December 2011
Quarterly Activities Report

Initial drilling campaign completed at Nany Project: company base established in Chile and key personnel recruited

Highlights:

- **Administrative and field operational bases established in Chile**
- **Maiden drilling campaign completed at Nany-Varas Project**
- **Appointment of experienced international mining executive Bill Turner as Non-Executive Chairman**
- **Land position in Chile doubled to a total of 10,200Ha**
- **Nany option agreement exercised giving WSR 100% equity**

Perth Western Australia – 31 January 2012: South American-focused copper-gold explorer White Star Resources (ASX: WSR – "White Star" or the "Company") is pleased to report that activity in Chile ramped up substantially during the December 2011 Quarter, both on the ground at its projects as well as on a corporate level.

Key activities included the establishment of an administrative head office in Santiago and a regional operational base in the northern Chilean mining town of Copiapo, as well as the recruitment of key local administrative and technical staff to support the Company's planned exploration efforts.

The Company completed its maiden drilling campaign at the Nany-Varas Project in northern Chile. Subsequent to the end of the Quarter, the Company exercised its option to acquire a 100 per cent equity interest in the Nany Project.

With exploration activities ramping up in Chile, the Company strengthened its Board during the Quarter with the appointment of experienced international mining executive Bill Turner as Non-Executive Chairman.

Establishment of Chilean Operational Base

During the Quarter, White Star established a field office in the northern mining town of Copiapo, which is central to its current project locations in the world-class Atacama Region of Chile (*Figure 1*).

ASX ANNOUNCEMENT

31 January 2012

(ASX Ticker: WSR)

Registered Office:

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Issued Capital:
250 million shares
91.6 million options

This office will serve as an on-site field technical centre as well as an administrative and field logistical office for management of the Company's tenement portfolio and exploration activities.

This field office is linked to the main company base in the Capital of Santiago, where White Star has established a small office with accounting and other administrative services.

The Company has employed a team of key local personnel, both technical and administrative, to support the planned exploration activities. External consultants will continue to be engaged while the Company builds its operational team. The Company now controls 71 mining and exploration properties in Chile, which cover a total area of approximately to 10,200 hectares, which an increase of 100 per cent on the position held in the previous quarter. The increase has come through new applications made and the Nany, Condor and Henry projects.

Completion of Maiden drilling campaign at Nany-Varas Project

The main focus of field activities during the Quarter was to complete the initial diamond drilling campaign at the Nany Project which commenced during the September 2011 Quarter.

This program, which comprised 21 holes for a total of 2,649.81m, was completed on schedule and without incident towards the end of November 2011. The Project was managed on the ground by a local consultant and field support group on behalf of White Star. With the addition of the new personnel to the White Star team, the dependence on consultants will reduce.

The mapped vein outcrop at Nany extends over a strike length of 1,200m, and is interpreted to continue to the north below thin unconsolidated cover sediments on the Varas property (*Figure 2*). The diamond drilling focused on a 600m long portion of vein, testing it to depths of 250-275m.

To date, 88 per cent of the assay results have been returned from the laboratory and have been incorporated into the Nany Project database. A drill collar location plan is provided in *Figure 3*.

Anomalous assays were returned from most of the holes completed, representing base metal, silver and gold mineralisation within a steeply dipping epithermal quartz vein system hosted in Palaeocene andesitic volcanics and high-level intrusive rocks.

The assay results received to date have been encouraging with some of the most significant intersections are tabulated below (*Table 1*). A full list is provided in the Appendix. Work during the next Quarter will help understand the metal grade and distribution.

Table 1: Nany Project – Significant Intersections

Hole ID	From (m)	To (m)	Interval (m)	Au(g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
DDNN-01	36.83	40.20	3.35	2.49	3.35	0.01	0.01	0.04
DDNN-09	45.13	47.70	2.57	1.12	1.12	0.01	0.02	0.10
DDNN-10	66.64	73.85	7.21	1.18	1.37	0.01	0.04	0.05
	101.34	103.94	2.61	0.14	6.81	0.84	0.59	0.37
DDNN-11	53.55	60.45	6.90	1.47	7.38	0.02	0.08	0.08
DDNN-12	80.57	102.60	22.03	2.57	30.72	0.03	0.13	0.12
	105.35	114.91	9.56	2.02	16.14	0.02	0.08	0.11
DDNN-14	84.04	89.28	5.24	1.30	16.57	0.03	0.15	0.11

Hole ID	From (m)	To (m)	Interval (m)	Au(g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
DDNN-15	43.45	44.6	1.15	1.27	4.8	0.03	0.52	1.63
DDNN-16	114.40	148.25	33.85	1.52	15.43	0.35	0.18	0.54
inc	*131.65*	*132.75*	*1.10*	*43.1*	*74.7*	*0.53*	*0.41*	*0.35*
	159.5	181.65	22.15	1.48	3.46	0.02	0.13	0.23
inc	*179.15*	*180.4*	*1.25*	*7.40*	*6.60*	*0.01*	*0.09*	*0.23*
	186.65	191.75	5.10	1.38	11.21	0.15	1.20	1.07
	209.60	214.35	4.75	1.61	1.69	0.01	0.07	0.01
	253.77	257.52	3.75	2.46	5.44	0.01	0.02	0.06
DDNN-19	49.98	52.15	2.17	1.01	2.22	0.05	0.08	0.07

The base metal and gold mineralisation encountered to date appear to be separately zoned down dip and along strike. This clear separation of the mineralisation episodes, together with the observed host rock alteration assemblages, may indicate multiple mineralisation events. More work is required to fully understand the significance of these patterns, and will be a focus of future work on the project. The Company has also commenced as IP geophysical orientation survey over the main Nany vein to assist in future target definition. This survey will be extended to the north following the Nany vein into the Varas property where it is covered by shallow transported soils

Board Changes

On 28 November 2011, the Company announced the appointment of Mr Bill Turner to the White Star Board of Directors and the position of Non-Executive Chairman.

Mr Turner has worked internationally at a senior level in the mining industry 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 the successful Central African copper miner Anvil Mining Limited, having overseen the construction of three copper mines and the development of a strong corporate focus on community engagement and social responsibility issues.

Non-Executive Director and Non-Executive Chairman Nathan McMahon provided notice to the Company of his resignation as Chairman effective from 28 November 2012. Mr McMahon remains on the Board as a Non-executive Director.

Exercise of the Nany Option & Extension of the Varas Option

Subsequent to the end of the Quarter, White Star exercised its right to purchase the Nany property via a cash payment of US$350,000 to 3 vendors (Mr. Henry Floyd, Mr. Jorge Gilberto Carrizo Carrizo and Mr. Claudio Armando Barrionevo Noemi) to secure a 100 per cent equity position.

An extension to the option over the adjacent Varas property was granted by the Vendor until 30 June 2012, to allow White Star sufficient time to evaluate this property.

Other Field Activities

The Company has been able to extend its ground holding around its existing projects by approximately 100 per cent during the Quarter to a combined area of 10,200Ha. White Star will remain focused on the maintenance of its existing tenement package and the immediate surrounding area.

Planned March 2012 Quarter Activities

Work on the Nany-Varas Project over the next Quarter will focus on enhancing the Company's understanding of the drilled portion of the Nany Vein System, while at the same time adopting a more regional approach to assessing the potential of this Project by assessing adjacent and new project tenure. This work will commence with a ground geophysical survey which began towards the end of January 2012.

Preparatory logistical work has commenced on two of the Company's other copper-gold projects to the south – the Condor and Henry Projects – with the aim of commencing field activities on these projects by the end of February 2012.

This work will comprise detailed geological and structural mapping of the project areas, coupled with systematic surface geochemical sampling. This work is aimed at developing the Company's understanding of the structural, geological and alteration domains on these projects, while generating high-quality exploration targets to be drill tested during the coming months.

The Company will also remain focused on actively pursuing additional project opportunities through ongoing discussions with 3rd party land holders and other joint-venture and acquisition avenues.

- ENDS -

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About White Star Resources:

White Star Resources Limited (ASX: WSR - "White Star") is an exploration company which has acquired a significant portfolio of copper-gold and gold projects in the world-class Atacama mining region in Chile.

White Star has secured the backing of leading Western Australian copper company Sandfire Resources Ltd which holds a cornerstone 17.3 per cent shareholding and provides strategic and technical support and advice under a Technical Services Agreement.

White Star will be undertaking aggressive exploration programs across its five key projects during 2012: Nany (gold - copper), Condor (copper), Henry (iron oxide copper-gold), Dundee (gold) and Amigo (iron oxide copper-gold); as well as actively looking to build its presence in Chile through further acquisitions, joint ventures and active tenement management.

The Company is well funded to pursue its objectives with approximately $8.0 million in available cash resources.

Key Statistics

Shares on Issue:	250 million + 91.6 million options	
Board and Management:	Bill Turner – Non-Executive Chairman Anthony Greenaway – Managing Director and CEO Nathan McMahon – Non-Executive Director Felicity Repacholi-Muir – Non-Executive Director Amy Musgrave - Company Secretary Jim Royal – Exploration Manager	
Major Shareholders:	Sandfire Resources Limited Zero Nominees Pty Ltd Ravenhill Investments Pty Ltd	17.3% 10.6% 7.27%

Qualifying Statement

This release may include forward-looking statements. These forward-looking statements are based on White Star Resources Limited's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from the views expressed in such statements. White Star Resources Limited makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

JORC Competent Persons Statement

The information that relates to the drilling data and geological interpretations is based on information compiled by Anthony Greenaway who is a Member of The Australasian Institute of Mining and Metallurgy and a Director of the Company. Mr Greenaway has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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 Greenaway consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

Figure 1: White Star Ltd Project Locations

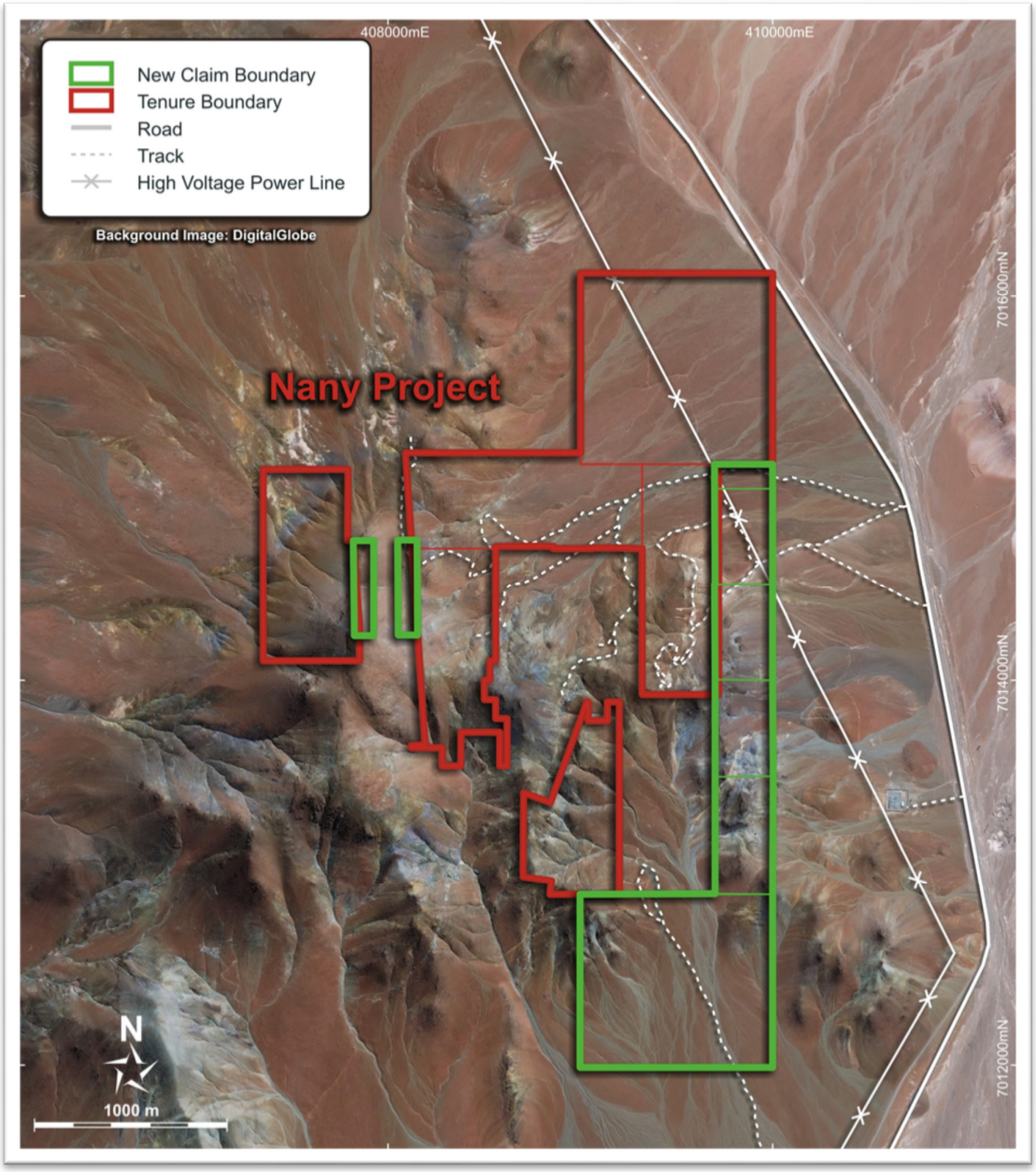

Figure 2: Nany-Varas Project Tenure

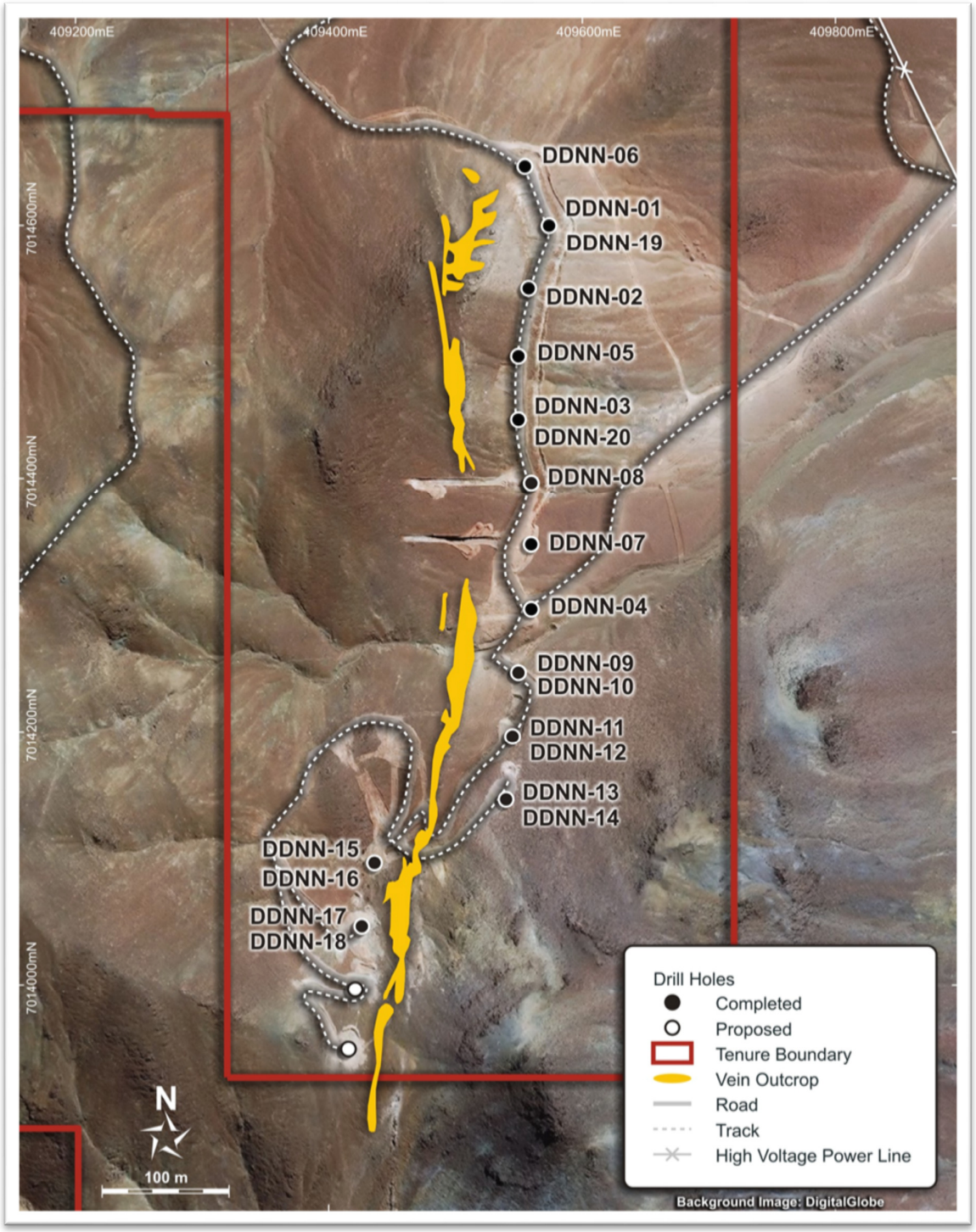

Figure 3: Nany-Varas Project December 2011 Quarter Drill Collar Plan

Hole ID	East	North	RL	Dip	Elevation	EOH	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
DDNN-01	409572	7014601	1870	-45	270	121.80	36.8	40.2	3.35	2.49	3.35	0.01	0.01	0.04
							48.0	49.6	1.60	1.33	13.90	0.06	0.75	0.57
							65.8	67.3	1.44	4.23	2.38	0.02	0.04	0.14
						inc	*66.8*	*67.3*	*0.50*	*10.55*	*4.60*	0.03	0.07	0.16
							90.0	90.9	0.94	0.98	3.80	0.04	0.08	0.16
							108.0	111.3	3.34	0.02	7.59	0.20	0.26	0.29
DDNN-02	409554	7014548	1875	-45	270	100.20	38.9	39.5	0.57	0.74	<0.2	0.02	<0.01	0.01
							47.1	48.1	1.05	1.44	0.94	0.01	<0.01	0.02
							48.6	49.2	0.58	0.78	0.50	<0.01	<0.01	0.03
							50.6	51.3	0.65	0.87	0.72	<0.01	<0.01	0.03
							63.7	64.3	0.55	6.68	7.40	<0.01	0.01	0.03
							68.9	69.9	1.04	0.02	2.90	0.14	0.05	0.07
							71.0	72.0	1.00	Results Pending				
							75.8	76.8	1.00	Results Pending				
							77.0	78.3	1.27	Results Pending				
							81.1	82.8	1.74	Results Pending				
							84.7	90.1	5.35	Results Pending				
							91.3	92.3	1.00	Results Pending				
DDNN-03	409548	7014449	1872	-45	270	100.10	49.5	50.3	0.72	1.11	8.30	0.05	0.11	<0.1
							59.9	63.6	3.77	0.07	5.57	0.22	0.39	0.15
DDNN-04	409556	7014300	1866	-45	270	100.20	51.3	52.2	0.87	0.56	0.70	0.01	0.03	0.04
							53.8	54.8	1.00	0.62	0.50	<0.01	0.01	0.04
							57.7	59.2	1.53	1.38	2.28	0.02	0.11	0.07
							79.2	82.4	3.24	Results Pending				
							82.8	87.3	4.45	Results Pending				
DDNN-05	409548	7014501	1875	-45	270	98.80	55.0	55.6	0.52	0.79	1.60	<0.01	0.05	0.13
DDNN-06	409555	7014650	1870	-45	270	103.50	0.0	32.2	32.15	Results Pending				
							93.3	94.1	0.80	0.90	10.50	0.10	0.02	0.05
							94.9	96.0	1.13	3.21	9.00	0.05	0.03	0.06
DDNN-07	409556	7014352	1870	-45	270	100.65	17.5	24.3	6.85	Results Pending				
							33.3	33.8	0.55	0.03	2.60	0.12	0.27	0.34
							37.3	40.7	3.40	Results Pending				
							40.9	48.9	8.00	Results Pending				
DDNN-08	409557	7014399	1868	-45	270	94.65	55.6	56.6	1.00	1.85	8.20	0.04	0.12	0.20
DDNN-09	409549	7014252	1866	-45	270	93.30	45.1	47.7	2.57	1.12	1.12	0.01	0.02	0.10
							53.9	55.7	1.82	3.02	3.30	0.01	0.03	0.05
							59.6	71.3	11.66	0.13	12.02	0.19	1.30	1.85
DDNN-10	409550	7014252	1866	-70	270	147.85	64.9	65.9	1.00	0.76	0.80	<0.01	0.04	0.05
							66.6	73.9	7.21	1.18	1.37	0.01	0.04	0.05
							75.3	76.3	1.00	0.77	1.10	<0.01	0.02	0.02
							77.3	79.0	1.77	2.40	1.83	<0.01	0.03	0.04
							86.8	87.9	1.08	0.74	1.20	0.01	0.04	0.08
							98.6	99.5	0.90	1.96	5.00	0.03	0.14	0.35
							101.34	103.94	2.61	0.14	6.81	0.84	0.59	0.37
							109.8	119.4	9.65	0.07	7.23	0.13	0.57	1.39
							121.8	122.7	0.94	0.04	5.10	0.12	0.40	1.26
							128.5	129.5	1.00	Results Pending				

Hole ID	East	North	RL	Dip	Elevation	EOH	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
							130.3	147.0	16.70	Results Pending				
DDNN-11	409538	7014203	1872	-45	270	100.40	33.4	34.2	0.84	0.54	1.20	0.01	0.04	0.06
							43.0	43.4	0.42	1.56	2.40	0.01	0.04	0.03
							45.0	45.8	0.77	1.05	0.90	0.01	0.02	0.03
							48.7	48.9	0.25	2.29	1.80	<0.01	<0.01	<0.01
							53.6	60.5	6.90	1.47	7.38	0.02	0.08	0.08
							62.4	65.3	2.91	0.13	6.84	0.19	0.62	0.75
							69.0	72.2	3.21	Results Pending				
DDNN-12	409538	7014203	1872	-70	270	149.25	55.1	55.8	0.74	1.42	3.30	<0.01	0.10	0.04
							56.1	56.9	0.77	0.86	1.00	<0.01	0.03	0.03
							60.1	61.0	0.86	0.57	2.10	<0.01	0.04	0.03
							63.1	64.7	1.69	1.40	1.45	<0.01	0.02	0.03
							68.8	70.7	1.93	1.04	1.91	<0.01	0.02	0.04
							72.5	73.4	0.91	1.77	3.10	0.01	0.04	0.07
							76.2	77.9	1.69	2.52	2.58	0.01	0.02	0.04
							80.6	102.6	22.03	2.57	30.72	0.03	0.13	0.12
							105.4	114.9	9.56	2.02	16.14	0.02	0.08	0.11
							116.5	136.0	19.50	Results Pending				
DDNN-13	409534	7014154	1884	-45	270	88.75	45.9	46.5	0.62	0.59	1.6	<0.01	<0.01	0.03
							50.4	51.1	0.65	3	2.6	<0.01	0.01	0.06
							53.0	55.5	2.43	0.41	13.73	0.41	1.28	2.36
DDNN-14	409532	7014154	1884	-70	270	136.48	71.9	72.8	0.91	0.91	0.70	<0.01	0.01	0.02
							76.0	76.9	0.94	1.52	1.10	0.01	0.01	0.03
							79.8	80.7	0.92	1.60	2.10	<0.01	0.02	0.03
							84.0	89.3	5.24	1.30	16.57	0.03	0.15	0.11
							92.0	93.0	0.92	1.03	8.00	0.01	0.07	0.10
							98.2	99.2	1.00	1.51	1.30	0.01	0.06	0.17
							100.4	101.4	1.00	1.67	2.70	0.01	0.05	0.09
							106.0	110.0	4.00	Results Pending				
DDNN-15	409436	7014100	1891	-45	90	100.50	28.5	42.3	13.8	Results Pending				
							43.5	44.6	1.15	1.27	4.8	0.03	0.52	1.63
							62.6	63.2	0.69	0.8	0.7	<0.01	<0.01	0.01
							66.7	68.9	2.16	Results Pending				
							69.9	76.1	6.19	Results Pending				
							77.9	84.4	6.47	Results Pending				
							87.6	89.4	1.87	3.5	5.09	0.01	<0.01	0.01
							89.4	100.5	11.06	Results Pending				
DDNN-16	409436	7014100	1891	-70	90	300.05	114.4	148.3	33.85	1.52	15.43	0.35	0.18	0.54
						inc	*131.7*	*132.8*	*1.10*	*43.1*	*74.7*	*0.53*	*0.41*	*0.35*
							159.5	181.7	22.15	1.48	3.46	0.02	0.13	0.23
						inc	*179.2*	*180.4*	*1.25*	*7.4*	*6.6*	*0.01*	*0.09*	*0.23*
							186.7	191.8	5.10	1.38	11.21	0.15	1.2	1.07
							199.6	201.6	2.00	0.57	7.35	0.02	0.63	0.23
							204.7	205.6	0.95	0.91	2.1	0.02	0.08	0.17
							209.6	214.4	4.75	1.61	1.69	0.01	0.07	0.01
							220.7	221.6	0.93	0.19	8.2	0.12	0.18	0.34
							227.2	228.1	0.90	0.49	13.2	0.19		
							230.6	231.6	1.00	0.09	19.5	0.50	0.52	1.63
							234.3	235.4	1.01	0.38	24.9	0.92	0.62	1.97

Hole ID	East	North	RL	Dip	Elevation	EOH	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
							241.3	244.8	3.48	Results Pending				
							244.8	245.3	0.51	2.87	3.9	0.01	0.32	0.96
							245.3	247.2	1.86	Results Pending				
							250.4	251.9	2.1	0.6	9.06	0.12	1.11	1.62
							253.8	257.5	3.75	2.46	5.44	0.01	0.02	0.06
							259.1	259.8	0.62	Results Pending				
							262.2	264.3	2.10	Results Pending				
							264.3	265.3	1	2.48	2	0.01	0.26	0.57
							271.9	272.6	0.75	2.67	2.3	<0.01	0.01	0.03
							292.6	293.6	0.94	0.74	0.5	<0.01	<0.01	0.01
DDNN-17	409404	7014042	1907	-40	90	105.85	61.2	62.2	1.00	0.01	6.80	0.25	0.33	0.68
							92.1	93.1	1.00	1.35	<1	0.02	<0.1	0.01
DDNN-18	409404	7014042	1907	-60	90	232.70	36.1	41.9	5.75	0.86	7.41	0.09	0.48	1.14
							51.5	52.5	1.00	0.78	0.40	0.01	0.07	0.22
							67.4	68.4	1.00	0.60	<1	0.01	0.16	0.27
							158.1	158.9	0.77	0.52	6.00	0.02	0.13	0.19
							161.1	162.8	1.70	0.95	2.22	0.02	0.10	0.38
							164.8	165.4	0.60	0.59	2.2	0.02	0.08	0.27
							178.4	183.4	5.00	0.74	1.04	0.01	0.02	0.05
							187.4	194.0	6.60	0.93	0.93	0.01	0.02	0.05
							205.3	207.0	1.76	0.63	1.45	0.02	0.01	0.04
DDNN-19	409572	7014601	1870	-70	270	196.13	50.0	52.2	2.17	1.01	2.22	0.05	0.08	0.07
							55.1	63.0	7.94	0.85	1.18	0.01	0.01	0.05
							68.7	69.1	0.36	0.58	0.60	0.01	0.03	0.06
							75.1	80.5	5.37	0.76	3.48	0.01	0.07	0.12
							151.6	154.6	3.00	Results Pending				
DDNN-20	409549	7014449	1872	-70	270	141.35	4.0	18.7	14.65	Results Pending				
							77.7	78.7	1.00	0.89	0.50	0.01	0.00	0.01

Table 2: Nany-Varas Project Assay Results - December 2011 Quarter *(up till 13th January 2012)*

Note:

- *All results are based on ½ HQ drill core samples.*
- *Analysis conducted by ALS Laboratories in Coquimbo Chile, using a 30g Fire Assay with AAS analysis for Gold; and Aqua Regia digestion with ICP-AES analysis for multi element geochemistry.*
- *Intervals are calculated using a minimum 0.5 g/t Au or 0.1% Cu cut off with a maximum of 2 meters internal dilution. No top cuts applied.*