

**ASX/Media Release**

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A.B.N. 38 115 157 689

**FairStar enters into  
Memorandum of Understanding with Esperance Port Authority**

Diversified Australian exploration and development company FairStar Resources Limited (ASX:FAS) (FairStar, the Company) is pleased to announce that it has entered into a Memorandum of Understanding with the Esperance Port Authority (EsPA) to progress the preliminary discussions regarding iron ore export through the port of Esperance.

This MOU is the first strategic step for FairStar as it seeks to set up the infrastructure planks that will support its highly encouraging iron ore discovery at Mahendra's Find.

As previously announced to the ASX on 18<sup>th</sup> November 2008, FairStar has received encouraging results from its rock chip samples taken from its iron ore discovery at the Lindsay Dam tenement in Western Australia's eastern goldfields – named Mahendra's Find.

The Managing Director of FairStar, Mr Kevin Robertson commented: "Our exciting preliminary work on the samples taken from Mahendra's Find leads us to believe that we have a potentially significant opportunity in iron ore. The location of this tenement – south east of Kalgoorlie and close to major rail infrastructure – has meant that there were a number of strategic imperatives for the Company to act on regarding infrastructure. Should this discovery be as significant as is our expectations, FairStar has the potential to be well positioned to develop a mine and export iron ore. We understand that there is a long lead time and risks associated with developing an iron ore mine, however as a Company we are highly optimistic and believe it prudent to explore the infrastructure aspect at this time".

"The MOU is a signal by FairStar that it intends to work collaboratively with key partners to develop infrastructure that benefits all stakeholders. This development takes time and that is why such an MOU has been entered into now".

The MOU with EsPA sets out the structure for FAS and EsPA to explore the infrastructure requirements for the Port of Esperance regarding the export of high volumes of raw materials such as Iron Ore.

ENDS

**FairStar Resources Ltd**