

20 May 2009

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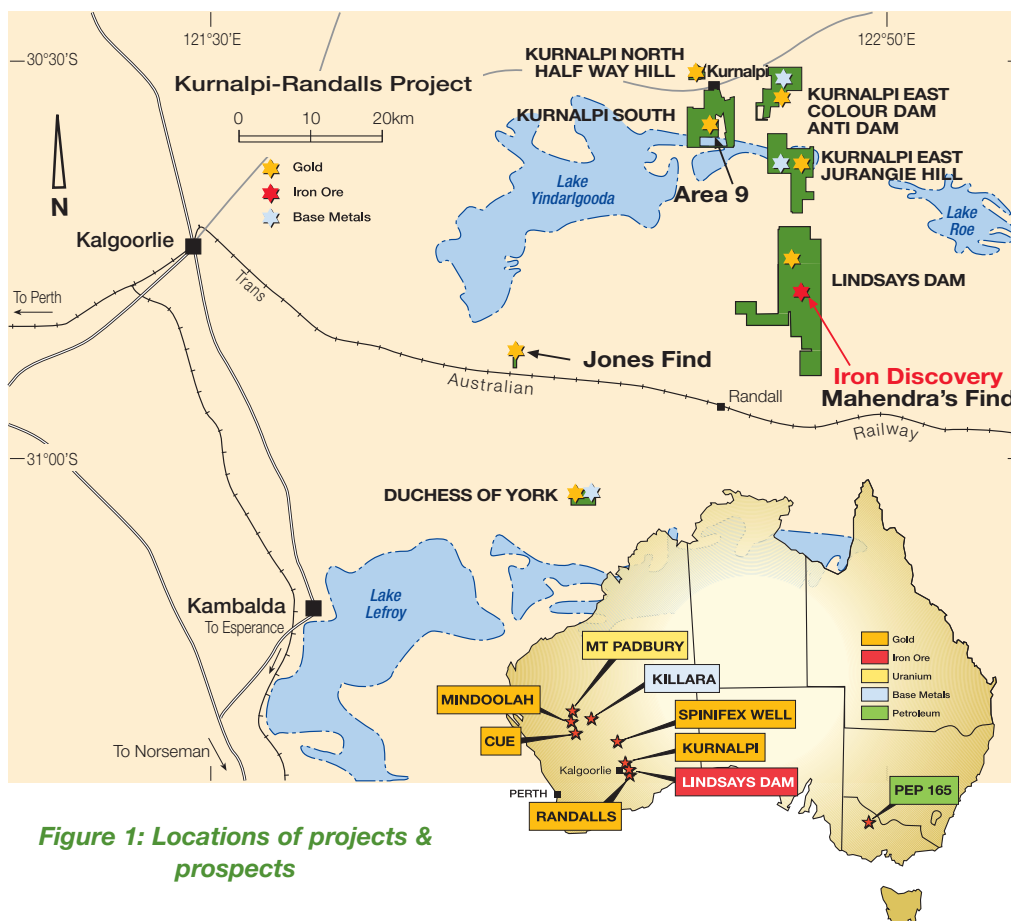
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## FairStar Resources Company Update

Diversified Australian exploration and development company Fairstar Resources Limited (ASX: FAS) (Fairstar) is pleased to provide the following update on the progress of its upcoming exploration programs at the Kurnalpi-Randalls Gold Project, Mahendra's Find Iron Project, Duchess of York Gold and Base-metals Project, and the Killara Uranium and Base Metals Project (Figure 1).

### Highlights

- The Company has appointed Fugro Airborne Surveys Pty Ltd to conduct the airborne magnetic-radiometric surveys for the Company's upcoming exploration programs at the Kurnalpi-Randalls Gold Project, Mahendra's Find Iron Project, Duchess of York Gold and Base-metals Project, and the Killara Uranium and Base-metals Project. The survey is scheduled to commence on 29 May 2009.
- Geological mapping of Mahendra's Find Iron Project commenced on 20 April 2009.
- Ethnographic survey of Mahendra's Find Iron Project (tenements E28/1672 and 1766) for drill site preparation was completed by Western Heritage Research Pty Ltd on 8 May 2009. No ethnographic sites were located within the Project areas.
- New exploration targets for deep extensions of gold mineralisation have been identified at the Duchess of York Project in the Bulong District of East Coolgardie Mineral Field, Western Australia.



**Figure 1: Locations of projects & prospects**

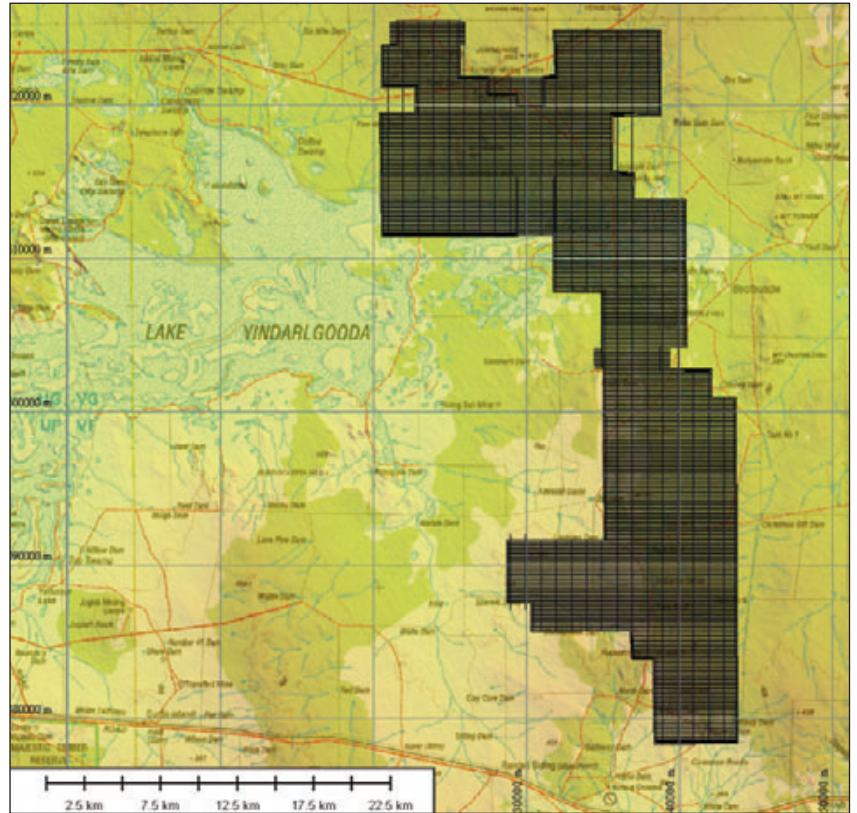
### Kurnalpi-Randalls Gold Project

The project is located in the eastern region of Western Australia's Goldfields.

An airborne magnetic-radiometric survey is planned for the Kurnalpi-Randalls Project (Figure 2) to unearth sub-surface geology and structures to assist in the selection of drill targets for a 5300 metre drill program (5000 RC percussion and 300m diamond) along 30 holes, which will test deep extensions of gold mineralisation at the Area 9, Halfway Hill and Jones Find prospects at the Project.

The airborne magnetic-radiometric survey is scheduled to commence after the completion of Killara Project survey, and the Company then plans to commence its drill program at Kurnalpi-Randalls by mid July 2009.

*Figure 2: Kurnalpi-Randalls Project – planned survey area*



### Mahendra's Find Iron Project

The Company also plans to fly an airborne magnetic-radiometric survey at the Mahendra's Find Iron Project to unearth sub-surface geology and structures ahead of its maiden drilling program at the project, which is scheduled to commence in June. The magnetic-radiometric survey of the Project will form part of the Kurnalpi-Randalls survey (Figure 2).

The Project is also located in WA's eastern Goldfields. Detailed geological mapping commenced in April and Ethnographic survey for drill site preparation was completed earlier this month (Plate 1). No ethnographic sites were located within the Project areas.



*Plate 1: Ethnographic Survey party at work*

The host BIF structure at Mahendra's Find is more than 15km in length, and Fairstar plans to drill 10,000 metres across 150 holes in the drill campaign.

The project is situated close to major infrastructure, just 110km southeast of Kalgoorlie and 23km north of the Trans Australian Railway (Figure 1). The Company is of the view that it represents a major potential iron project with the possibility to produce Direct Shipping Ore (DSO) of greater than 60% Fe, and beneficiable material of greater than 30% Fe.

### Duchess of York Gold and Base-Metals Project

The Duchess of York Project covers land across prospects P25/1856 to P25/1858 and is located at about 70 km south east of Kalgoorlie in the Bulong District of the East Coolgardie Mineral Field of WA (Figure 1).

More than 80 per cent of the project area is covered with colluvium. Recent study of available information suggests that the Project has the potential to host a reasonable size gold resource - both near surface (0-50 metres) and at depth, exceeding 100 metres (Figures 3 -5). To unearth sub-surface geology and structures of the Project area an airborne magnetic-radiometric survey over the Project areas is scheduled to be flown in conjunction with Kurnalpi-Randalls magnetic-radiometric survey (Figure 6).

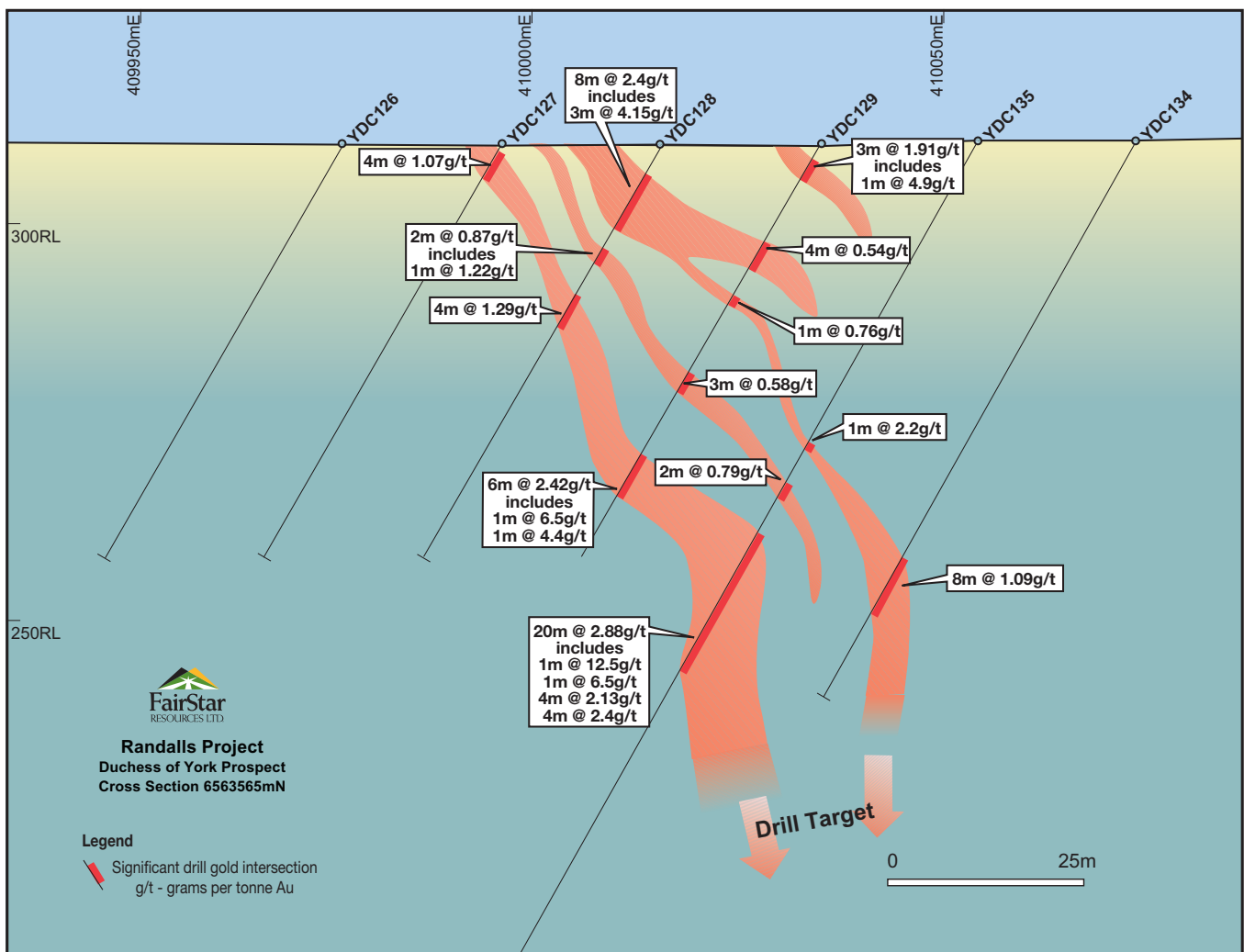


Figure 3: Duchess of York Project – cross section 6563565mN with drill targets



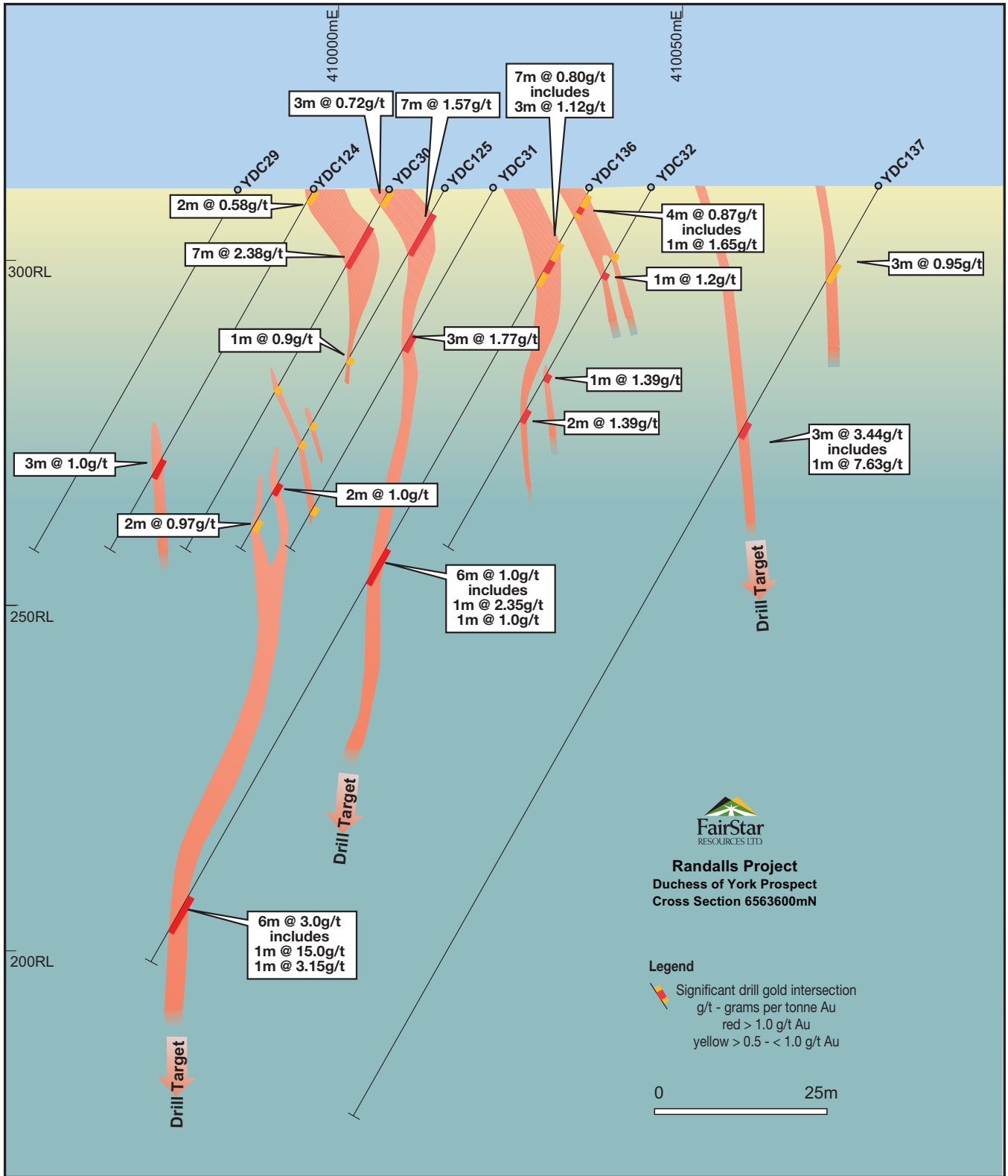


Figure 4: Duchess of York Project – cross section 6563600mN with drill targets

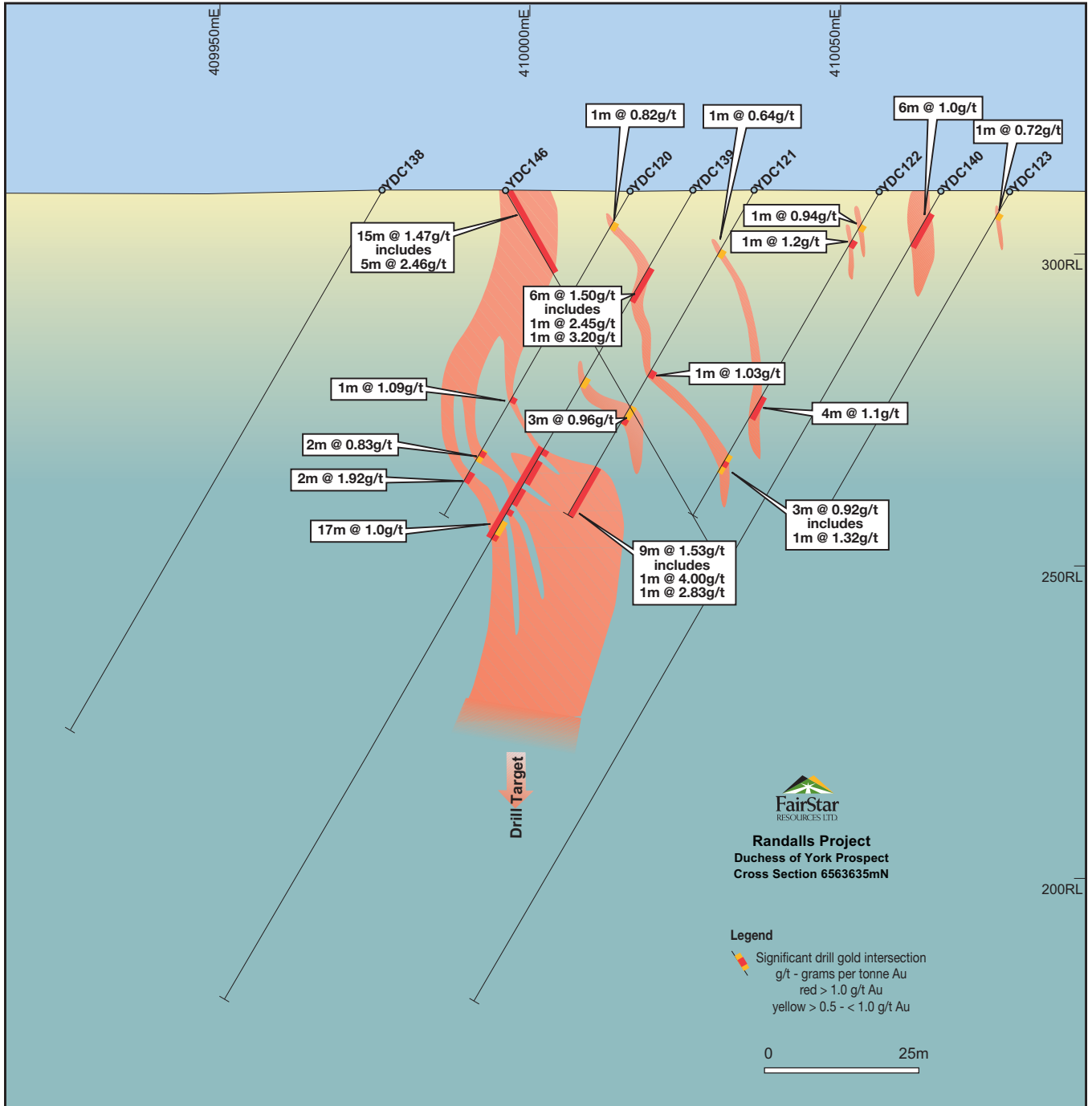
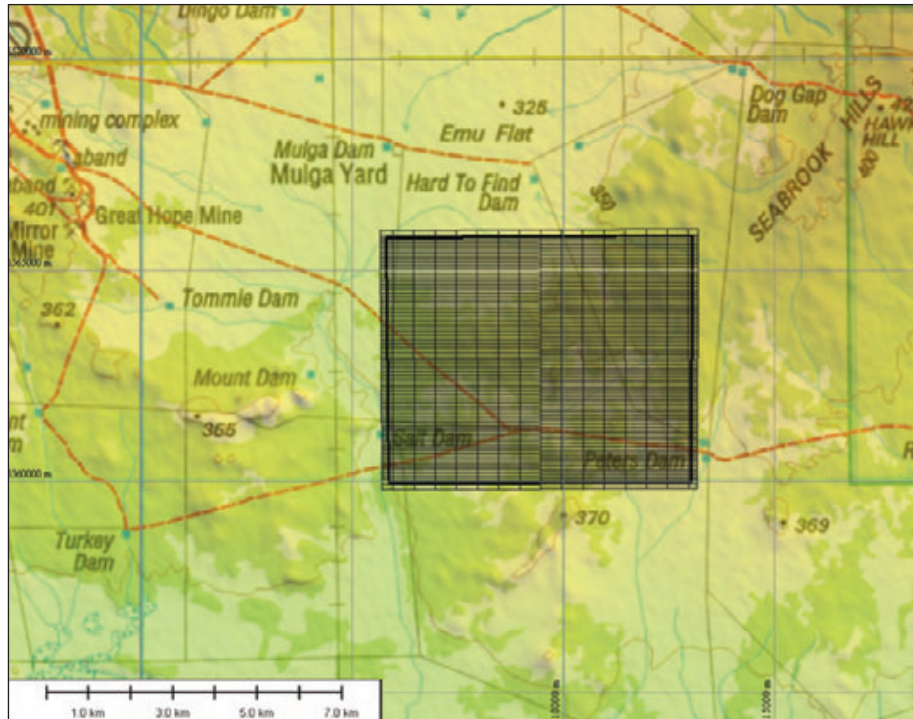


Figure 5: Duchess of York Project – cross section 6563635mN with drill target

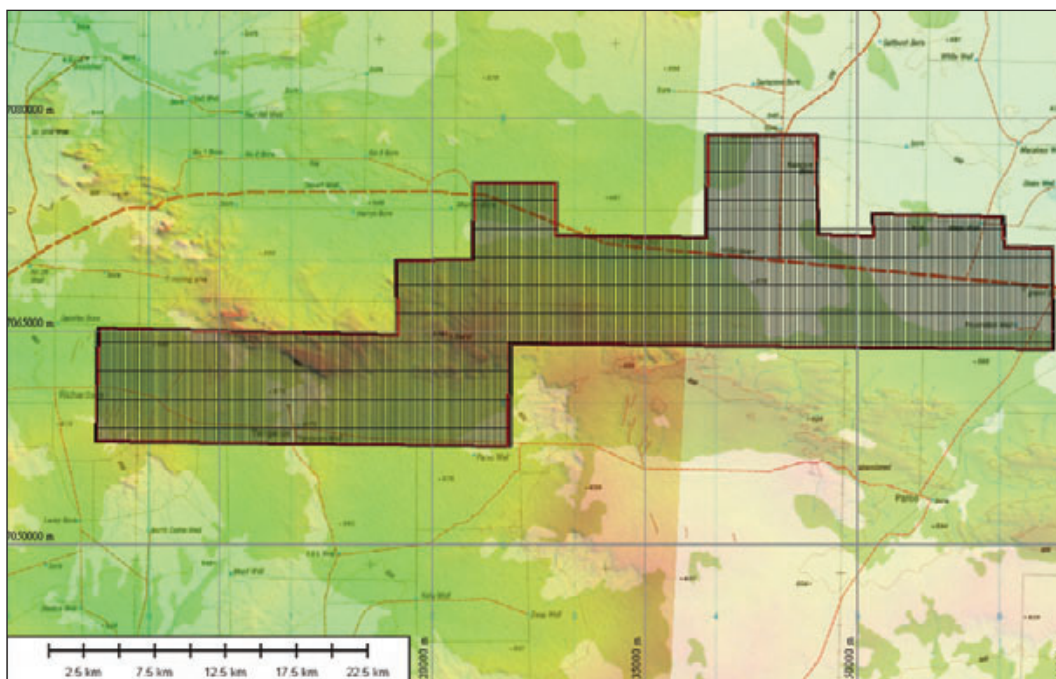


*Figure 6: Duchess of York Project – planned survey area*

### **Killara Uranium and Base Metals Project**

The Killara Project is located about 77 km east of the Town of Meekatharra in the Murchison Mineral Field of WA and is considered to have strong potential for uranium and base metals mineralisation. In addition the presence of iron mineralisation in the vicinity has also been identified.

A program of geological mapping is planned for August 2009 and Fugro will fly an airborne magnetic-radiometric survey over the project on 29 May 2009 to further assess its potential (Figure 7).



*Figure 7: Killara Project – planned survey area*

In partnering with Fugro, Fairstar Resources Limited will complete the many months of planning which will enable the technical team to accurately embark on the drilling stage of the exploration program.

The results of the airborne magnetic-radiometric surveys will be of significant importance in planning drill targets for our upcoming drilling programs at our highly prospective Kurnalpi-Randalls and Killara Projects.

### **About Fairstar Resources**

Fairstar Resources is a Perth-based multi-commodity exploration company which listed on the ASX in October 2006. The Company has direct and indirect project interests in Gold, Iron Ore, Base metals and Uranium.

Its portfolio of projects includes the; Mahendra's Find Iron Project, Kurnalpi-Randalls Gold Project, and Spinifex Well Gold Project in the Eastern Goldfields of Western Australia, and the Mt Padbury Uranium Project, Mindoolah and Killara gold and base metals projects near Meekatharra in the Murchison region of WA

### **About Fugro Airborne Surveys (FUGRO)**

Fugro Airborne Surveys (FUGRO) is a world leader in airborne geophysical surveys for the petroleum, mineral and environmental sectors and has extensive world-wide experience in survey design, data acquisition, full geophysical data processing and integrated interpretation. Technologies offered include airborne gravity, magnetic-radiometric, electromagnetic surveys, etc.

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### **Fairstar Resources Limited**

*The information reported herein is based on information compiled by Mr Mahendra Pal who is a Member of the Australian Institute of Company Directors, a Fellow of the Australasian Institution of Mining and Metallurgy, Australia and a Member of the Society of Geoscientists and Allied Technologists, India. Mr Pal is an employee (Executive Director - Exploration & Technical) of Fairstar Resources and has sufficient experience relevant to the style of mineralisation 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". Mr. Pal consents to the inclusion of this report of the matters based on his observations in the form and context in which it appears.*