

Formation of Southern Star Resources plc

10th April, 2008

SOUTHERN STAR RESOURCES

HIGHLIGHTS

- Formation of Southern Star Resources plc, a wholly-owned subsidiary of U308 Holdings plc
- Focussed on acquiring precious metal assets in South America and making investments in South American focussed mining exploration companies
- First investment made in South American Mineral Exploration Ltd of GBP45,000 for 33% of the equity

U308 Holdings plc (“U308” or “the Company”), the South American focussed uranium exploration company, is pleased to announce that it has formed the wholly-owned subsidiary, Southern Star Resources plc (“Southern Star”).

Southern Star has been capitalised with GBP50,000 by U308 Holdings plc, and has been issued with a certificate of entitlement to do business by Companies House.

It is intended that Southern Star will focus on acquiring precious metal mineral licences in South America, with the prime focus being on gold and silver. Southern Star will also make investments in fledgling mining companies, where the board believes there is an attractive level of upside to generate a significant return on an investment.

The first such investment has been made in South American Mineral Exploration Ltd (“SAME”), whereby Southern Star has acquired 33% of the equity in SAME. The Company will announce further details about SAME in due course.

CONRAD WINDHAM, CHIEF EXECUTIVE OFFICER, SAID:

“There are a great deal of opportunities open to us to expand the company and create value through acquiring mineral projects at various stages of development in South America and elsewhere. The formation of Southern Star Resources now means that the group comprises two wholly-owned subsidiaries. The first, U308 Energy Ltd, which is focussed on uranium development in South America, and secondly, Southern Star Resources plc, which is focussed on acquiring precious metal assets in South America.

We believe that Southern Star Resources has the opportunity to add value to the Company, and there are options open to us to ensure that value is realized in the future. We look forward to announcing progress on the development of Southern Star Resources in the coming months and on its first investment in South American Mineral Exploration Ltd.”

The Directors of the issuer accept responsibility for this announcement

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