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FairStar Resources Signs Native Title Agreement for Steeple Hill Iron Project (SHIP)

- **Further significant milestone in developing SHIP**
- **Fulfils important condition to gaining \$A300 million funding facility**
- **Native Title Agreement signed with the Central East Native Title Claimant Group covering SHIP tenement**
- **Paves way for imminent granting of Mining Lease**

The Board of FairStar Resources (ASX: FAS, "The Company") is pleased to announce it has entered a native title mining agreement with the Central East Goldfields Peoples Native Title Claimant Group (Central East group) for on-going exploration and production at the Company's flagship Steeple Hill Iron Project (SHIP).

Importantly, it fulfils a key condition towards securing an innovative \$A300 million debt funding instrument and moves the Company closer to fulfilling a second key condition - obtaining a mining lease.

"This is an extremely important and significant milestone in FairStar's on-going commitment to get SHIP into production for the benefit of our shareholders," Managing Director Kevin Robertson said.

"The Board wants to thank the Central East group for their work and commitment in negotiating this agreement which we believe will deliver long lasting benefits to the local community.

"We are very pleased the major focus of the agreement is on working with the Central East group's strategic plan for developing sustainable and long lasting relationships to deliver better outcomes for their community for many years to come.

"We are also very excited that we have completed one of the key conditions towards getting the funding facility approved."

The Central East community are pleased to have concluded a native title agreement and are looking forward to working long term with FairStar in alignment with their strategic vision to deliver new opportunities and better outcomes for the local community.

FairStar announced on October 24th that it had secured conditional approval for a \$A300 million facility to fast track development of SHIP subject to a number of conditions, including securing native title.

The other key conditions to be completed by FairStar include:

- FairStar obtains grant of the Mining Lease over the SHIP Tenements;
- FairStar successfully concludes Off-Take agreements for a substantial part of the ore to be derived from the SHIP Tenements.

Key Condition still to be completed by Lender : -

- Final due diligence and final regulatory approvals.



Heritage Survey Team on ground at SHIP

For more information:

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Background, FairStar - A New Horizon:

FairStar was listed in October 2006 and is a unique Perth-based uranium and gold producer; upon discovering Iron Ore at Lindsay's Dam commenced its flagship project (SHIP) that is strategically located near existing transport infra-structure with a clear and unencumbered path to production for relatively low capital expenditure.

FairStar will fast track development and production of its high-value Steeple Hill iron project with significant resource estimates of Direct Shipping to deliver immediate and substantial cash flows. Significantly, FairStar believes it will be cash flow positive from its first year of production at SHIP.

This will be used to increase shareholder value and fund further high-value projects such as the gold tenements at Jones Find Gold Prospect and Duchess of York - Hickmans Find.

FairStar has an extensive portfolio of projects straddling 1,167 Km² and remains committed to an aggressive expansion campaign to bolster its resource inventory and quickly transition the company from a junior explorer to a highly competitive producer of iron ore, gold and uranium.

Fairstar's other projects include the Jones Find Gold Prospect, which is subject of an application for a Mining Lease and the Duchess of York - Hickmans Find, where preliminary metallurgical work is imminent to determine a possible gold resource. FairStar will remain highly active in feasibility assessment, target generation and further exploration.

FairStar Resources Limited had its origins in Kalgoorlie and the Directors and Management are committed to returning value to shareholders and the whole region, both in the near term and for generations to come.