanzania. As announced to the ASX on 16 March, 2010, Resource Star and Globe signed a joint venture agreement to explore the Livingstonia Project, and Resource Star is earning up to 80% equity though project expenditure.

Since then an Inferred Mineral Resource at Livingstonia Uranium Project has been estimated at 7.7 million tonnes averaging 270 ppm U_3O_8 for a contained 4.6 million pounds of U_3O_8 , using a lower cut-off grade of 150 ppm U_3O_8 . The estimate was prepared by independent consultants CSA Global Pty Ltd and was reported in accordance with the JORC Code (2004) for reporting Mineral Resource estimates, and released on July 15th 2010.

ENDS

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About Resource Star Ltd

Resource Star Ltd is a publicly-listed Australian company (ASX: RSL) that has interests in uranium and uranium-associated exploration assets in the Northern Territory, Western Australia, Tasmania and Malawi.

The Company's main projects are the 100%-owned Edith River and Hayes Ck South Uranium Projects in the Northern Territory, and joint ventures with Globe Metals & Mining on the Machinga Niobium-Rare Earths Project and the Livingstonia Uranium Project in Malawi. Globe is managing the Machinga program, with input from Resource Star, and they are currently earning 20% equity through exploration expenditure. In a staged process Globe can earn up to 80% in the project by funding all activity up to and including a feasibility study.

About Globe Metals & Mining Ltd

Globe Metals & Mining is an African-focused resource company (ASX: GBE). Its main focus is the multi-commodity (niobium, uranium, tantalum and zircon) Kanyika Niobium Project in central Malawi. A Bankable Feasibility Study was commissioned in August 2009 and production is planned to commence in 2013 at a rate of 3,000tpa niobium metal, principally in the form of ferro-niobium.

Globe also has a number of other projects at an earlier stage of development: it is earning up to an 80% interest in the Machinga Rare Earth Project in southern Malawi from RSL, and can earn up to a 90% interest in the Mount Muambe Fluorite Project in Mozambique. Initial drill programs on both projects will be undertaken in mid-2010.

Competent Person Statements

The information in this report that relates to Exploration Results is based on information compiled by Mr Richard Evans, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Evans is an employee of the Company and has sufficient experience which is relevant to the 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 Evans 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, estimates or options, future events or results.