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11<sup>th</sup> April 2007

Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

**Re: Share Placement**

We refer to our announcement dated 23<sup>rd</sup> March 2007 and advise that Techstar Limited has completed the issue of 22,222,221 ordinary shares at the issue price of 4.5 cents per share to institutional and sophisticated investors of Bell Potter Securities Limited.

The \$1 million raised will be used to continue the development into commercial production of TechStar's large, premium quality, Mantuan Downs bentonite resource in Central Queensland.

We wish to give notice for the purpose of section 708A(5)(e) of the Corporation Act 2001 that:

- The new ordinary shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act 2001;
- TechStar Limited has complied with relevant provisions of Chapter 2M of the Corporations Act 2001 and section 674 of the Corporations Act 2001 as they apply to the Company; and
- The company has no excluded information with the meaning of sections 708(A)(7) and 708(A)(8) of the Corporations Act 2001.

Please contact the Company Secretary if you have any queries in relation to this placement.

Yours faithfully

**TECHSTAR LIMITED**

A handwritten signature in black ink, appearing to read 'Michael J Ilett', written over a horizontal line.

Michael J Ilett  
Company Secretary