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Dear Sir

**Mount Padbury Rock Chip Sample Results**

Please find attached an announcement with respect to rock chip samples at the Mount Padbury project.

**Yours faithfully**



**Kenneth M Allen**  
Company Secretary

Further enquires can be directed to

Kevin Robertson  
Managing Director

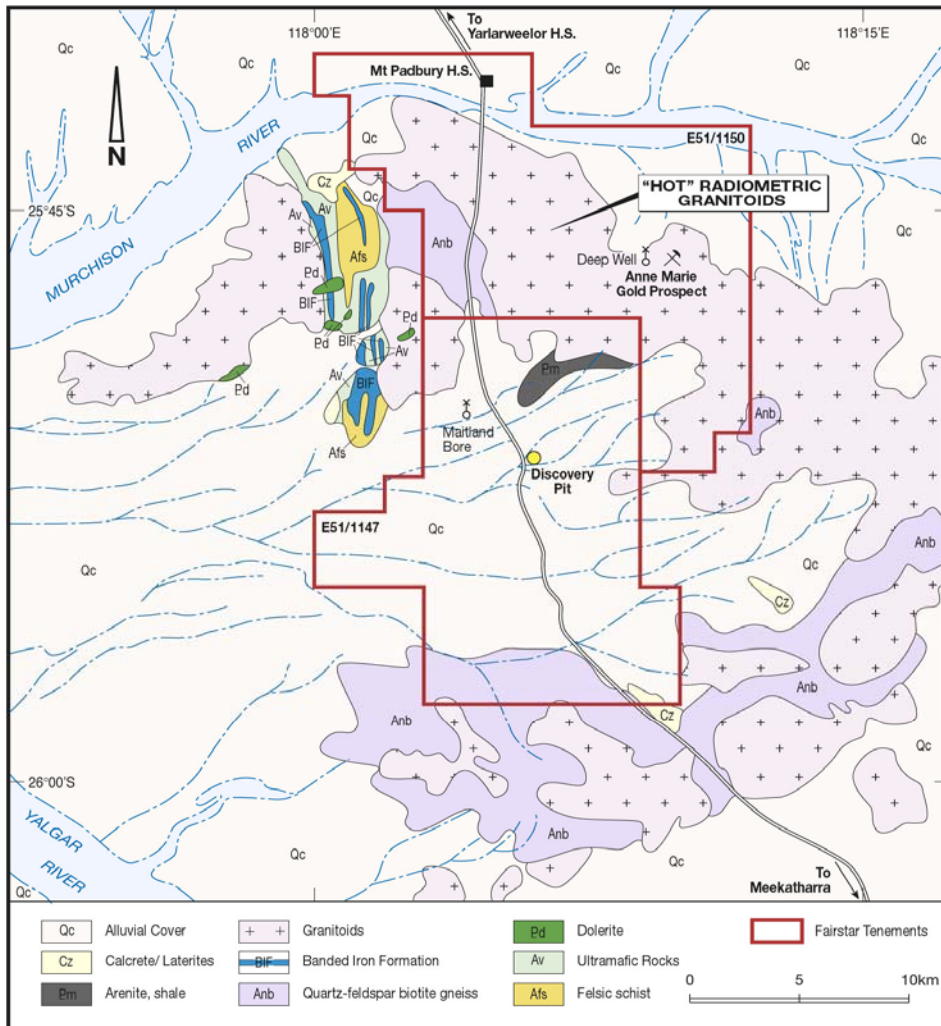
Nigel Maund  
Director - Technical

## ASX RELEASE

### Mount Padbury “Valley Calcrete” Uranium Prospect – Murchison Province

#### Discovery Pit - Excellent Results from Sampling

Fairstar Resources Limited is very pleased to announce the results of 10 rock chip samples taken from the Shire Roads Borrow Pit excavated besides the Meekatharra to Mount Padbury road located in Exploration License application 51/1147; as shown on the figure below;



**Mt Padbury Project  
Geology and Tenements**

Figure 5.2

The results of sampling from the 30m long x 20m wide borrow pit are detailed in the Table below:

Sample Number	XRF Uranium Content ppm	Assay Grade Expressed as U <sub>3</sub> O <sub>8</sub>
504514	231	272
<b>504515</b>	<b>601</b>	<b>708</b>
504516	214	252
504517	76	90
504518	189	223
504519	204	240
504520	144	170
<b>504521</b>	<b>346</b>	<b>408</b>
504522	182	215
504523	199	235
<b>Mean of all Results</b>	<b>239</b>	<b>281</b>

All samples were analyzed at GENALYSIS Laboratories Pty Limited, Perth, Western Australia, by the Pressed Powder XRF Technique. It should be remembered that the discovery pit was not excavated for the purposes of exploration and as such constitutes a blind discovery beneath 1m to 1.50m of Wiluna hard pan cemented alluvial cover.

The results tabled above compare favorably with those of “valley calcrete” and “playa type” surficial uranium deposits and prospects discovered elsewhere in the Yilgarn Province of Western Australia. However, examination of the geology of the discovery pit, by Nigel Maund, MAusIMM, demonstrated close geologic similarities between the Yeelirrie Valley Calcrete Type uranium deposit and Mount Padbury. Yeelirrie is one of the largest undeveloped uranium deposits in the world and is the world’s largest and highest grade calcrete deposit ever discovered.



**Plate 1:** The yellow mineral coating the samples taken from the Discovery Pit at Mount Padbury is carnotite a uraniferous vanadate common in all calcrete style uranium deposits.

**Table comparing Calcrete – Carnotite Uranium Deposits / Prospects in Western Australia**

Uranium Prospect / Deposit Name	Uranium Resource (expressed as contained U <sub>3</sub> O <sub>8</sub> )	Mean Grade in ppm U <sub>3</sub> O <sub>8</sub>
Yeelirrie	52,000 (JORC Reserve)	1,500
Kintyre	35,000	200 to 400
Mulga Rocks	46,000	1,100
Lake Way	8,900	unknown
Lake Maitland	7,860	500

**Source:** The Australian Uranium Information Centre

#### **Work Program – Q1 2007**

Given the positive results from the discovery pit, Fairstar Resources Limited has commenced the planning of a detailed airborne spectrometer survey on 100m line spacing, utilizing an aircraft with low flying capability equipped with a very large crystal spectrometer (136 liters). This survey should commence in February 2007 dependent upon aircraft availability. The survey will be planned and data processed and analyzed COWAN GEOPHYSICAL SERVICES Pty Ltd. Uranium window targets arising from this work will be tested by a program of systematic aircore drilling and down-hole gamma ray spectrometer logging. The target of exploration is the definition of a Yeelirrie type valley calcrete hosted carnotite uranium deposit.

7<sup>th</sup> December 2006

*The information in this report that relates to Exploration Results is based on information compiled by Mr. Nigel Maund, who is a Member of the Australian Institution of Mining and Metallurgy, UK Institution of Mining Metallurgy and Materials and Society of Economic Geologists. Mr. Maund is an Executive Director of Fairstar Resources Limited and has sufficient experience relevant to the style and mineralization and deposit type 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Nigel Maund consents to the inclusion of this report of the matters based on his information in the form and context in which it appears.*