

SMITH & NEPHEW PLC  
Form 6-K  
April 10, 2014

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of  
1934

April 10, 2014

Commission File Number 001-14978

SMITH & NEPHEW plc  
(Registrant's name)

15 Adam Street  
London, England WC2N 6LA  
(Address of registrant's principal executive offices)

[Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.]

Form 20-F <input checked="" type="checkbox"/>	Form 40-F <input type="checkbox"/>
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[Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1).]

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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[Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7).]

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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[Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing information to the Commission pursuant to Rule 12g3-2 (b) under the Securities Exchange Act of 1934.]

Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2 (b) : 82- n/a.

10 April 2014

Smith & Nephew plc

Smith & Nephew announces the results of the voting by poll on the resolutions put to its Annual General Meeting held at 2pm on 10 April 2014.

Resolution	For/Discretion (Number of votes)	Percentage For/Discretion (%)	Against (Number of votes)	Total votes validly cast	Percentage of relevant shares in issue (%)	Withheld (Number of votes)
Ordinary resolutions						
1. To receive and adopt the audited accounts	622,713,012	99.68	1,992,306	624,705,318	69.85	5,045,140
2. To approve the Directors' Remuneration Policy	586,941,104	93.50	40,818,512	627,759,616	70.19	1,990,842
3. To approve the Directors' Remuneration Report (excluding Policy)	615,870,158	97.97	12,774,146	628,644,304	70.29	1,106,154
4. To declare a final dividend	628,770,101	100.00	13,169	628,783,270	70.31	967,178
5. To re-elect Ian Barlow	621,147,090	98.82	7,417,483	628,564,573	70.28	1,185,885
6. To re-elect Olivier Bohuon	594,977,861	94.66	33,578,887	628,556,748	70.28	1,193,710
7. To re-elect The Rt. Hon Baroness Virginia Bottomley	626,993,802	99.72	1,764,180	628,697,982	70.30	1,052,476
8. To re-elect Julie Brown	624,669,673	99.36	4,039,988	628,709,661	70.30	1,040,797
9. To re-elect Michael Friedman	626,877,714	99.73	1,683,581	628,561,295	70.28	1,189,163

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10. To re-elect Pamela Kirby	622,269,044	99.07	5,850,003	628,119,047	70.23	1,631,411
11. To re-elect Brian Larcombe	614,885,994	98.38	10,112,056	624,998,050	69.88	4,752,408
12. To re-elect Joseph Papa	620,630,053	98.74	7,931,190	628,561,243	70.28	1,189,215
13. To elect Roberto Quarta	614,101,334	97.74	14,201,797	628,303,131	70.25	1,447,327
14. To re-appoint Ernst & Young LLP as the Auditor	604,710,563	98.18	11,212,693	615,923,256	68.87	13,827,202
15. To authorise the Directors to determine the remuneration of the Auditor	614,150,230	98.94	6,593,008	620,743,238	69.41	9,007,220
16. To renew the Directors' authority to allot shares	597,137,440	94.98	31,566,807	628,704,247	70.30	1,046,211
Special resolutions						
17. To renew the Directors' authority for the disapplication of the pre-emption rights	600,116,420	95.46	28,556,622	628,673,042	70.30	1,077,416
18. To renew the Directors' limited authority to make market purchases of the Company's own shares	628,428,141	99.96	264,227	628,692,368	70.30	1,058,090
19. To authorise general meetings to be held on 14 clear days' notice	537,865,394	85.54	90,887,829	628,753,223	70.30	997,235

The number of Ordinary Shares in issue on 8 April 2014 at 6pm (excluding shares held in Treasury) was 894,324,750. Shareholders are entitled to one vote per share. A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes validly cast.

A copy of the Resolutions passed as Special Business at the Annual General Meeting is being submitted to the UK Listing Authority and will shortly be available for inspection at the National Storage Mechanism document viewing facility at: <http://www.morningstar.co.uk/uk/nsm>

Gemma Parsons  
Deputy Company Secretary  
Smith & Nephew plc

Tel: +44 (0)20 7401 7646

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Smith & Nephew Plc  
(Registrant)

Date: April 10, 2014

By: /s/ Susan Swabey

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Susan Swabey  
Company Secretary

"bottom" width="1%">

**12/31/2002**

\$1 per share

927,000

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-  
-  
-  
(3,000)  
(7,000)  
-  
917,000  
\$5 per share  
640,000  
-  
-  
-  
-  
-  
-  
640,000  
\$10 per share  
1,769,700  
-  
10,000  
(625,000)  
(2,000)  
(97,700)  
-  
1,055,000

2,612,000

F-78

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**Thorium Power, Inc.**  
**(A Development Stage Enterprise)**  
**Notes to Financial Statements**

	Beginning Balance	In Exchange for Services	In Connection with purchase of stock	Issued as Incentive	Converted to stock/ Exercised	Expired	Repriced	Ending Balance
<b>01/01/2004</b>								<b>12/31/2004</b>
\$1 per share	2,017,000	-	-	-	-	-	-	2,017,000
\$4 per share	0	250,000	-	-	-	-	-	250,000
\$5 per share	80,000	-	-	-	-	-	-	80,000
\$9.73-\$10 per share	412,495	-	-	600	-	-	-	413,095
								<b>2,760,095</b>
<b>01/01/2005</b>								<b>12/31/2005</b>
\$1 per share	2,017,000	-	-	-	(1,000)	-	-	2,016,000
\$4 per share	250,000	225,000	-	-	-	-	-	475,000
\$5 per share	80,000	-	-	-	-	-	-	80,000
\$9.60-\$10 per share	413,095	-	-	705	-	-	-	413,800
								<b>2,984,800</b>

**Thorium Power, Inc.**  
**(A Development Stage Enterprise)**  
**Notes to Financial Statements**

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The 625,000 incentive warrants issued in 2001 were contingent upon achieving certain goals, including raising private capital. By December 31, 2002, these goals had not been met and, therefore, the warrants were voided. In addition, included in the 223,000 options issued in 2001, 100,000 are to a director of which all 100,000 have vested at December 31, 2004.

In September 2003, the Company reached an agreement with certain shareholders whereby, in exchange for certain concessions and a release of claim against the company, 1,200,000 warrants at \$5 and \$10 exercise price were repriced to \$1. In addition, 300,000 of those warrants had their expiration date extended three years from December 2004 to 2007. In connection with this repricing, the Company recorded a non-cash expense in the amount of \$1,506,427 in 2003. The Company also acknowledged certain prior obligations in connection with government negotiation and raising of capital totalling approximately \$130,000. The Company also gave antidilution rights to these shareholders for a period of three years from September 2003.

Also in 2003, pursuant to an antidilutive agreement with a shareholder, 50,000 options were repriced from \$10 to \$9.84 and 1,590 stock options were issued. 795 of these stock options expired in 2003. In 2004 and 2005, the price of those warrants was further reduced from \$9.84 to \$9.73 and from \$9.73 to \$9.60 and an additional 600 and 705 stock options were issued respectively.

The following summarizes information for options and warrants currently outstanding and exercisable at December 31, 2005 and 2004:

December 31, 2005	Number	Weighted average Remaining Life	Weighted- average exercise price
Range of Prices			
\$1.00	2,016,000	1.8 years	\$1.00
\$4.00	475,000	4.3 years	\$4.00
\$5.00	80,000	1.7 years	\$5.00
\$9.60-10.00	413,800	1.1 years	\$9.95
	2,984,800		\$2.83

**Thorium Power, Inc.**  
**(A Development Stage Enterprise)**  
**Notes to Financial Statements**

December 31, 2004	Number	Weighted average Remaining Life	Weighted- average exercise price
Range of Prices			
\$1.00	2,017,000	2.8 years	\$1.00
\$4.00	250,000	5.0 years	\$4.00
\$5.00	80,000	2.7 years	\$5.00
\$9.73-10.00	413,095	2.1 years	\$9.97
	2,760,095		\$2.73

Of the total number of stock options and warrants outstanding at December 31, 2005, 1,662,700 were stock options and the remaining 1,322,100 were warrants. All of the stock options and warrants outstanding at December 31, 2005 have vested.

## 7. Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities recognized for financial reporting and the amounts recognized for income tax purposes. The significant components of deferred tax assets as of December 31, 2005 are as follows:

<b>Assets</b>	
Net operating loss	12,850,000
Less: Valuation allowance	(12,850,000)
	\$ -

Management believes that it is more likely than not that forecasted taxable income will not be sufficient to utilize the tax carryforwards before their expiration in 2012 and 2025 to fully recover the asset. As a result, the amount of the deferred tax assets considered realizable was reduced 100% by a valuation allowance. In the near term, if estimates of future taxable income are increased, such an increase will change the valuation allowance. The Company has no other deferred tax assets or liabilities.

## 8. Profit Sharing Plan

The Company established and maintained until the end of 2003 a profit-sharing plan that covered all employees who had attained twenty-one years of age and satisfied a one-year service requirement. Contributions to the plan were at the discretion of the board of directors; however, the contribution could not exceed 15% of compensation for the eligible employees in any single tax year. Since inception through the end of 2003, profit sharing expense amounted to \$51,000. This plan was dissolved in 2003, and all contributions were distributed to the plans participants.



**Thorium Power, Inc.**  
**(A Development Stage Enterprise)**  
**Notes to Financial Statements**

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**9. Research Agreement**

The Company is party to an agreement whereby certain research is being performed by the Russian Research Centre, known as the Kurchatov Institute (“RRC”), on the Company’s fuel designs. All the funding under this agreement is supplied by the Company. The Company is also a party to another agreement whereby research relating only to thermal-hydraulic testing is performed by the Brookhaven National Laboratory in cooperation with the RRC. The funding is supplied by the United States Department of Energy Initiatives for Proliferation Prevention Program (DOE-IPP) and the Company directly to Brookhaven National Laboratory. At December 31, 2005, the Company fulfilled its funding obligation in full with respect to this agreement.

**10. Commitments and Contingencies**

The Company leases office space. Future estimated rental payments under these operating leases are as follows:

	<b>Dollars</b>
Year ending December 31, 2006	6,000

**11. Related Parties**

The Company has both made loans to and received loans from related parties since its inception. In 2001, Thorium Power made a \$50,000 loan, which was repaid during the year, to a related party. Thorium Power received \$1,361 in interest income from the related party associated with this loan. Since inception, Thorium Power has made approximately \$285,000 in loans to related parties. Of this amount, \$125,000 was a note received from a related party in exchange for the purchase of the Company’s stock. These loans, which generated \$1,648 of interest income from related parties, were repaid, with the exception of approximately \$1,000 written off in 1998.

Since inception, Thorium Power has received approximately \$385,000 in loans from related parties. Of this amount, \$240,000 has been repaid, \$99,100 was converted into capital and \$45,930 remains outstanding at December 31, 2005.

**Thorium Power, Inc.**  
**(A Development Stage Enterprise)**  
**Notes to Financial Statements**

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## **12. Subsequent Events**

### *a. Merger Agreement*

On February 14, 2006, Novastar Resources Ltd. (“Novastar Resources”) entered into an Agreement and Plan of Merger (the “Merger Agreement”) with the Company and TP Acquisition Corp., a direct wholly-owned subsidiary of Novastar Resources formed in connection with the transactions contemplated by the Merger Agreement. Concurrently therewith, Novastar Resources (1) adopted its 2006 Stock Plan, (2) entered into an employment agreement with Seth Grae, President and Chief Executive Officer of Thorium Power, (3) granted certain nonqualified stock options to Mr. Grae and (4) entered into a subscription agreement with Thorium Power for the purchase of 150,000 shares of common stock of Thorium Power for \$4.00 per share.

Under the Merger Agreement, each common share of Thorium Power will be converted into securities of Novastar Resources such that Thorium Power’s current stockholders will own approximately 54.5% of the combined company, and each share of Novastar Resources common stock will remain outstanding. In addition, Novastar Resources anticipates the appointment of new directors and officers following the merger. The combined company will be headquartered in the Washington D.C. area, where Thorium Power is presently based.

The merger is conditioned upon, among other things, approvals by stockholders of Novastar Resources and Thorium Power of certain corporate matters, no legal impediment to the merger, the absence of any material adverse effect on Novastar Resources or Thorium Power, completion of due diligence reviews by both companies, the declaration of effectiveness of a registration statement by the Securities and Exchange Commission and any other necessary regulatory approvals.

### *b. Firm Price Commitments*

The Company entered into a firm price commitment agreement in connection with its participation in the pre-conceptual design phase for the construction of a high-temperature test and research reactor in Texas. The agreement has created a firm commitment by the Company for a minimum of \$1.25 million financial contribution toward the project. A minimum payment of \$50,000 on the agreement was due and paid on February 22, 2006, with 10 additional payments totaling \$1.2 million due by December 31, 2006.

The Company also executed an amendment to its cooperative research agreement with Kurchatov Institute, expanding the scope of work and committing \$65,000 toward those research and development activities. The work to be performed under this amendment is to be completed by July 31, 2006.

### *c. Private equity financing*

Subsequently to December 31, 2005, the Company has raised a total of \$1.54 million in private equity investments. Of the \$1.54 million, \$550,000 was invested by Novastar Resources Ltd. and the remaining approximately \$990,000 came from a private equity placement that was conducted in January 2006.



**NOVASTAR RESOURCES, LTD.**

**UNAUDITED PRO FORMA FINANCIAL STATEMENTS**

**Basis of Presentation**

On February 14, 2006, Novastar Resources Ltd., entered into a Share Exchange Agreement with Thorium Power Inc. and its stockholders, pursuant to which Novastar Resources Ltd. acquired all of the issued and outstanding capital stock of Thorium Power Inc. in exchange for a total of 135,638,023 shares of our common stock, constituting 54.5% shares of Novastar Resources Ltd. issued and outstanding common stock at the time of the merger agreement, \$0.001 par value per share.

Novastar Resources Ltd expects to complete the acquisition of Thorium Power Inc., pursuant to the Merger Agreement, in October 2006. The acquisition will be accounted for as a reverse merger effected by a share exchange, wherein Thorium Power Inc. is considered the acquirer for accounting and financial reporting purposes.

The unaudited pro forma consolidated financial statements of Novastar Resources Ltd in the opinion of management include all material adjustments directly attributable to the share exchange contemplated by the Agreement. The unaudited pro forma consolidated balance sheet reflects the financial position of the company had the merger occurred on June 30, 2006. The pro forma consolidated statements of operations were prepared as if the transactions were consummated on June 30, 2005. These pro forma consolidated financial statements have been prepared for comparative purposes only and do not purport to be indicative of the results of operations which actually would have resulted had the transaction occurred on the date indicated and are not necessarily indicative of the results that may be expected in the future.

**Novastar Resources Ltd.**  
**Unaudited Pro Forma Consolidated Balance Sheet**  
**June 30, 2006**

**Note: The merger for accounting purposes will be treated as a recapitalization of Thorium Power Inc.**

	Novastar	Thorium	Total	Pro Forma Adjustment	Pro Forma
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash	\$ 14,431,407	\$ 528,213	\$ 14,959,620	\$ 0	14,959,620
Prepaid Expenses and othr current assets	808,425	990	809,415	0	809,415
Due From Novastar Resources Inc.	0	264,740	264,740	5 (264,740)	0
<b>Total Current Assets</b>	<b>15,239,832</b>	<b>793,943</b>	<b>16,033,775</b>	<b>(264,740)</b>	<b>15,769,035</b>
Property Plant and Equipment -net	0	21,534	21,534		21,534
<b>Other Assets</b>					
Investment in Thorium Power	1,350,000	0	1,350,000	1 (1,350,000)	0
Patent Costs - net	0	209,311	209,311		209,311
Security Deposits	0	7,567	7,567		7,567
<b>Total Other Assets</b>	<b>1,350,000</b>	<b>216,878</b>	<b>1,566,878</b>	<b>(1,350,000)</b>	<b>216,878</b>
<b>Total Assets</b>	<b>\$ 16,589,832</b>	<b>\$ 1,032,355</b>	<b>\$ 17,622,187</b>	<b>\$ (1,614,740)</b>	<b>\$ 16,007,447</b>
<b>Liabilities and Stockholders Equity</b>					
<b>Current Liabilities</b>					
Current portion long term debt	\$ 0	\$ 3,913	\$ 3,913	\$	3,913
Accounts Payable	463,354	131,478	594,832		594,832
Accrued Liabilities	103,541	336,502	440,043		440,043
	128,675	17,500	146,175		146,175

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Due to related party					
Accrued payroll tax and other liability	635,000	5,983	640,983		640,983
Warrant Liability	3,678,278	0	3,678,278		3,678,278
Due to Thorium Power Inc.	264,740	0	264,740	5	(264,740)
Total Current Liabilities	5,273,588	495,376	5,768,964		(264,740)
Notes Payable - long term	0	12,657	12,657		0
<b>Total Liabilities</b>	<b>5,273,588</b>	<b>508,033</b>	<b>5,781,621</b>		<b>(264,740)</b>
Common Stock with Registration Rights	12,041,373	0	12,041,373		12,041,373
<b>Stockholders Equity</b>					
Common Stock	118,101	192,626	310,727		253,739
				1	(8,750)
				2	135,638
				4	(183,876)
Additional Paid in Capital - Stock and Warrants	14,913,153	16,713,706	31,626,859		12,850,947
				1	(1,341,250)
				2	(135,638)
				3	(17,482,900)
				4	183,876
Accumulated deficit - development stage	(17,482,900)	(16,382,010)	(33,864,910)	3	17,482,900
Deferred stock compensation	(83,328)	0	(83,328)		(83,328)
Common Stock and Warrants reserved future issue	1,807,445		1,807,445		1,807,445
Accumulated Other Comprehensive Income	2,400		2,400		2,400
<b>Total Stockholders Equity</b>	<b>(725,129)</b>	<b>524,322</b>	<b>(200,807)</b>		<b>(1,350,000)</b>
					<b>(1,550,807)</b>

**Total Liabilities  
and  
Stockholders  
Equity**

\$ 16,589,832    \$ 1,032,355    \$ 17,622,187    \$ (1,614,740)    \$ 16,007,447

**Pro-Forma  
Adjustments**

Pro-Forma  
Adjustment - 1

Common Stock -  
Thorium

8,750

Additional Paid in  
Capital - Thorium

1,341,250

Investment -  
Thorium Power

1,350,000

To eliminate  
Novastar's  
investment in  
Thorium  
175,000 shares at  
\$4 per share

Pro-Forma  
Adjustment - 2

Additional paid in  
Capital

135,638

Common Stock

135,638

To record the issuance of Novastar stock pursuant to  
the merger agreement

Novastar will issue 135,638,023 common shares at  
\$.001 par value granting Thorium

Shareholders a 54.5% interest in Novastar, prior to the private placement. In addition, Thorium  
management will control

the combined entity and Board of Directors, therefore this will be accounted for as a recapitalization of  
Thorium Power Inc.

Novastar was a shell with minimal assets prior to the merger agreement and the fundraising that took place  
after the merger agreement

Pro-Forma  
Adjustment - 3

Additional Paid in  
Capital - Novastar

17,482,900

Retained Earnings  
- Novastar

17,482,900

To eliminate  
Novastar's  
retained earnings

Pro-Forma  
Adjustment - 4

Common Stock -  
Thorium 183,876

Additonal Paid In  
Capital 183,876

To eliminate Thorium's capital stock  
- recapitalization

March 31, 2006  
Balance 192,626

Elimin. Of  
Novastar Invest  
(8,750)

Pro-Forma  
Adjustment - 5

Due to Thorium  
Power Inc. 264,740

Due from  
Novastar  
Resources Ltd 264,740

To eliminate  
interco. balance

**Novastar Resources Ltd.**  
**Unaudited Pro Forma Consolidated Statement of Operations**  
**Fiscal Year Ended June 30, 2006**

	<b>Novastar</b>	<b>Thorium</b>	<b>Pro Forma Adjustment</b>	<b>Pro Forma</b>
Revenue	\$ 0	\$ 0	\$	\$ 0
Operating Expenses	\$ 13,147,485	\$ 755,714	\$	\$ 13,903,199
Other Income and Expense	\$ 197,050	\$ 803,867	\$	\$ 1,000,917
Net Loss	\$ 13,344,535	\$ 1,559,581	\$	\$ 14,904,116
Basic and Dilluted Loss Per Share	\$ 0.12	\$	\$	\$ 0.06
Common Shares Outstanding	111,913,155		1 135,638,023	247,551,178

Proforma Adjustment - 1

Novastar outstanding shares are restated to reflect the shares to be issued in the reverse merger, 135,638,023 and total outstanding shares post merger

**NOVASTAR RESOURCES LTD.**

**120,247,176 shares of common stock**

**PROSPECTUS**

\_\_\_\_\_, 2006

Dealer Prospectus delivery obligation

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Until 90 days from the date of this prospectus, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

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## PART II

### INFORMATION NOT REQUIRED IN THE PROSPECTUS

#### Item 24. Indemnification of Directors and Officers

##### Limitation of Liability of Directors, Officers and Others

Section 78.7502 of the Nevada Revised Statutes provides:

Discretionary and mandatory indemnification of officers, directors, employees and agents: General provisions.

1. A corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, except an action by or in the right of the corporation, by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, does not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and that, with respect to any criminal action or proceeding, he had reasonable cause to believe that his conduct was unlawful.

2. A corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture trust or other enterprise against expenses, including amounts paid in settlement and attorneys' fees actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation. Indemnification may not be made for any claim, issue or matter as to which such a person has been adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom, to be liable to the corporation or for amounts paid in settlement to the corporation unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

3. To the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections 1 and 2, or in defense of any claim, issue or matter therein, the corporation shall indemnify him against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense.

Pursuant to Novastar's Certificate of Incorporation and Bylaws, Novastar shall indemnify, to the full extent and in the manner permitted under the laws of Nevada and any other applicable laws, any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he is or was a director or officer of this corporation or served any other enterprise as a director or officer at the request of this corporation; such right of indemnification shall also be applicable to the executors, administrators and other similar legal representative of any such director or officer, but the foregoing rights of indemnification shall not be deemed exclusive of any other rights to which any director or officer or his legal representative may be entitled apart from the provisions of the Certificate of Incorporation and Bylaws.

**Item 25. Other Expenses of Issuance and Distribution**

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by us in connection with the sale of common stock being registered. All amounts, other than the SEC registration fee and the NASD fee, are estimates. We will pay all these expenses.

	<b>Amount to be Paid</b>
SEC Registration Fee	\$ 5,789.90
Printing Fees and Expenses	1,000
Legal Fees and Expenses	150,000
Accounting Fees and Expenses	30,000
Miscellaneous	3,000
Total	\$ 189,789.90

**Item 26. Recent Sales of Unregistered Securities**

During the last three years, we have issued the below listed unregistered securities. None of these transactions involved any underwriters, underwriting discounts or commissions, except as specified below, or any public offering, and we believe that each transaction was exempt from the registration requirements of the Securities Act by virtue of Section 4(2) thereof and/or Regulation D promulgated thereunder. The Company believes that the various issuances described below were to "accredited investors". The Company valued all shares issued to consultants using quoted exchange amounts of the Company's common stock as of the measurement date.

During the three month period ended March 31, 2005, the Company issued 20,000,000 common shares upon the conversion of \$1,000,000 in debt owed by the Company to such person. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

During the three month period ended June 30, 2005, the Company issued 16,100,000 common shares to consultants for consulting services provided to the Company with value of \$1,144,000. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

During the three month period ended June 30, 2005 the Company issued 11,600,000 common shares to consultants for consulting services provided to the Company with a value of \$1,595,500. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On August 3, 2005, the Company issued 800,000 restricted shares of common stock to its advisory board as compensation for consulting services performed. The value attributed to these shares was \$128,000 (\$0.16 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On September 22, 2005, the Company issued a total of 4,187,500 shares of common stock to outside consultants as payment for services rendered. Of the total issuance, 4,000,000 were issued pursuant to the March 2005 Compensation Plan, while 187,500 were issued pursuant to the August 2005 Augmented Compensation Plan. The value attributed to these shares was \$462,828 (\$0.11 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On September 30, 2005, the Company issued 300,000 shares of common stock to an outside consultant as payment for services rendered. These shares were issued pursuant to the August 2005 Augmented Compensation Plan and the value attributed was \$51,000 (\$0.17 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On October 21, 2005, the Company issued 1,000,000 restricted common shares with value of \$160,000 (\$0.16 per share) for mineral property acquisition costs. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On November 1, 2005, the Company issued 300,000 shares of common stock to an outside consultant as payment for his services rendered. These shares were issued pursuant to the August 2005 Augmented Compensation Plan and the value attributed to these shares was \$51,000 (\$0.17 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On November 23, 2005, the Company closed a private placement of \$631,500, consisting of an offering of 4,209,998 units of at a price of \$0.15 per unit. Each unit consists of one common share and one-half of a non-transferable share purchase warrant. Each warrant entitles the holder thereof to acquire one additional share of common stock at a price of \$0.30 per share and have an expiry date of twelve months from the closing date of the subscription. Of the 4,209,998 units issued in the private placement, 249,999 units were issued as settlement of debt of \$37,500. The remainder of the units were issued for total cash proceeds of \$594,000. As a result of the foregoing, Novastar Resources relied on the provisions of Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended, for the issuance of the securities.

On December 1, 2005, the Company issued 4,158,333 shares of common stock to various outside consultants as payment for services rendered. The total issuance was pursuant to the August 2005 Augmented Compensation Plan. The value attributed to these shares was \$706,916 (\$0.17 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On December 1, 2005, the Company issued 1,000,000 shares of common stock to an outside consultant as payment for his services rendered. The value attributable to these shares was \$150,000 (\$0.15 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On December 1, 2005, the Company issued 300,000 shares of common stock to an outside consultant as payment for his services rendered. These shares were issued pursuant to the August 2005 Augmented Compensation Plan and the value contributed to these shares was \$51,000 (\$0.17 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On January 9, 2006 the Company issued 355,714 shares of common stock to 3West LLC for drilling services in the Clay County District of Alabama. These shares were issued pursuant to a drilling agreement at \$0.293 per share for total consideration of \$104,173. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On January 11, 2006 the Company issued 3,100,000 shares of common stock to various outside consultants as payment for services rendered. The total issuance was pursuant to the August 2005 Augmented Compensation Plan. The value attributed to these shares was \$527,000 (\$0.17 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On January 24, 2006 the Company issued 181,428 shares of common stock to 3West LLC for drilling services in the Clay County District of Alabama. The shares were issued pursuant to a drilling agreement at \$0.293 per share for total consideration of \$53,132. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On January 27, 2006 the Company issued 150,000 shares of common stock to an outside consultant as payment for his services rendered. The value attributed to these shares was \$94,500 (\$0.63 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On February 2, 2006 the Company issued 135,545 shares of common stock to 3West LLC for drilling services in the Clay County District of Alabama. The shares were issued pursuant to a drilling agreement at \$0.293 per share for total consideration of \$39,695. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On February 13, 2006 the Company issued 2,389,558 shares of common stock to an outside consultant as payment for services rendered, and a portion for services to be rendered. The value attributed to these shares was \$955,823 (\$0.40 per share). These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On February 14, 2006, we completed a private placement with a number of institutional and accredited investors. The aggregate number of units purchased by all investors in connection with this private placement was 4,208,331 units at a price of \$0.30 per unit, to 13 accredited investors for total proceeds of \$1,262,500. Each unit consists of one share of our common stock and one-half of one share of common stock purchase warrant. Each whole warrant is non transferable and entitles the holder to purchase one additional share of common stock of the Company for a period of 12 months after the closing date of the offering at a price per warrant share of \$0.50.

On June 6, 2006, the Company granted an incentive option for the purchase of 525,000 shares of common stock of the Company to an officer pursuant to the Company's Amended and Restated 2006 Stock Option Plan (the "Plan"). The Company also agreed to issue by June 12, 2006, 75,000 shares of the Company's common stock, subject to the restrictions in the Employment Agreement. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On June 13, 2006, the Company granted to an officer, pursuant to the Plan, a non-qualified option for the purchase of 350,000 shares of common stock of the Company. The Company also agreed to issue 75,000 shares of the Company's common stock by June 20, 2006, subject to the restrictions in the Consulting Agreement. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

On June 12, 2006, the Company issued 3,000,000 shares of common stock of the Company to Green Eagle Capital Corp., for services provided to the Company, for Strategic Planning, pursuant to a verbal agreement between Green Eagle Capital Corp. and the Company. These stock issuances were exempt from registration pursuant to Section 4(2) of the Securities Exchange Act of 1933.

Pursuant to the agreements with Mr. Gelband, we issued to Mr. Gelband 2,389,558 restricted shares of common stock on February 13, 2006. Mr. Gelband confirmed that he is an accredited investor and represented his intention to acquire the securities for investment purposes and not with a view to distribution. Mr. Gelband acknowledged that the sale of the securities was not registered under the Securities Act of 1933, as amended, and that the securities could not be resold unless the securities were registered or an exemption from registration was available. As a result of the foregoing, we relied on the provisions of Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended, for the issuance of the securities.

Pursuant to the terms of the employment agreement with Seth Grae, we agreed to issue 5,000,000 restricted shares of common stock to Mr. Grae, and grant to Mr. Grae 7,200,000 non-qualified stock options, with a term of ten years at an exercise price of \$0.795 per share. The stock options shall be granted under the newly adopted 2006 Stock Plan. As a result of the relationship with Mr. Grae, we relied on the provisions of Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended, for the issuance of the securities.

On May 4, 2006, we completed a private placement of 36,659,837 Units at a price of \$0.425 per Unit with a number of institutional investors, including Magnetar Capital Master Fund, Ltd., clients of Wellington Management Company, LLP, clients of Highfields Capital Management LP, clients of Cumberland Associates LLC, SF Capital Partners Ltd., Sunrise Equity Partners, L.P., and several other institutional investors as well as several accredited individual investors for total proceeds of \$15,580,434.20. Each Unit consists of one share of our common stock and one-half of one purchase warrant. Each whole purchase warrant is non transferable and entitles the holder to purchase one additional share of our common stock for a period of 12 months at a price per share of \$0.65.

Each investor confirmed in writing that it is an accredited investor and represented its intention to acquire the securities for investment purposes and not with a view to distribution. We did not use, and no person acting on its behalf used, any form of general solicitation or general advertising in connection with this offering. Appropriate legends shall be affixed to the stock certificates to be issued to each investor. Each investor acknowledged that the sale of the securities was not registered under the Securities Act of 1933, as amended, and that the securities could not be resold unless the securities were registered or an exemption from registration was available. As a result of the foregoing, we relied on the provisions of Rule 506 of Regulation D promulgated under the Securities Act of 1933, as amended, for the issuance of the securities.

**Item 27. Exhibits and Financial Statement Schedules**

The following exhibits are included as part of this Form SB-2.

<i>Exhibit Number</i>	<i>Description</i>
3.1	Articles of Incorporation <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form 10-SB filed on December 17, 1999).
3.2	By-laws <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form 10-SB filed on December 17, 1999).
5*	Opinion of Gary Henrie, as to the validity under Nevada law of the Securities being registered hereunder
4.1	2005 Compensation Plan for Outside Consultants of Custom Brand Networks, Inc. dated March 1, 2005 <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form S-8 filed on March 10, 2005).
4.2	2005 Augmented Compensation Plan for Outside Consultants of Novastar Resources Ltd. dated August 15, 2005 <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form S-8 filed on August 19, 2005).
4.3	2006 Stock Plan <sup>‡</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed February 21, 2006)
4.4	Amended and Restated 2006 Stock Plan <sup>‡</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed May 10, 2006)
10.1	Consulting Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Walter Doyle <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form S-8 filed on October 19, 2004).
10.2	Consulting Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Adam Harrison <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form S-8 filed on October 19, 2004).
10.3	Consulting Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Tim Lelek <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form S-8 filed on October 19, 2004).
10.4	Consulting Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Bruce Fearn <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form S-8 filed on October 19, 2004).
10.5	Compensation Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Paul G. Carter <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form S-8 filed on October 19, 2004).
10.6	Consulting Agreement dated January 24, 2005 between Custom Branded Networks, Inc. and Walter Doyle <sup>‡</sup> (incorporated by reference from Novastar’s Registration Statement on Form S-8 filed on January 27, 2005).

10.7 Consulting Agreement dated January 24, 2005 between Custom Branded Networks, Inc. and Sanjeev Pamnani <sup>‡</sup>(incorporated by reference from Novastar's Registration Statement on Form S-8 filed on January 27, 2005).

II-6

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- 10.8 Consulting Agreement dated January 24, 2005 between Custom Branded Networks, Inc. and Seth Shaw <sup>⌘</sup>(incorporated by reference from Novastar's Registration Statement on Form S-8 filed on January 27, 2005).
- 10.9 Assignment of Specific Mineral Rights dated September 14, 2005 between American Graphite Holdings and Novastar Resources Ltd. <sup>⌘</sup>(incorporated by reference from Novastar's Current Report on Form 8-K filed on October 11, 2005).
- 10.10 Amendment No. 1, dated March 5, 2006, to Assignment of Specific Mineral Rights between American Graphite Holdings and Novastar Resources Ltd. <sup>⌘</sup>(incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.11 Mining Acquisition Agreement dated September 30, 2005 between Walter Doyle and Novastar Resources Ltd. <sup>⌘</sup>(incorporated by reference from Novastar's Current Report on Form 8-K filed on October 11, 2005).
- 10.12 Amendment No. 1, dated March 5, 2006, to Mining Acquisition Agreement between Walter Doyle and Novastar Resources Ltd. <sup>⌘</sup>(incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.13 Agreement and Plan of Merger dated as of February 14, 2006, between Novastar Resources Ltd., TP Acquisition Corp. and Thorium Power, Inc. <sup>⌘</sup>(incorporated by reference from Novastar's Current Report on Form 8-K filed on June 13, 2006).
- 10.14 Amendment No. 1, dated June 9, 2006, to Agreement and Plan of Merger between Novastar Resources Ltd., TP Acquisition Corp. and Thorium Power, Inc. <sup>⌘</sup>(incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
- 10.15 Employment Agreement, dated as of February 14, 2006, between Novastar and Seth Grae <sup>⌘</sup>(incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.16 Stock Option Agreement, dated as of February 14, 2006, between Novastar and Seth Grae <sup>⌘</sup>(incorporated by reference to Exhibit 10.3 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.17 Subscription Agreement, dated as of February 14, 2006, between Novastar and Thorium Power <sup>⌘</sup>(incorporated by reference to Exhibit 10.4 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.18 Amended and Restated Consulting Agreement, dated February 6, 2006, between Novastar and Alan Gelband <sup>⌘</sup>(incorporated by reference to Exhibit 10.5 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.19 Form of Subscription Agreement between Novastar and the investors in the private placement closed on February 14, 2006 <sup>⌘</sup>(incorporated by reference to Exhibit 10.6 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.20 Assignment of Minerals Lease, dated December 31, 2005, between CM Properties and Novastar Resources Ltd. <sup>⌘</sup>(incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed January 10, 2006)
- 10.21 Amendment No. 1 to Assignment of Minerals Lease, dated March 5, 2006 between CM Properties and Novastar Resources Ltd. <sup>⌘</sup>(incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.22

Office Service Renewal Agreement, dated September 21, 2005, between Tysons Business Center, LLC and Thorium Power <sup>‡</sup>(incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).

10.23 Sublease Agreement, dated May 28, 2004, between Thorium Power and Carmen & Muss, P.L.L.C. <sup>‡</sup>(incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).

10.24 Office Building Lease, dated August 14, 2001, between Washington Real Estate Investment Trust and Thorium Power <sup>‡</sup>(incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).

II-7

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10.25	Teaming Agreement dated February 22, 2006 between The University of Texas System, The University of Texas of the Permian Basin, The University of Texas at Austin, The University of Texas at Arlington, The University of Texas at Dallas, The University of Texas at El Paso, The City of Andrews, Texas, Andrews County, Texas, the Midland Development Corporation, the Odessa Development Corporation, Thorium Power and General Atomics <sup>⌘</sup> (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
10.26	Amendment No. 1 to Amended and Restated Consulting Agreement, dated June 12, 2006, among Novastar Resources, Ltd., Alan Gelband and Alan Gelband Company, Inc. <sup>⌘</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
10.27	Employment Agreement, dated June 6, 2006, between Novastar Resources, Ltd. and Cornelius J. Milmo <sup>⌘</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
10.28	Stock Option Agreement, dated June 6, 2006, between Novastar Resources, Ltd. and Cornelius J. Milmo <sup>⌘</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
10.29	Consulting Agreement, dated June 12, 2006, between Novastar Resources, Ltd. and Larry Goldman <sup>⌘</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
10.30	Stock Option Agreement, dated June 12, 2006, between Novastar Resources, Ltd. and Larry Goldman <sup>⌘</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
10.31	Office Service Agreement, dated April 19, 2006, between Tysons Business Center LLC and Novastar Resources Ltd. <sup>⌘</sup> (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
10.32	Form of Subscription Agreement between Novastar and the investors in the private placement closed on May 4, 2006 <sup>⌘</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed May 8, 2006)
10.33	Form of Registration Rights Letter Agreement between Novastar and the investors in the private placement closed on May 4, 2006 <sup>⌘</sup> (incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed May 8, 2006)
10.34	Form of Warrants between Novastar and the investors in the private placement closed on May 4, 2006 <sup>⌘</sup> (incorporated by reference to Exhibit 10.3 of the current report of Novastar on Form 8-K filed May 8, 2006)
10.35	Stock Option Agreement, dated April 26, 2006, between Novastar Resources, Ltd. and George Crowley <sup>⌘</sup> (incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed May 10, 2006).
10.36	Employment Agreement, dated July 27, 2006, between Novastar Resources, Ltd. and Andrey Mushakov <sup>⌘</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed August 4, 2006).
10.37	Stock Option Agreement, dated July 27, 2006, between Novastar Resources, Ltd. and Andrey Mushakov <sup>⌘</sup> (incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed August 4, 2006).
10.38	Employment Agreement, dated July 27, 2006, between Novastar Resources, Ltd. and Thomas Graham, Jr. <sup>⌘</sup> (incorporated by reference to Exhibit 10.3 of the current report of Novastar on Form 8-K filed August 4, 2006).
10.39	

	Stock Option Agreement, dated July 27, 2006, between Novastar Resources, Ltd. and Thomas Graham, Jr. <sup>⌘</sup> (incorporated by reference to Exhibit 10.4 of the current report of Novastar on Form 8-K filed August 4, 2006).
10.40	Amendment No. 2, dated August 8, 2006, to Agreement and Plan of Merger between Novastar Resources Ltd., TP Acquisition Corp. and Thorium Power, Inc. <sup>⌘</sup> (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed August 9, 2006).
10.41	Employment Agreement, dated August 21, 2006, between Novastar Resources, Ltd. and Victor Alessi (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed August 25, 2006).
10.42	Stock Option Agreement, dated August 21, 2006, between Novastar Resources, Ltd. and Victor Alessi (incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed August 25, 2006).
14.1	Code of Ethics <sup>⌘</sup> (incorporated by reference from Novastar's Annual Report on Form 10-KSB filed on October 13, 2004).
16.1	Letter from Morgan and Company dated September 14, 2005 regarding change in independent accountant <sup>⌘</sup> (incorporated by reference from Novastar's Current Report on Form 8-K filed on October 11, 2005).
23.1*	Consent of Gary Henrie, Esq. (included in Exhibit 5)
23.2*	Consent of Telford Sadovnick, P.L.L.C.
23.3*	Consent of Child, Van Wagoner & Bradshaw, PLLC

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\* Files herewith.

## Item 28. Undertakings

The undersigned registrant hereby undertakes to:

File, during any period in which offers or sales are being made, a post-effective amendment to this registration statement to:

(a) Include any prospectus required by Section 10(a)(3) of the Securities Act, and

(b) Reflect in the prospectus any facts or events which, individually or together, represent a fundamental change in the information in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of the securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement, and

(c) Include any additional or changed material information on the plan of distribution.

For determining liability under the Securities Act, treat each post-effective amendment as a new registration statement of the securities offered, and the offering of the securities at that time to be the initial bona fide offering.

File a post-effective amendment to remove from registration any of the securities that remain unsold at the end of the offering.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) (§230.424(b)(2), (b)(5), or (b)(7) under the Securities Act) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) (§230.415(a)(1)(i), (vii), or (x) under the Securities Act) for the purpose of providing the information required by section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the registrant and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

**SIGNATURES**

In accordance with the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all the requirements for filing on Form SB-2 and authorized this registration statement to be signed on its behalf by the undersigned, in the City of McLean, State of Virginia, on the 2nd day of October 2006.

**NOVASTAR RESOURCES LTD.**

By: /s/ Seth Grae  
Seth Grae,  
President and Chief Executive Officer

By: /s/ Larry Goldman  
Larry Goldman  
Treasurer and Chief Financial Officer

In accordance with the requirements of the Securities Act of 1933, this amendment to the registration statement has been signed by the following persons in the capacities and on the date stated.

By: /s/ Seth Grae  
Seth Grae  
President, Chief Executive Officer and Director

By: /s/ Larry Goldman  
Larry Goldman  
Treasurer and Acting Chief Financial Officer

By: /s/ Thomas Graham, Jr.  
Thomas Graham, Jr.  
Interim Secretary and Director

By: /s/ Cornelius J. Milmoie  
Cornelius J. Milmoie  
Chief Operating Officer and Director

By: /s/ Victor Alessi  
Victor Alessi  
Director

By: /s/ Andrey Mushakov  
Andrey Mushakov  
Executive Vice President - International Nuclear  
Operations

S-1

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## EXHIBIT INDEX

<i>Exhibit Number</i>	<i>Description</i>
3.1	Articles of Incorporation (incorporated by reference from Novastar's Registration Statement on Form 10-SB filed on December 17, 1999).
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5*	Opinion of Gary Henrie, as to the validity under Nevada law of the Securities being registered hereunder
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4.3	2006 Stock Plan (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed February 21, 2006)
4.4	Amended and Restated 2006 Stock Plan (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed May 10, 2006)
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10.2	Consulting Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Adam Harrison (incorporated by reference from Novastar's Registration Statement on Form S-8 filed on October 19, 2004).
10.3	Consulting Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Tim Lelek (incorporated by reference from Novastar's Registration Statement on Form S-8 filed on October 19, 2004).
10.4	Consulting Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Bruce Fearn (incorporated by reference from Novastar's Registration Statement on Form S-8 filed on October 19, 2004).
10.5	Compensation Agreement dated October 15, 2004 between Custom Branded Networks, Inc. and Paul G. Carter (incorporated by reference from Novastar's Registration Statement on Form S-8 filed on October 19, 2004).

- 10.6 Consulting Agreement dated January 24, 2005 between Custom Branded Networks, Inc. and Walter Doyle (incorporated by reference from Novastar's Registration Statement on Form S-8 filed on January 27, 2005).
- 10.7 Consulting Agreement dated January 24, 2005 between Custom Branded Networks, Inc. and Sanjeev Pamnani (incorporated by reference from Novastar's Registration Statement on Form S-8 filed on January 27, 2005).
- 10.8 Consulting Agreement dated January 24, 2005 between Custom Branded Networks, Inc. and Seth Shaw (incorporated by reference from Novastar's Registration Statement on Form S-8 filed on January 27, 2005).
- 10.9 Assignment of Specific Mineral Rights dated September 14, 2005 between American Graphite Holdings and Novastar Resources Ltd. (incorporated by reference from Novastar's Current Report on Form 8-K filed on October 11, 2005).
- 10.10 Amendment No. 1, dated March 5, 2006, to Assignment of Specific Mineral Rights between American Graphite Holdings and Novastar Resources Ltd. (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.11 Mining Acquisition Agreement dated September 30, 2005 between Walter Doyle and Novastar Resources Ltd. (incorporated by reference from Novastar's Current Report on Form 8-K filed on October 11, 2005).
- 10.12 Amendment No. 1, dated March 5, 2006, to Mining Acquisition Agreement between Walter Doyle and Novastar Resources Ltd. (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.13 Agreement and Plan of Merger dated as of February 14, 2006, between Novastar Resources Ltd., TP Acquisition Corp. and Thorium Power, Inc. (incorporated by reference from Novastar's Current Report on Form 8-K filed on June 13, 2006).
- 10.14 Amendment No. 1, dated June 9, 2006, to Agreement and Plan of Merger between Novastar Resources Ltd., TP Acquisition Corp. and Thorium Power, Inc. (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
- 10.15 Employment Agreement, dated as of February 14, 2006, between Novastar and Seth Grae (incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.16 Stock Option Agreement, dated as of February 14, 2006, between Novastar and Seth Grae (incorporated by reference to Exhibit 10.3 of the current report of Novastar on Form 8-K filed February 21, 2006)

- 10.17 Subscription Agreement, dated as of February 14, 2006, between Novastar and Thorium Power (incorporated by reference to Exhibit 10.4 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.18 Amended and Restated Consulting Agreement, dated February 6, 2006, between Novastar and Alan Gelband (incorporated by reference to Exhibit 10.5 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.19 Form of Subscription Agreement between Novastar and the investors in the private placement closed on February 14, 2006 (incorporated by reference to Exhibit 10.6 of the current report of Novastar on Form 8-K filed February 21, 2006)
- 10.20 Assignment of Minerals Lease, dated December 31, 2005, between CM Properties and Novastar Resources Ltd. (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed January 10, 2006)
- 10.21 Amendment No. 1 to Assignment of Minerals Lease, dated March 5, 2006 between CM Properties and Novastar Resources Ltd. (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.22 Office Service Renewal Agreement, dated September 21, 2005, between Tysons Business Center, LLC and Thorium Power (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.23 Sublease Agreement, dated May 28, 2004, between Thorium Power and Carmen & Muss, P.L.L.C. (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.24 Office Building Lease, dated August 14, 2001, between Washington Real Estate Investment Trust and Thorium Power (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.25 Teaming Agreement dated February 22, 2006 between The University of Texas System, The University of Texas of the Permian Basin, The University of Texas at Austin, The University of Texas at Arlington, The University of Texas at Dallas, The University of Texas at El Paso, The City of Andrews, Texas, Andrews County, Texas, the Midland Development Corporation, the Odessa Development Corporation, Thorium Power and General Atomics (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.26 Amendment No. 1 to Amended and Restated Consulting Agreement, dated June 12, 2006, among Novastar Resources, Ltd., Alan Gelband and Alan Gelband Company, Inc. (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).

- 10.27 Employment Agreement, dated June 6, 2006, between Novastar Resources, Ltd. And Cornelius J. Milmoie (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
- 10.28 Stock Option Agreement, dated June 6, 2006, between Novastar Resources, Ltd. And Cornelius J. Milmoie (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
- 10.29 Consulting Agreement, dated June 12, 2006, between Novastar Resources, Ltd. And Larry Goldman (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
- 10.30 Stock Option Agreement, dated June 12, 2006, between Novastar Resources, Ltd. And Larry Goldman (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed June 13, 2006).
- 10.31 Office Service Agreement, dated April 19, 2006, between Tysons Business Center LLC and Novastar Resources Ltd. (incorporated by reference from Novastar's Registration Statement on Form S-4 filed on June 14, 2006).
- 10.32 Form of Subscription Agreement between Novastar and the investors in the private placement closed on May 4, 2006 (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed May 8, 2006)
- 10.33 Form of Registration Rights Letter Agreement between Novastar and the investors in the private placement closed on May 4, 2006 (incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed May 8, 2006)
- 10.34 Form of Warrants between Novastar and the investors in the private placement closed on May 4, 2006 (incorporated by reference to Exhibit 10.3 of the current report of Novastar on Form 8-K filed May 8, 2006)
- 10.35 Stock Option Agreement, dated April 26, 2006, between Novastar Resources, Ltd. And George Crowley (incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed May 10, 2006).
- 10.36 Employment Agreement, dated July 27, 2006, between Novastar Resources, Ltd. And Andrey Mushakov (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed August 4, 2006).
- 10.37 Stock Option Agreement, dated July 27, 2006, between Novastar Resources, Ltd. And Andrey Mushakov (incorporated by reference to Exhibit 10.2 of the current report of Novastar on Form 8-K filed August 4, 2006).
- 10.38 Employment Agreement, dated July 27, 2006, between Novastar Resources, Ltd. And Thomas Graham, Jr. (incorporated by reference to Exhibit 10.3 of the current report of Novastar on Form 8-K filed August 4, 2006).

10.39	Stock Option Agreement, dated July 27, 2006, between Novastar Resources, Ltd. and Thomas Graham, Jr. (incorporated by reference to Exhibit 10.4 of the current report of Novastar on Form 8-K filed August 4, 2006).
10.40	Amendment No. 2, dated August 8, 2006, to Agreement and Plan of Merger between Novastar Resources Ltd., TP Acquisition Corp. and Thorium Power, Inc. (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed August 9, 2006).
10.41	Amendment No. 2, dated August 8, 2006, to Agreement and Plan of Merger between Novastar Resources Ltd., TP Acquisition Corp. and Thorium Power, Inc. (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed August 9, 2006).
10.42	Employment Agreement, dated August 21, 2006, between Novastar Resources, Ltd. and Victor Alessi (incorporated by reference to Exhibit 10.1 of the current report of Novastar on Form 8-K filed August 25, 2006).
14.1	Code of Ethics (incorporated by reference from Novastar's Annual Report on Form 10-KSB filed on October 13, 2004).
16.1	Letter from Morgan and Company dated September 14, 2005 regarding change in independent accountant (incorporated by reference from Novastar's Current Report on Form 8-K filed on October 11, 2005).
23.1*	Consent of Gary Henrie, Esq. (included in Exhibit 5)
23.2*	Consent of Telford Sadovnick, P.L.L.C.
23.3*	Consent of Child, Van Wagoner & Bradshaw, PLLC

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\* filed herewith

Gary R. Henrie  
Attorney at Law

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October 2, 2006

Board of Directors  
Novastar Resources Ltd.  
8300 Greensboro Drive  
Suite 800  
McLean, VA 22102

Re: 120,247,176 Shares Common Stock \$0.001 Par Value

Form SB-2 Registration Statement

Ladies and Gentlemen:

As special securities counsel for Novastar Resources Ltd., a Nevada corporation (the "Company"), you have requested my opinion in connection with the preparation and filing with the United States Securities and Exchange Commission of a Registration Statement on Form SB-2 (the "Registration Statement") registering up to 120,247,176 shares of the Company's common stock, \$0.001 par value per share, which may be resold from time to time by the selling stockholders. Of such shares, (i) 91,001,827 will be outstanding upon the effective date of the Registration Statement, (ii) up to 22,646,579 shares will be issuable upon the exercise of warrants held by certain of the selling stockholders and (iii) 4,399,180 shares of common stock and 2,199,590 shares of common stock underlying common stock purchase warrants, representing the maximum number of securities that could be issued pursuant to the liquidated damages provisions of a registration rights agreement entered into in conjunction with the May 4, 2006 private placement, will be issuable if the liquidated damages provisions are triggered. The contents of the Registration Statement, including the exhibits thereto, are incorporated by reference herein.

I have examined such records and documents and made such examination of law as I have deemed relevant in connection with this opinion. Based on the foregoing, and subject to the caveats identified below, I am of the opinion that upon the effective date of the Registration Statement, the 91,001,827 shares referenced in the preceding paragraph, will be legally issued, fully-paid and non-assessable. Moreover, I am of the opinion that the 22,646,579 shares referenced in the preceding paragraph will be legally issued, fully-paid and non-assessable upon the exercise of the applicable warrants in accordance with the terms thereof and upon payment of the exercise price to the Company. Additionally, the 4,399,180 shares of common stock and 2,199,590 shares of common stock underlying common stock purchase warrants that may be issued pursuant to the liquidated damages provisions of a registration rights agreement entered into in conjunction with the May 4, 2006 private placement will be legally issued, fully-paid and non-assessable upon the issuance of such shares or warrants in accordance with the terms of the registration rights agreement entered into in conjunction with the May 4, 2006 private placement. My opinion is limited to the due issuance of the shares by the board of directors of the Company and is based upon Nevada corporate law and the judicial decisions interpreting that law.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement.

Sincerely,

/s/ Gary R. Henrie  
Gary R. Henrie

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**INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT**

The Board of Directors  
Novastar Resources Ltd.  
(An Exploration Stage Company)

We consent to the incorporation by reference in the Registration Statement of Novastar Resources Ltd. (An Exploration Stage Company) on Form SB-2, pertaining to 113,648,406 shares of its common stock, or our Report of Independent Registered Public Accounting Firm, dated September 20, 2006, with respect to the financial statements of Novastar Resources Ltd. included in the annual report on Form 10-KSB, comprising the consolidated balance sheets as at June 30, 2006 and 2005, the related consolidated statements of operations, stockholders' deficiency and cash flows for the year ended June 30, 2006 and for the cumulative period from June 28, 1999 (inception) to June 30, 2006, as filed with the Securities and Exchange Commission.

In addition, we consent to the reference to us under the heading "Experts" in the Registration Statement.

**TELFORD SADOVNICK, P.L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

Bellingham, Washington

September 29, 2006

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Child, Van Wagoner & Bradshaw, PLLC

**A Professional Limited Liability Company of CERTIFIED PUBLIC ACCOUNTANTS**

**5296 S. Commerce Dr., Suite 300, Salt Lake City, UT 84107 PHONE: (801) 281-4700 FAX: (801) 281-4701**

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the reference to our firm under the caption “Experts”, in the Registration Statement (Form SB-2) and related Prospectus of Novastar Resources Ltd. and to the incorporation by reference therein of our report dated April 5, 2006 on the financial statements of Thorium Power, Inc. appearing in this Prospectus, which is part of this Registration Statement.

Child, Van Wagoner & Bradshaw, PLLC

Salt Lake City, Utah

September 29, 2006

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