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## Uranium Star Acquires Madagascar Property; Executes Plan to Underpin Company with Additional Assets

**Uranium Star Corp. (OTCBB: URST)(FRANKFURT: YE5)** is pleased to announce an addition to its property portfolio. The flagship Sagar Property in Northern Quebec will be joined by the Three Horses Property in South-Central Madagascar. The company has signed an agreement with Madagascar Minerals to acquire a 75% interest in the Three Horses Property in Madagascar which covers an area of approximately 180 square kilometers for a cash payment of seven-hundred & sixty-five thousand US dollars (\$765,000 USD), the issuance of one million two-hundred & fifty thousand (1,250,000) URST common shares and five-hundred thousand (500,000) URST common share purchase warrants exercisable at \$1.00 per share for a period of 24 months from date of issuance. Madagascar Minerals is a private land-holding company.

### **Madagascar: Up and Coming Mining Jurisdiction**

Uranium Star believes Madagascar represents an excellent opportunity for mineral exploration. The African island nation is the beneficiary of a great deal of geological diversity from the time of its formation. Madagascar's current political regime has been stable, supportive of business and encouraging to foreign investment. The government was recently re-elected and has five years remaining in its mandate. Madagascar's mining laws are fixed and have been consistently upheld by the local government and legal system. Other mining companies that have been early movers in Madagascar include Rio Tinto, Sherritt and Alcan. Rio Tinto and Sherritt are currently developing separate projects that require capital expenditures in excess of US\$1 billion.

### **The Three Horses Property**

The Three Horses Property is located south of Majescor's Besakoa volcanogenic massive sulphide property which has displayed distinct mineralization and alteration associated with VMS deposits. It is believed that the Three Horses Property is a southern strike extension of the same stratigraphy that hosts the Besakoa VMS mineralization.

Uranium Star has contracted Fugro Airborne Surveys Limited to commence a helicopter borne AEM - magnetometer survey on the Three Horses Property starting at the end of September 2007. It is expected that the survey will take 4-6 weeks to complete with results received before the end of the year. A field crew, headed by Taiga Consultants of Calgary, is currently mobilizing to the property to start regional geological mapping and geochemical work as well as examine known gossan mineralization on the property.

The Three Horses Property displays extensive gossan outcroppings at surface and has as part of its attractiveness similarities to Nevsun Resource's Bisha Project in Eritrea. F. William Nielsen, P. Geo., the V.P. of Exploration for Nevsun, is a director of Uranium Star. He played an integral roll in Bisha's discovery and advancement to the feasibility stage of development. Uranium Star has been able to retain the same exploration team that was instrumental in advancing the world class Bisha project to feasibility.

An initial examination of one part of the Three Horse Property revealed several large areas covered with gossanous boulders which are believed to overlie massive sulphide mineralization. At Bisha, in Eritrea, the gossanous material contained appreciable amounts of gold which overlay an extensive supergene enriched copper zone which itself overlay zinc rich massive sulphides. It is anticipated that a similar weathering regime in Madagascar may produce similar styles of mineralization at the Three Horse Property.

### **Underpinning Shareholder Value**

While the Sagar Property in Northern Quebec remains the Company's primary Uranium and Gold exploration target, the addition of the Three Horses Property in Madagascar underpins shareholder value and mitigates the risk inherent in all exploration activities. A full exploration program is being completed at Sagar this fall which will be followed up with another full-scale program when analysis of results is complete.

### **Other Operators in Madagascar**

Sherritt is one step closer to mining nickel on the Eden-like island of Madagascar after completing a US\$2.1 billion debt financing deal. This is one of the largest project finance agreements ever completed in the mining industry, and is particularly impressive given the current lending climate. The probable reserves are estimated to be in the 125 million tonne range, grading 1.04% nickel and 0.099% cobalt with an estimated life of 27 years at planned production rates. Sherritt plans to spend about \$3 billion in total to develop the project which is located near the Port of Toamasina on the west coast of Madagascar with a target completion date of 2010.

Rio Tinto plans to spend about \$1 billion to develop a titanium project located near Port Daphne on the east coast of Madagascar.

Alcan is currently in the process of evaluating a bauxite/aluminum project which is potentially another large mining project on the island of Madagascar.

### **About the Company**

Uranium Star Corp. is a rapidly emerging uranium exploration company with assets in Northern Quebec and Arizona. Its shares are traded on the OTCBB under the symbol URST, as well as the Frankfurt Exchange under the symbol YE5. The Company continues to focus on high priority property acquisition and exploration in order to underpin and augment the company's current property holdings.

Uranium Star has applied for and is awaiting Canadian reporting issuer status. Achieving this status is a significant step in listing on a Canadian stock exchange. As an already NASDAQ listed company, Uranium Star will continue to pursue an additional listing on the TSX Venture Exchange.

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