



Company Update

May 2012

Tony Greenaway
Managing Director

IMPORTANT INFORMATION

Forward looking statements disclaimer

This announcement contains certain forward-looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of White Star Resources Limited ("White Star"), and its officers, employees, agents and associates, that may cause actual results to differ materially from those expressed or implied in such statements. Actual results, performance or outcomes may differ materially from any projections and forward-looking statements and the assumptions on which those assumptions are based. You should not place undue reliance on forward-looking statements and neither White Star nor any of its directors, employees, servants, advisers or agents assume any obligation to update such information. This document has been prepared by White Star. No party other than White Star has authorised or caused the issue of this document, or takes responsibility for, or makes any statements, representations or undertakings in this document. Sandfire and its related bodies corporate, directors, employees, servants or agents (Affiliates) make no representation or warranty, expressed or implied, as to the accuracy or completeness of this document. Except for any liability which cannot be excluded by law, Sandfire and its Affiliates expressly disclaim and accept no responsibility or liability (including liability for negligence) for the contents of this document.

Competent Person

The information in this report that relates to Mineral Resources and Exploration Results is based on information compiled by Tony Greenaway, who is a member of the Australasian Institute of Mining and Metallurgy.

Tony Greenaway has sufficient experience which is relevant to the style of mineralization 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 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Tony Greenaway consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Outline

- Corporate Overview
- Highlights and Achievements Q1 - 2012
- Exploration Update
 - Nany Project
 - Condor Project
 - Henry Project
 - Other Projects
- Business Development

Corporate Overview

Capital Structure

ASX Code	WSR
Share Price (A\$)	0.04
Issued shares	250 million
Options on issue (20 cent)	84.1 million
Options (35 cent)	3.7 million
Options (40 cent)	3.7 million
Market capitalisation	A\$10 million
Cash at bank	A\$6.7 million
Debt	Nil

Major Shareholders

Sandfire Resources NL	17.4%
Zero Nominees Pty Ltd	9.9%
Ravenhill Investments	7.3%
Top 20 shareholders	56.5%

Board and Management

Bill Turner – Non-Executive Chairman

- Mr Turner has worked internationally at a senior level for more than 30 years. He is a geologist with broad experience at all levels from grass-roots exploration through to mine development and metal production. Mr Turner recently retired as President and CEO of Anvil Mining Limited having overseen the building of three copper mines in Africa and the development of a strong corporate focus on community engagement and social responsibility issues. He has a B.Sc. (Geology & Mineralogy) from the University of Queensland, an M.Sc. from James Cook University and an MBA from Monash University.

Tony Greenaway – Managing Director and Chief Executive Officer

- Tony possesses highly sought after international mining experience through his employment at executive management levels with several ASX listed companies including: Azumah Resources Limited; Iron Ore Holdings, BC Iron and Platinum Australia Limited. Tony has been responsible for exploration/ project development operations management, with a focus on advancing project through to mining across a range of commodities including gold, base metals, iron ore and platinum group metals. Tony has experience in Southern and Western Africa, Indonesia and throughout Australia and has the diverse management, technical and logistical skills required to effectively and efficiently run exploration in offshore environments.

Felicity Repacholi-Muir – Non Executive Director

- Ms Repacholi-Muir is a geologist with experience in minerals exploration with Placer Dome's Granny Smith exploration team, BHP Billiton and Harmony Gold. Ms Repacholi-Muir is currently Senior Geologist at Cazaly Resources Limited. Felicity is a member of the Australian Institute of Geoscientists.

Sandfire nominees - Sandfire has the right to appoint two members to the board of White Star¹

Note 1: The right to appoint members to the board of White Star is subject to Sandfire holding an interest of at least 10% in White Star.

Chilean Management Team

Jim Royall (Exploration Manager)

- Jim has a wealth of technical and managerial experience gained over 16 years in the mining and exploration industry within Africa and Europe with both major and junior companies. Jim has worked with many commodities and in a wide variety of different geological terrains and will provide the technical experience that will help lead White Star in Chile.
- During his professional career he has made a strong contribution on many early stage grass root projects and a number of projects undergoing feasibility studies and advanced mining studies.

Dr Alex Losada-Calderon (Business Development Manager)

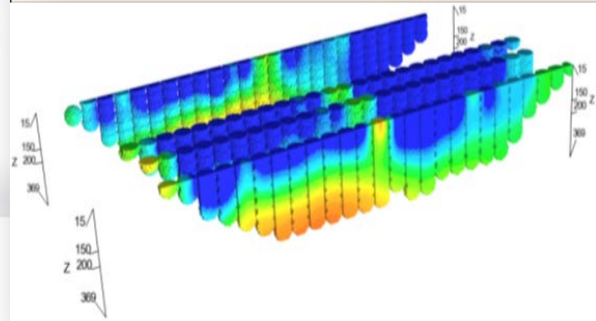
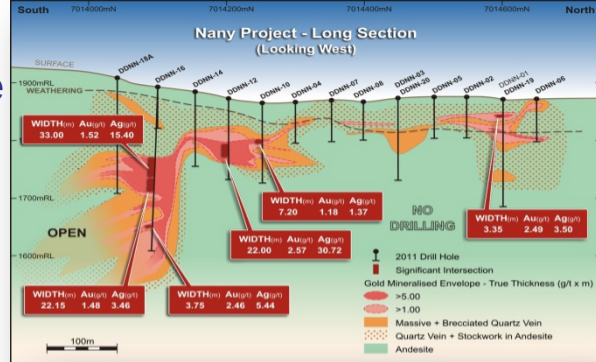
- Alex has more than 25 years' experience working worldwide as an exploration geologist and project manager for various Australian and Canadian mining and engineering companies.
- Alex's experience includes green-fields exploration, project generation, metallurgical research, the management of detailed feasibility studies in Latin America and East and South Eastern Asian Countries, across a wide range of commodities and mineralisation styles.

Recent Achievements

- ✓ **Completed** the relocation of Senior Management to Chile
- ✓ **Completed** the recruitment of a highly skilled Business Development Manager
- ✓ **Completed** IP Geophysical survey over the Nany – Varas Project
- ✓ **Completed** geological and structural mapping of the Condor Project
- ✓ **Completed** systematic geochemical sampling over the Condor Project (*results pending*)
- ✓ **Commenced** geological and structural mapping of the Henry Project
- ✓ **Commenced** systematic geochemical sampling over the Henry Project
- ✓ **Progressed** discussions with a number of parties in relation to brown field copper/ gold assets

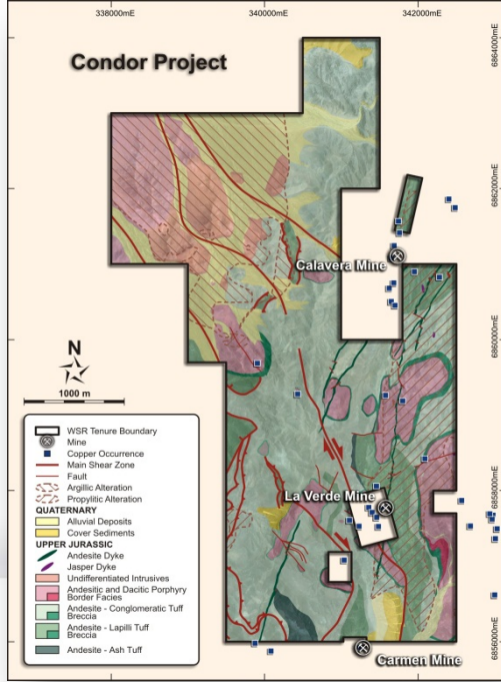
Nany (Au/ Ag) Project - Update

- Exercised Option Agreement in January 2012 – now hold 100% interest in project
- Drilling identified wide zone of Au + base metal anomalism increasing at depth to the south
 - 33.0m @ 1.52g/t Au, 15.4 Og/t Ag, DDNN-16
 - 22.1m @ 1.48 g/t Au, 3.46g/t Ag, DDNN -16
 - 22.0m @ 2.57 g/t Au, 30.7 2g/t Ag, DDNN-12
- IP Survey identified conductive anomaly at depth to the south
- Agreements signed to evaluate the acquisition of additional ground surrounding Nany
- Phase 2 RC drill testing of IP anomaly scheduled for Q3 2012



Condor (Cu) Project - Update

- Project area increased to 21.8km²
- Completed detailed geological and structural mapping
- Completed systematic surface sampling on 200m grid (*results pending assays*)
- Surface rock chip samples grading up to 5.5% Cu
- Mapped large propylitic alteration zones with andesitic volcanic porphyries and faults
- Localised argillic alteration associated with andesitic porphyries and faults
- Phase 1 RC drill testing to be based on mapping and geochemical results – scheduled for Q2 2012



Henry (IOCG) Project - Update

- Project area increased to 55km²
- Commenced geological and structural mapping
- Commenced systematic surface sampling on 400m grid (*results pending assays*)
- Mapped areas of magnetite veining with associated secondary Cu mineralisation and extensive alteration on surface
- Extensive historic placer gold workings down slope in drainage channels
- Ground based geophysics magnetic survey in planning
- Phase 1 RC drill testing to be based on mapping and geochemical results – scheduled for Q2-Q3 2012



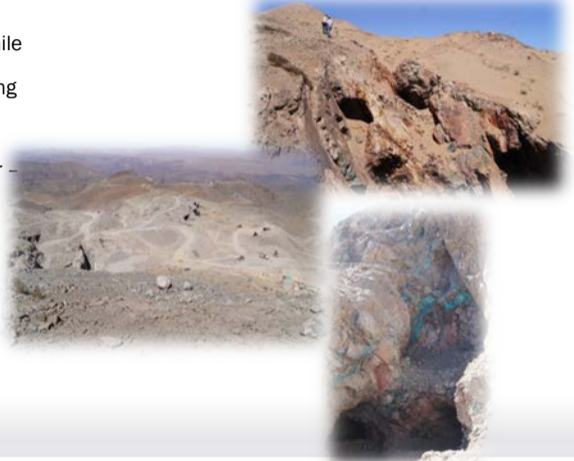
Amigo (IOCG) & Dundee (Au)

- Field work to commence after completion of current works at Henry
- Field work to include geological mapping and systematic surface geochemical sampling
- Data acquisition of region airborne magnetics
- Budgeted 2000m RC drilling program for Amigo (Q3 - 2012)
- Budgeted 750m RC drilling program for Dundee (Q3 - 2012)



Business Development

- Dedicated business development team based in Chile
- Established networks for project generation including operating majors in Chile
- Strategy to identify and secure “brown field” copper – gold asset
 - Defined resource or clear path to resource definition
 - Preference to coastal IOCG belt
 - Close proximity to infrastructure (power/ water/ transport)
- Preferred deal structure
 - Low entry commitment i.e. Option Agreement
 - Equity earned through investment of exploration dollars
- White Star in advanced stage discussions with a number of groups



Planned June Quarter Activities

- **Finalise** geological and structural mapping of the Henry Project *(May 2012)*
- **Finalise** systematic geochemical sampling over the Henry Project *(May 2012)*
- **Commence** geological and structural mapping of the Amigo and Dundee Projects *(May 2012)*
- **Integrate** mapping and soil geochemical results from Condor and Henry
- **Commence** RC drill testing of geochemical and structural targets at Condor *(June 2012)*

For further information to go www.whitestarresources.com.au

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