



RESOURCE STAR LIMITED

ACN 098 238 585

NOTICE OF 2012 ANNUAL GENERAL MEETING

TIME: 11.30am (AWST)

DATE: 27 November 2012

PLACE: The Boardroom
Nissen Kestel Harford
Level 2, Spectrum
100 Railway Road
SUBIACO WA 6008

The Annual Report is now available on the Company's website via the following link:

<http://www.resourcestar.com.au/>

This is an important document. If you are in any doubt as to how to act, you should consult your financial or legal adviser as soon as possible.

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at

- 11.30am (AWST) on Tuesday, 27 November 2012
- Level 2 Spectrum, 100 Railway Road, SUBIACO, WA

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form:

- post to Nissen Kestel Harford, PO Box 8281, Subiaco WA 6008;
- facsimile to Nissen Kestel Harford on facsimile number 08 9367 8812 (within Australia) and +61 8 9367 8812 (outside of Australia)

so that it is received not later than 11.30am (AWST) on Sunday, 25 November 2012.

Proxy Forms received later than this time will be invalid.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5.00pm (AWST) on Sunday 25 November 2012.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2012 Annual General Meeting of Resource Star Limited will be held at 11.30am (AWST) on Tuesday, 27 November 2012 at Level 2 Spectrum, 100 Railway Road, Subiaco, WA.

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice of Meeting.

Terms and abbreviations used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

Adoption of Annual Financial Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2012, which includes the Financials, the Directors' and Auditor's Reports.

1. Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2012."

VOTING EXCLUSION STATEMENT: In accordance with Section 250R of the Corporations Act, a vote on Resolution 1 must not be cast by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, a vote may be cast by such person if:

- (a) That person is acting as proxy, the proxy form specifies how the proxy is to vote and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) The person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

2. Re-election of Mr Andrew Bell as Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, in accordance with clause 13.2 of the Company's Constitution and for all other purposes, Mr Andrew Bell, who retires by rotation in accordance with the Company's Constitution, offers himself for re-election and is hereby re-elected as a Director of the Company."

SPECIAL BUSINESS

3. Approval of 10% Placement Facility

To consider, and if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

"That, pursuant to and in accordance with Rule 7.1A of the Listing Rule of ASX Limited and for all other purposes, approval is given for the Company to allot and issue Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Rule 7.1A.2 of the Listing Rules for the purposes and on the terms set out in the Explanatory Statement accompanying this Notice."

Approval of a Special Resolution requires not less than 75% of votes of the Shareholders present in person or by proxy

VOTING EXCLUSION STATEMENT: The Company will disregard any votes cast on this Resolution by any person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who may obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, the Company need not disregard a vote if:

- (a) It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) It is cast by the Chairman as proxy for a person who is entitled to vote in accordance with a direction on the Proxy Form to vote as the proxy decides.

General Business

To consider any other business that may be brought forward in accordance with the Constitution of the Company.

By Order of the Board



Eryn Kestel
Company Secretary
16 October 2012

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of the Resource Star Limited Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11.30am (AWST) on Tuesday, 27 November 2012 at Level 2 Spectrum, 100 Railway Road, Subiaco, WA.

The purpose of this Explanatory Memorandum is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

ANNUAL FINANCIAL REPORT

The first agenda item is to receive the Annual Report of the Company for the year ended 30 June 2012, comprising the Financial Reports, Directors' Report and Independent Auditor's Report.

There is no requirement for Shareholders to approve the Annual Report of the Company for the year ended 30 June 2012.

However, Shareholders present at the Annual General Meeting will be able to:

- (a) Ask the Directors' present questions or make comment on the management of the Company; and
- (b) Ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

Shareholders who are unable to attend the Annual General Meeting but would still like to ask questions in relation to the Annual Report of the Company for the year ended 30 June 2012 can submit written questions to the Chairman about the management of the Company, or to the Company's Auditor about:

- (a) The preparation and the content of the Auditor's Report;
- (b) The conduct of the 2012 audit;
- (c) Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) The independence of the Auditor in relation to the conduct of the 2012 audit

The questions will need to be submitted no later than five (5) business days before the Annual General Meeting to the Company Secretary at the Company's Registered Office.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with Section 250R(2) of the Corporations Act at a listed company's Annual General Meeting, the Board is required to table the Company's Remuneration Report to Shareholders for consideration and adoption.

The Directors' Report contains the Remuneration Report which sets out the remuneration policy of the Company and reports the current remuneration arrangements in place for the Non-Executive Directors, Managing Director and Senior Management.

Section 250R(3) of the Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company to the outcome passed. A failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

The Director and Executive Remuneration Act which came into effect on 1 July 2011 provides Shareholders with the opportunity to remove the Board under the two strike rules.

Under the Two Strike Rule, where at least 25% of votes are cast against adoption of the Remuneration Report at two (2) consecutive Annual General Meetings, a “board spill resolution” needs to put to the Shareholders at another meeting held within 90 days to consider replacing all the current Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors’ Report.

The 2011 Remuneration Report tabled at the Resource Star Limited 2011 Annual General Meeting **DID NOT** receive a “no” vote of 25% or more.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1.

The Board of Directors unanimously recommends that Shareholders vote in favour of Resolution 1.

RESOLUTION 2 – RE-ELECTION OF MR ANDREW BELL AS DIRECTOR

In accordance with ASX Listing Rule 14.4 and the Company’s Constitution, Directors must retire after the third AGM since they were last elected. Clause 13.2 of the Company’ Constitution states that at the Company’s Annual General Meeting one third of the Directors for the time being shall retire from office.

Mr Andrew Bell retires by rotation in accordance with Clause 13.2 of the Constitution and being eligible for re-election, offers himself for re-election as a Director.

Mr Bell is a Lawyer with a Master in Arts and was appointed to the Board and as Chairman on 6 August 2007. Mr Bell is a former Mining Analyst, Fund Manager, and Investment Banker and is Chairman of Regency Mines PLC and of Red Rock Resources PLC, both companies listed on the AIM market of the London Stock Exchange.

RESOLUTION 3 – APPROVAL OF 10% PLACEMENT FACILITY

ASX Listing Rule 7.1A enable eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company’s 15% placement capacity under ASX Listing Rule 7.1.

The effect of Resolution 3 is that the Directors of Resource Star Limited can issue Equity Securities under Listing Rule 7.1A over a twelve (12) month period between 27 November 2012 and 27 November 2013 without using or in addition to the Company’s 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Resource Star Limited is an eligible entity.

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a Special Resolution at the Company’s Annual General Meeting. A Special Resolution requires approval of 75% of the votes cast by Shareholders present and eligible to vote in person or by proxy.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 as explained below.

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one (1) class of quoted Equity Security – Shares.

Formula for calculating the 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the twelve (12) month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(AxD)-E$$

A is the number of shares on issue 12 months before the date of issue:

1. Plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
2. Plus the number of partly paid shares that became fully paid shares in the 12 months;
3. Plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
4. Less the number of fully paid shares cancelled in the 12 months

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the twelve (12) months before the date of the issue of agreement to issue that are not issued with the approval of Shareholders under listing rule 7.1 or 7.4.

Number of Shares that can be issued under 10% Placement Facility

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement facility under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 113,856,414 Shares and therefore has a capacity to issue:

- (a) 17,078,462 Equity Securities per the Company's 15% placement facility under Listing Rule 7.1;
- (b) 11,385,641 Equity Securities per the Company's 10% additional placement facility under Listing Rule 7.1A; subject to Shareholder approval being sought in Resolution 3; and
- (c) Up to 28,464,103 Equity Securities in total combining the potential Placements under the 15% facility of Listing Rule 7.1 and the 10% facility of Listing Rule 7.1A

The Share number provided in point (b) above is at the date of this Notice but under Listing Rule 7.1A the Company has the ability to issue the Shares under the 10% Placement Facility anytime between 27 November 2012 and 27 November 2013; so the actual number of Equity Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the above formula.

Price of Shares issued under the 10% Placement Facility

The issue price of the Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the fifteen (15) Trading Days immediately before:

- (a) The date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) If the Equity Securities are not issued within five (5) Trading Days of the date mentioned in point (a) above, the date on which the Equity Securities are issued.

10% Placement Period

Shareholder approval in relation to the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained – 27 November 2012 and expires on the earlier to occur of:

- (a) The date that is 12 months after the date of the Annual General Meeting at which the approval is obtained – 27 November 2013; or
- (b) The date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking)

The following information is provided to Shareholders in accordance with ASX Listing Rule 7.3A to assess the merits of the Resolution:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the fifteen (15) Trading Days immediately before:
 - i. The date on which the price at which the Equity Securities are to be issued is agreed; or
 - ii. If the Equity Securities are not issued within five (5) Trading Days of the date mentioned in point (a) (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below . There is a risk that:
 - i. The market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - ii. The Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset

This may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares on issue. The table also shows the affect if the current number of Shares on issue is increased by 50% and 100% and where the issue price has decreased by 50% and increased by 100% as against the current market price.

Shares on Issue		Dilution		
		\$0.006 50% decrease in Issue Price	\$0.012 Issue Price	\$0.024 100% increase in Issue Price
Current Shares 113,856,414	10% Voting Dilution	11,385,641 Shares	11,385,641 Shares	11,385,641 Shares
	Funds raised	\$68,314	\$136,628	\$273,255
50% increase 170,784,621	10% Voting Dilution	17,078,462 Shares	17,078,462 Shares	17,078,462 Shares
	Funds raised	\$102,471	\$204,941	\$409,883
100% increase 227,712,828	10% Voting Dilution	22,771,283 Shares	22,771,283 Shares	22,771,283 Shares
	Funds raised	\$136,628	\$273,255	\$546,511

The following assumptions were made when preparing the above table:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
2. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue;

3. The table does not show the dilution effect that may be caused to a particular Shareholder;
 4. The table only shows the effect of issues of Equity Securities under Listing Rule 7.1A not under the 15% Placement capacity under Listing Rule 7.1;
 5. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculation the voting dilution effect on existing Shareholders; and
 6. The issue price of \$0.012 is the closing price of the Shares on the ASX as at 09 October 2012.
- (c) The Equity Securities will only be issued during the Placement Period. The approval under Resolution 3 to issue the Equity Securities will cease to be valid in the event that Shareholders approve a significant change to the nature or scale of activities (Listing Rule 11.1.2) or disposal of a main undertaking (Listing Rule 11.2);
- (d) Resource Star Limited's present intention, subject to cost estimates and the Company's overall funding situation and budgets at the time, would be to use a portion of the funds received from the issue of the Equity Securities for the following purposes:
1. Continued exploration on its current tenements in Malawi and Australia; with activities which could include:
 - (a) Geological mapping;
 - (b) Geophysical surveys;
 - (c) Continued exploration including further drilling; and
 - (d) General working capital
 2. Potential acquisition of new resource assets and investments by either or both of the following:
 - (a) Cash consideration; and
 - (b) Non-cash consideration, if this was the purpose; the Company would provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A (4) and 3.10.5A upon issue of any Equity Securities.

Allocation Policy

The Company's allocation policy for issues under Listing Rule 7.1A may include a placement to select existing Shareholders, a corner stone investor or several "new" professional/sophisticated investors not currently on the Company's register.

The identity of the allottees of the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

1. The methods of raising funds that are available to the Company including but not limited to, rights issue or other issue in which existing Shareholders can participate;
2. The effect of the issue of the Equity Securities on the control of the Company;
3. The financial situation and solvency of the Company; and
4. Advice from corporate, financial and broking advisors

The allottees under the 10% Placement Facility are not known as at the date of this Notice but may include substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

If the Company is successful in acquiring new resource assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resource assets or investments;

- (e) Shareholder approval under Listing Rule 7.1A has not previously been obtained; and

- (f) A Voting Exclusion Statement applies in relation to Resolution 3. As at the date of this Notice, the Company has not approached any particular existing Shareholder or an identifiable class of existing Shareholder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the Voting Exclusion in the Notice.

GLOSSARY

\$ means Australian dollars

Annual General Meeting or **Meeting** means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

AWST means Western Standard Time as observed in Perth, Western Australia.

Board means the current board of directors of the Company.

Business Days means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means Resource Star Limited (ACN 127 411 796).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Director means Executive Director and Non-Executive Directors

Equity Securities has the same meaning as in the ASX Listing Rules but includes:

- (a) a share;
- (b) a unit;
- (c) a right to a share or unit or option;
- (d) an option over an issued or unissued security;
- (e) a convertible security;
- (f) any security that ASX decides to classify as an equity security
- (g) BUT not a debt security

Executives means all those senior employees who have been invited to participate in the Company's management of day to day administrative and operational matters

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice of Meeting.

Key Management Personnel is defined by AASB 124 Related Party disclosures as all directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Memorandum.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2012

Resolutions means the resolutions set out in the Notice of Meeting or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

**APPOINTMENT OF PROXY
RESOURCE STAR LIMITED
ACN 098 238 585**

ANNUAL GENERAL MEETING

Member Details

Name:

Address:

Contact Telephone No:

Appointment of Proxy

I/We being a Member/s of Resource Star Limited and entitled to attend and vote hereby appoint

Chairman of the Meeting **OR**

Or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Resource Star Limited to be held at the Nissen Kestel Harford Boardroom, Level 2 Spectrum, 100 Railway Road, Subiaco WA 6008 on Tuesday, 27 November 2012 at 11.30am (AWST) and at any adjournment of that meeting.

“Important in relation to Resolution 1 – If the Chairman of the Meeting is your proxy or is appointed your proxy by default then he intends to vote all available proxies in favour of Resolution 1, unless you indicate otherwise by ticking either the “for”, “against” or “abstain” box. By authorising the chairman to vote in accordance with the chairman’s voting intentions on Resolution 1 you will be approving the chairman to vote in favour of Resolution 1 even though Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

If the Chair of the Annual General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 2 and 3** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the Annual General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 2 and 3 and that votes cast by the Chair of the Annual General Meeting for Resolutions 2 and 3 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 2 and 3 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 2 and 3.

If no directions are given, the Chair will vote in favour of all the Resolutions in which the Chair is entitled to vote undirected proxies.

Ordinary Resolutions

		For	Against	Abstain
Resolution 1.	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.	Re-Election of Mr Andrew Bell as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special Resolution

Resolution 3.	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____ %

Individual or Member 1

Sole Director and
Sole Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Resource Star Limited
ACN 098 238 585

Proxy Form Instructions

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 11.30am (AWST) on Sunday, 25 November 2012.

1. **Appointing a Proxy:** A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **Direction to Vote:** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. Unless authorised by ASIC, if a member of Key Management Personnel or their Closely Related Parties is appointed as a proxy, they are not permitted to vote undirected proxies on remuneration matters (arising directly or indirectly in connection with remuneration of Key Management Personnel), related party benefit matters under Chapter 2E of the Corporations Act and any spill resolutions. However, the chair may vote a proxy that does not specify how it is to be voted, provided the member who has lodged the proxy has provided their consent in the proxy form for the chair to exercise the proxy in its discretion (save in relation to the remuneration report where a direction is required).
4. **New sections 250BB and 250BC of the Corporations Act:** These sections came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:
 - if proxy holders vote, they must cast all directed proxies as directed; and
 - any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote: Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and

**Resource Star Limited
ACN 098 238 585**

Proxy Form Instructions

- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - (a) the proxy is not recorded as attending the meeting;
 - (b) the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

5. Signing instructions

- **(Individual):** Where the holding is in one name, the member must sign.
- **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
- **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
- **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

6. Attending the Meeting: Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.

7. Return of Proxy Form: To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- post to Nissen Kestel Harford, PO Box 8281, Subiaco WA 6008;
- facsimile to Nissen Kestel Harford on facsimile number +61 8 9367 8812 (outside Australia) and 08 9367 811 (within Australia),

so that it is received not later than 11.30am (AWST) on Sunday, 25 November 2012.

Proxy Forms received later than this time will be invalid.

**Resource Star Limited
ACN 098 238 585**

Corporate Representative Form

Please return this Appointment Form of Corporate Representative to the Company Secretary's Office:

*Nissen Kestel Harford
PO Box 8281 SUBIACO WA 6008
Or*

Facsimile on +61 8 9 367 8812 (outside Australia) 08 9367 8812 (within Australia)

Shareholder Details

This is to certify that by a resolution of the directors of:

_____ ACN _____
(Insert Company Name)

(Insert Address)

The Company has appointed:

(Insert Name of Corporate Representative)

In accordance with the provisions of Section 250D of the Corporations Act to act as the Corporate Representative of the company to exercise all or any of the powers the company may exercise at the Annual General Meeting of shareholders of Resource Star Limited ACN 098 238 585 to be held on Tuesday, 27 November 2012 at 11:30am (AWST) and at any adjournment or postponement of the Annual General Meeting, or any meeting arising from the Annual General Meeting.

Dated this day of 2012

Executed by

ACN
in accordance with section 127 of the *Corporations Act*
2001:

Director

Director/Secretary

Name of Authorised Representative

Signed by Authorised Representative