

30 May 2008

The Australian Securities Exchange Limited
2 The Esplanade
PERTH WA 6000

ATTENTION: Mr Nicholas Ong

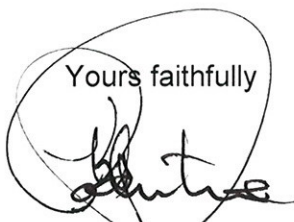
Dear Sir

RE **PLACEMENT**

Fairstar Resources Limited advises that it proposes convening a meeting of shareholders to refresh its 15 per cent placement capacity and for the approval to issue an additional 150,000,000 shares at not less than 80 per cent of the market value.

The company is in the process of preparing the notice of meeting and will forward it to shareholders as soon as it becomes available.

Yours faithfully



Kevin J Robertson
Managing Director