



ASX

Announcement

25th October 2011

BrightStar Resources Ltd
ABN 86 121 985 395

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BrightStar Resources Limited
is listed on the ASX with the
symbol:
Shares "BUT".
Options "BUTO"

Quarterly Activities Report For the Period Ended 30 September 2011

Highlights

- **New Gold System Discovered at Miyabi**
 - 12,000m shallow (<30m deep) RAB program completed during quarter as first pass exploration of geophysical and structural targets;
 - Extensive gold mineralised shear zones discovered;
 - **Latest results (previously unreported)** include:
 - 6m at 0.42g/t Au from 21m (eoh)
 - 11m at 0.46g/t Au from 12m (eoh)
 - 24m at 0.51g/t Au from 15m (eoh) (including 6m at 1.61g/t from 24m)
 - 6m at 0.93g/t Au from 9m
 - Previously reported results include:
 - 9m at 1.82g/t Au from 21m (eoh)
 - 6m at 1.14g/t Au from 18m
 - 9m at 0.89g/t Au from 18m (eoh)
 - 7m at 0.64g/t Au from 18m (eoh)
 - 1m at 6.08g/t Au from 24m (eoh)
 - 18m at 0.99g/t Au from 0m
 - 11m at 0.46g/t Au from 12m (eoh)
 - 24m at 0.51g/t Au from 15m (eoh)
 - 6m at 0.93g/t Au from 9m
 - All drilling in shallow, possibly depleted oxide zone with many holes ending in gold mineralisation
 - Confirmed the potential to expand existing 520,000oz Mineral Resource;
 - RC rig mobilised to commence deep testing for higher grade gold in fresh rock beneath better RAB intersections
 - Community assistance programs continued;
 - BrightStar earning up to 75% by funding exploration and BFS.
- **Kitongo Project**
 - Negotiations continued with government officials, including meetings with the Minister for Energy and Minerals, to remove illegal miners;
- **Discussions on further project acquisitions**
- **Cash reserves of \$2.4 million**

Miyabi Gold Project (BrightStar earning 75%)

- 520,000oz gold resource with most drilling to <100m vertical depth
- Exciting exploration targets defined by sparse drilling and strong geophysics
- 252km² of contiguous tenements
- BrightStar to earn up to 75% from African Eagle Resources plc by sole funding exploration and BFS

The Miyabi Project is located approximately 200km southwest of Mwanza in the Lake Victoria Goldfields of Tanzania. It is approximately 60km west of African Barrick Gold's operating Buzwagi mine, and approximately 30km south of Resolute Mining Limited's Nyakafuru project. The Project is some 150km southwest of BrightStar's Kitongo Gold Project. The location of Miyabi and other BrightStar properties is shown in Figure 1.

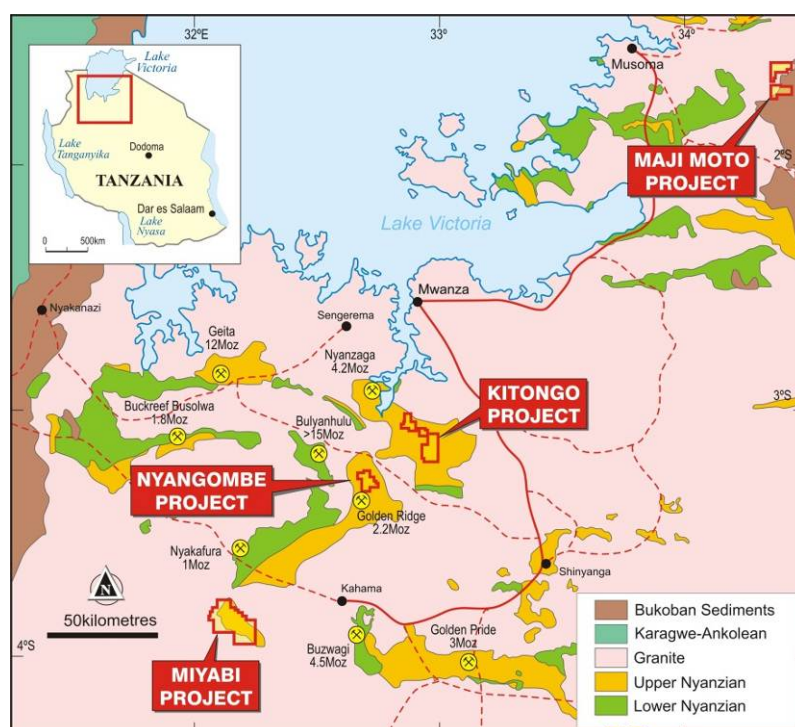


Figure 1: Location of BrightStar Projects

Exploration at the project has been carried out by UK based African Eagle Resources plc since 1999 and led to the discovery of a mineralized shear zone system termed the Miyabi Structural Corridor. Subsequent drilling led to the delineation of Mineral Resources at four main deposits.

The current Indicated and Inferred mineral Resource at the project is 12.4Mt at 1.3g/t Au for 520,000oz. The deposits, main prospects and planned drilling are shown in Figure 2.

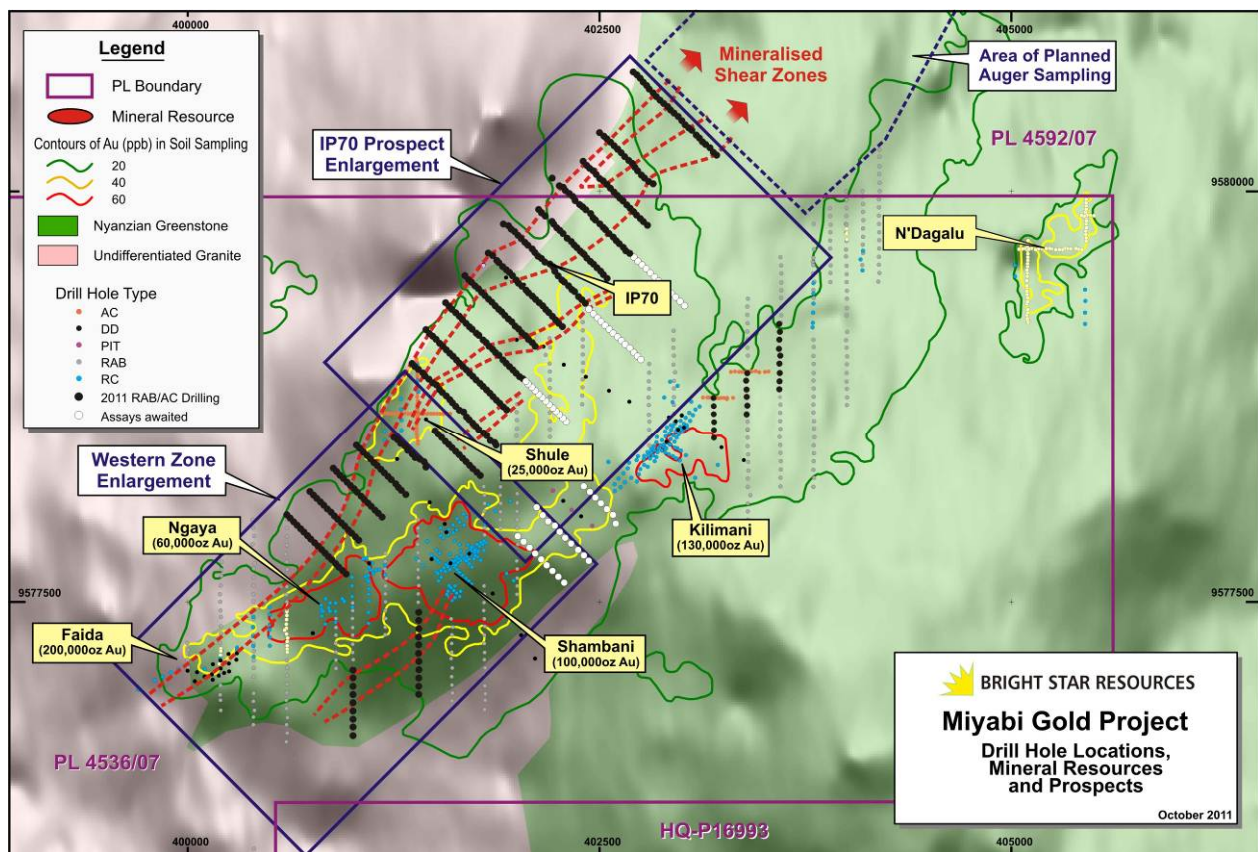


Figure 2: Miyabi Structural Corridor Deposits, Prospects and Brightstar Drilling

Miyabi September Quarter Activities

- Extensive gold mineralised shear zones discovered with multiple high priority targets requiring follow-up drilling;
- 281 holes for 7,928 metres of RAB drilling completed;
- Auger sampling program commenced;
- Full field crew recruited and deployed at site.

The RAB drilling program which commenced at Miyabi in June was completed successfully. During the quarter a total of 281 holes for 7,928m were completed. The total program comprised 445 holes for 12,013m with the majority of holes testing the highly prospective granite/greenstone contact zone.

Extensive zones of gold mineralisation have been discovered in the granite/greenstone contact area, which was the conceptual target of the program. Much of the area is now known to be covered with a blanket of barren laterite and ferricrete to a typical depth of 10m. Beneath the laterite, rocks have been deeply weathered and leached with likely depletion of gold. The RAB holes were typically 25m-30m in depth and many of the holes intersected broad zones of moderate gold mineralisation to the end of the hole which suggests that a strong system could be present in the unweathered rock beneath the leached oxide zone. Deeper RC drilling has commenced to test for higher grade mineralisation beneath the best RAB intersections. The better results from the RAB drilling are shown in Figure 1 and Figure 2.

Results have now been received from around 80% of holes drilled. The mineralised intervals from the program are detailed in Appendix 1.

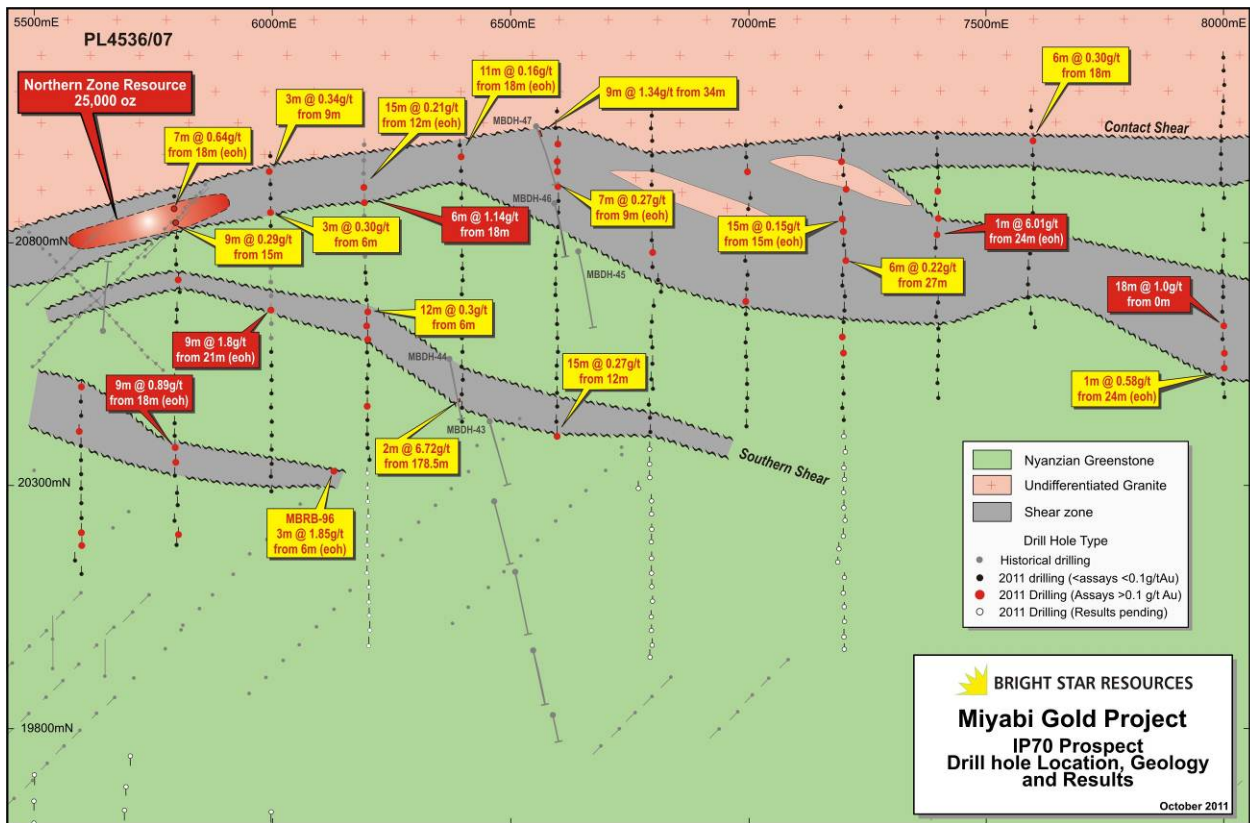


Figure 1: RAB Drilling Results and Geology IP70 Prospect

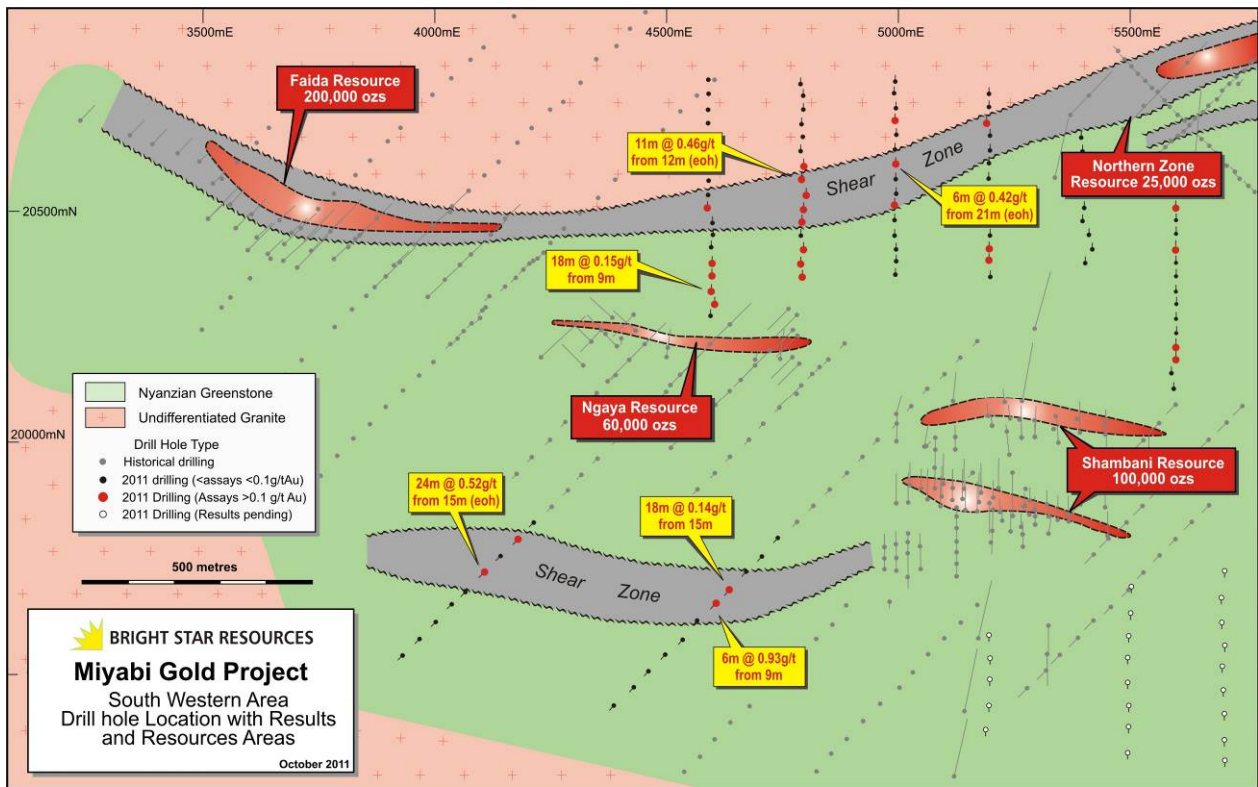


Figure 2: RAB Drilling Results and Geology South West Area



BrightStar Exploration team



RAB Drilling at Miyabi



Auger sampling



Reviewing drill core

An RC drilling program has been designed to follow-up the better RAB intersections. The program comprises 26 holes for 2,000m and commenced on 18 October. Results from the program are expected in early December.

The mineralised shear zones remain strongly open to the north east where previous exploration is limited to soil geochemistry. The geological knowledge gained from the RAB drilling at the IP70 Prospect suggests that the soil geochemistry will be ineffective due to the presence of transported alluvial soil. BrightStar has commenced an auger sampling program as first pass testing of this highly prospective area.

Joint Venture Agreement

The key terms of the Miyabi joint venture are summarised as follows:

- BrightStar to spend US\$3.0 million by 24 October 2013 (30 months) to earn a 50% interest in the Miyabi Project (Phase 1 of the Earning Period). A minimum expenditure of US\$1.0 million is required by 24 April 2012.
- BrightStar may elect to earn a further 25% interest by completing a Feasibility Study for the Project (Phase 2 of the Earning Period).
- A royalty of 1.5% of gross revenue is payable to local Tanzanian interests which were the original holders of the Prospecting Licences.

Mineral Resources

A summary of the SRK Mineral Resource estimate at a 0.5g/t Au cut-off is shown below.

Miyabi Mineral Resource Estimate 0.5g/t Au Cut-off (SRK Estimate 2006)

Deposit	Indicated			Inferred			Total Resource		
	Mt	g/t	Moz	Mt	g/t	Moz	Mt	g/t	Moz
Faida	3.5	1.5	0.17	1.0	0.9	0.03	4.4	1.4	0.20
Ngaya	0.2	1.0	0.01	1.5	1.1	0.05	1.7	1.1	0.06
Shambani	1.6	1.5	0.07	0.8	1.1	0.03	2.4	1.3	0.10
Kilimani	2.6	1.4	0.12	0.3	1.6	0.01	2.9	1.4	0.13
Northern Zone				1.0	0.8	0.02	1.0	0.8	0.02
Total	7.9	1.5	0.37	4.5	1.0	0.15	12.4	1.3	0.52

*Rounding errors may occur

Kitongo Gold Project (100% BrightStar)

- 290,000oz gold resource with excellent potential for depth and strike extensions
- High grade prospects defined by RC and RAB drilling
- Exciting regional exploration opportunities
- Work programs currently prevented by the presence of illegal miners

The Kitongo Project is located in the Lake Victoria Goldfields region of Tanzania, 90km south of the mining service centre of Mwanza. The Location of Kitongo and other BrightStar properties is shown in Figure 1.

Since acquiring the Project, BrightStar has completed extensive data assessment including in-country verification of earlier drilling, review of original logs, RC chips, assay data and survey records. This has increased confidence in both the database and the Mineral Resource estimate for the Main Zone deposit.

Compelling drill targets have been identified at the project the partially tested extensions to the 290,000 ounce Main Zone deposit. The geology, prospects and drilling at the deposit are shown in Figure 2.

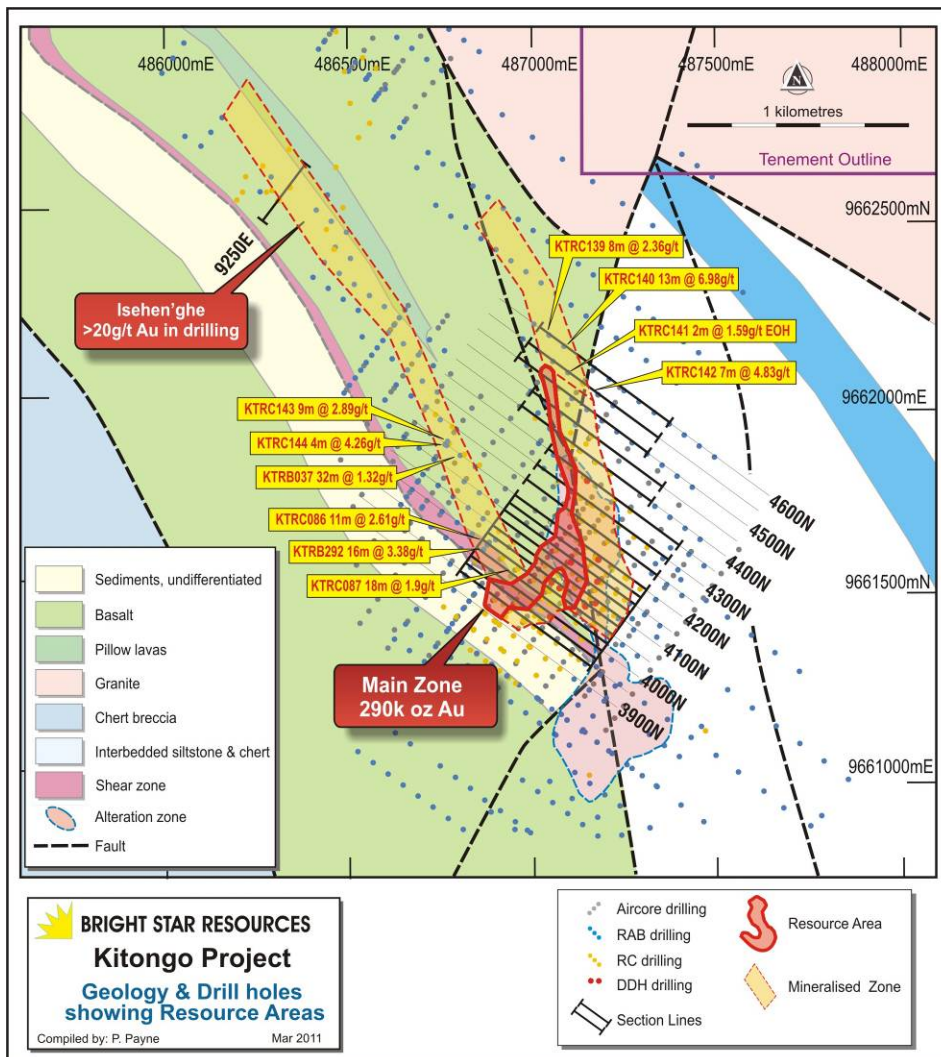


Figure 2: Kitongo Main Zone and Prospects

Current Status

BrightStar has signed a contract with Layne Drilling to provide a rig for a preliminary 3,000m RC program. The main targets are the Main Zone resource extensions and a limited number of holes testing the Kitongo Hill prospect.

The timing of commencement of drilling is not clear at the moment as the site is currently inhabited by a number of illegal miners. Officials from the Department of Energy and Minerals have been providing assistance in the removal of the illegal miners.

BrightStar directors recently met the Minister for Energy and Minerals and Energy who has promised to assist in the process of providing access to the project. BrightStar is confident that the Minister will intervene uphold the Company's legal right of tenure to the project.

Mineral Resources

A summary of the 2006 Hellman and Schofield Mineral Resource estimate at a 1.0g/t Au cut-off is shown below.

Kitongo Gold Project Inferred Mineral Resource 1.0g/t Au Cut-off

Type	Kt	Au g/t	Koz
Laterite	400	2.1	25
Highly Oxidised	2,400	2.2	170
Moderately Oxidised	400	2.0	26
Fresh	1,200	1.7	66
Total	4,400	2.0	290

*Rounding errors may occur

Miclere Gold Project, Queensland (100% BrightStar)

The Miclere Project is located approximately 30km northwest of Clermont in Central Queensland. It is centred on the historic Miclere, Black Ridge and Springs Goldfields from which some 100,000 ounces of gold has been previously mined. The Miclere Project consists of 17 granted Mining Leases (ML) and two Exploration Permits for Minerals (EPM).

There is demonstrated potential for large scale placer type gold mineralisation at the project. The Project is also considered prospective for hard rock gold and base metal mineralisation. BrightStar plans to divest the project to concentrate on its more advanced gold projects in Tanzania.

A review and compilation of available data is underway as the first stage of the project evaluation.

Competent Person Statement

The information in this report that relates to Mineral Resources and exploration results is based on information compiled by Mr Paul Payne, a director and full time employee of BrightStar and a Member of The Australasian Institute of Mining and Metallurgy. Mr Payne 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 Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 1: List of All Intersections > 0.1g/t Au

(Intersections shaded in grey have been previously reported)

Collar Location and Orientation (local grid)								Intersection > 0.1ppm Au			
Hole	Type	X	Y	Z	Total Depth	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
MBRB478	RAB	5,600	20,176	1,201	33	-60	0	6	9	3	0.25
MBRB479	RAB	5,600	20,206	1,200	30	-60	0	18	21	3	0.11
							and	27	30 (eoh)	3	0.22
MBRB486	RAB	5,599	20,415	1,200	23	-60	0	21	23 (eoh)	2	0.27
MBRB489	RAB	5,600	20,506	1,204	25	-60	0	0	3	3	0.21
MBRB491	RAB	5,999	20,317	1,200	33	-60	0	15	18	3	0.14
MBRB503	RAB	6,000	20,663	1,198	30	-60	0	21	30 (eoh)	9	1.82
MBRB510	RAB	6,000	20,865	1,200	27	-60	0	6	9	3	0.30
MBRB513	RAB	5,998	20,949	1,195	25	-60	0	9	12	3	0.34
MBRB519	RAB	6,200	20,463	1,196	33	-60	0	18	21	3	0.23
MBRB524	RAB	6,202	20,610	1,197	27	-60	0	3	9	6	0.13
MBRB526	RAB	6,202	20,667	1,196	24	-60	0	6	18	12	0.32
MBRB534	RAB	6,200	20,895	1,195	30	-60	0	18	24	6	1.14
							including	21	24	3	2.11
MBRB535	RAB	6,200	20,926	1194	27	-60	0	12	27 (eoh)	15	0.21
MBRB558	RAB	6,400	20,989	1190	29	-60	0	18	29 (eoh)	11	0.16
MBRB561	RAB	6,600	20,408	1186	30	-60	0	12	27	15	0.27
MBRB579	RAB	6,601	20,923	1187	16	-60	0	9	16 (eoh)	7	0.27
MBRB593	RAB	6,802	20,790	1179	27	-60	0	21	24	3	0.10
MBRB602	RAB	7,001	20,958	1170	21	-60	0	15	18	3	0.15
MBRB610	RAB	7,202	20,574	1175	27	-60	0	18	21	3	0.22
MBRB611	RAB	7,199	20,608	1175	29	-60	0	6	9	3	0.17
MBRB617	RAB	7,198	20,979	1171	21	-60	0	12	15	3	0.18
MBRB625	RAB	6,601	20,955	1190	27	-60	0	3	6	3	0.20
							and	21	24	3	0.12
MBRB626	RAB	6,601	20,975	1190	22	-60	0	21	22 (eoh)	1	0.27
MBRB627	RAB	6,605	21,012	1190	30	-60	0	24	30 (eoh)	6	0.12
MBRB628	RAB	6,597	21,043	1190	31	-60	0	18	27	9	0.16
MBRB636	RAB	5,798	20,349	1217	27	-60	0	18	27 (eoh)	6	0.13
MBRB637	RAB	5,797	20,378	1217	27	-60	0	18	27 (eoh)	9	0.89
							including	24	27 (eoh)	3	1.76
MBRB649	RAB	5,801	20,722	1217	25	-60	0	18	21	3	0.12
MBRB653	RAB	5,797	20,839	1217	25	-60	0	15	24	9	0.29
MBRB654	RAB	5,794	20,868	1217	25	-60	0	18	25 (eoh)	7	0.64
MBRB668	RAB	7,402	20,826	1168	25	-60	0	24	25 (eoh)	1	6.08
MBRB669	RAB	7,402	20,858	1167	25	-60	0	0	3	3	0.16
MBRB671	RAB	7,400	20,916	1167	25	-60	0	0	3	3	0.15
							and	24	25 (eoh)	1	0.23
MBRB688	RAB	7,600	20,838	1170	25	-60	0	24	25 (eoh)	1	0.10
MBRB694	RAB	7,600	21,023	1170	25	-60	0	18	24	6	0.30
MBRB699	RAB	8,003	20,542	1165	25	-60	0	12	15	3	0.12
							and	24	25 (eoh)	1	0.58
MBRB700	RAB	8,001	20,574	1165	25	-60	0	15	18	3	0.18
MBRB702	RAB	8,001	20,629	1165	25	-60	0	0	18	18	0.99
							including	0	6	6	2.56

MBRB733	RAB	5198	20391	1215	27	-60	315	15	18	3	0.14
MBRB734	RAB	5198	20417	1215	25	-60	315	15	18	3	0.12
MBRB743	RAB	5195	20687	1215	25	-60	315	0	3	3	0.28
MBRB752	RAB	4999	20535	1215	27	-60	315	21	27 (eoh)	6	0.12
MBRB755	RAB	4998	20629	1215	27	-60	315	21	27 (eoh)	6	0.42
MBRB757	RAB	4998	20690	1215	23	-60	315	6	9	3	0.13
MBRB761	RAB	4798	20359	1207	26	-60	315	3	6	3	0.30
							and	15	18	3	0.14
MBRB762	RAB	4796	20386	1207	27	-60	315	18	21	3	0.14
MBRB763	RAB	4801	20417	1207	27	-60	315	6	9	3	0.12
MBRB765	RAB	4797	20475	1207	27	-60	315	18	21	3	0.12
MBRB766	RAB	4801	20504	1207	27	-60	315	15	24	9	0.10
MBRB767	RAB	4807	20533	1207	30	-60	315	24	27	3	0.16
MBRB768	RAB	4798	20569	1207	23	-60	315	12	23 (eoh)	11	0.46
MBRB769	RAB	4803	20594	1207	27	-60	315	6	9	3	0.20
MBRB777	RAB	4609	20302	1205	31	-60	315	9	27	18	0.15
MBRB778	RAB	4603	20328	1205	33	-60	315	30	33 (eoh)	3	0.13
MBRB779	RAB	4605	20361	1205	33	-60	315	3	6	3	0.14
MBRB780	RAB	4606	20388	1205	30	-60	315	3	6	3	0.17
							and	21	24	3	0.13
MBRB784	RAB	4597	20506	1205	37	-60	315	24	33	9	0.14
MBRB795	RAB	4114	19722	1198	39	-60	180	15	39 (eoh)	24	0.51
							including	24	30	6	1.61
MBAC176	AC	7,001	20,682	1176	33	-60	0	27	30	3	0.15
MBAC182	AC	7,207	20,773	1172	36	-60	0	18	21	3	0.11
MBAC182	AC	7,207	20,773	1172	36	-60	0	27	33	6	0.22
MBAC184	AC	7,203	20,836	1172	30	-60	0	15	30 (eoh)	15	0.15
MBAC185	AC	7,199	20,859	1172	24	-60	0	12	15	3	0.12
MBAC187	AC	7,207	20,923	1172	25	-60	0	6	9	3	0.19
							and	13	16	3	0.26
MBAC188	AC	4185	19792	1198	39	-60	180	18	21	3	0.10
MBAC197	AC	4640	19684	1198	36	-60	180	15	33	18	0.14
MBAC198	AC	4609	19654	1198	34	-60	180	9	15	6	0.93

(eoh) indicates that the hole ended in gold mineralisation

- Most samples analysed in 3m composites
- Sampling carried out using a cyclone and riffle splitter at 1m intervals
- Sample preparation at ALS Global in Mwanza, Tanzania
- Gold analysis using 50g aqua regia carried out by OMAC Laboratories in Ireland
- QAQC samples submitted routinely with excellent results
- Holes located by GPS then transformed to local grid coordinates
- Intersections are generally interpreted to represent true width. Where holes ended in mineralisation, true thickness may be greater than the intersection thickness.

Appendix 5B

MINING EXPLORATION ENTITY QUARTERLY REPORT

Name of entity

BRIGHT STAR RESOURCES LIMITED

ABN

86 121 985 395

Quarter ended ("current quarter")

30 September 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current Qtr \$A'000	Year to Date (3 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for: (a) exploration and evaluation (b) development (c) production (d) administration	(571)	(571)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	33	33
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(780)	(780)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(7)	(7)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	20	20
1.10 Loans to/from other entities		
1.11 Loans repaid by other entities		
1.12 Other	500	500
Net Investing Cash Flows	513	513
1.13 Total operating and investing cash flows (carried forward)	(267)	(267)

1.13 Total operating and investing cash flows (brought forward)	(267)	(267)
Cash flows related to financing activities		
1.14 Proceeds from the issue of shares, options, etc.		
1.15 Proceeds from the sale of forfeited shares		
1.16 Proceeds from loans		
1.17 Repayment of loans		
1.18 Dividends paid		
1.19 Other – Share issue expenses - Cash inflow from acquisition of subsidiary		
Net financing cash flows		
Net increase (decrease) in cash held	(267)	(267)
1.20 Cash at beginning of quarter/year to date	2,710	2,710
1.21 Exchange rate adjustments to item 1.20		
1.22 Cash at end of quarter	2,443	2,443

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current Qtr \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	163
1.24 Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Consultancy fees (82), Directors fees (39), Superannuation (6) & wages (36)

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

--

Financing facilities available

Add notes as necessary for an understanding of the position

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities – provided by Directors		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	
4.3 Production	
4.4 Administration	250
Total	650

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to related items in the accounts as follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	56	
5.2 Deposits at call	387	1,210
5.3 Bank Overdraft		
5.4 Other (provide details) – Term Deposit	2,000	1,500
Total: cash at end of quarter (Item 1.22)	2,443	2,710

Changes in interests in mining tenements

Tenement Reference	Nature of interest (note (2))	Interest at Beginning of Quarter	Interest at End of Quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2 Interests in mining tenements acquired or increased	Nil		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Number Issued	Number quoted	Issue price per security	Amount paid up per security
7.1 Preference securities (description)				
7.2 Issued during Quarter				
7.3 Ordinary securities	182,095,171	182,095,171		
7.4 Issued during Quarter				
7.5 Convertible debt securities (description)				
7.6 Issued during quarter				
7.7 Options (description)	2,850,000 8,000,000 12,000,000 21,700,000 5,000,000 2,500,000	21,700,000	\$0.30 \$0.10 \$0.10 \$0.10 \$0.27 \$0.27	24 Sept 12 22 Mar 14 4 Oct 14 7 Oct 12 18 Mar 15 31 May 15
7.8 Issued during Quarter				
7.9 Exercised during Quarter				
7.10 Expired during Quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

Compliance Statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
2. This statement does give a true and fair view of the matters disclosed.

Sign here:

Geoffrey Gilmour
Managing Director

Date: 24 October 2011

Notes

1. The quarterly report is to provide a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. Any entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The "Nature of Interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
3. **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
4. The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
5. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.
