

October 20, 2009

A.B.N. 38 115 157 689

ASX/MEDIA RELEASE

FairStar Resources Limited (“the Company”) is pleased to advise that it has secured short term funding of \$2.5m to provide working capital and assist the Company with its exploration activities, including the proposed drilling program at its Mahendra’s Find tenements. The first tranche of \$1.8m has now been received by the Company.

The material terms of the agreement are as follows:-

Lender:	Ask Funding Ltd
Interest Rate:	19.95% per annum
Facility Fee:	\$65,000.00
Term of the Loan:	The loan is repayable no later than 31 st January, 2010

The loan is secured on the estimated amount receivable from the liquidation of Opes Prime Group Ltd. This amount is estimated at \$2,700,000.00 and is due to be paid by the liquidator in early 2010, whereby monies received under this facility will be repaid.

Alan Thomas
Company Secretary, on behalf
of the Board of FairStar Resources Limited