

Form 45-106F1
Report of Exempt Distribution

Item 1:

Petrostar Petroleum Corporation
 908 Hillside Avenue
 Victoria, BC, V8T 1Z8
 Tel: 250-383-2000

Item 2:

The Issuer is a reporting issuer in the provinces of British Columbia and Alberta.

Item 3:

- | | |
|---|--|
| <input type="checkbox"/> Bio-tech | Mining |
| Financial Services | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input checked="" type="checkbox"/> Oil and gas |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Hi-tech | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Other (describe) |
-

Item 4:

Schedule I attached.

Item 5:

July 26, 2010

Item 6:

782,500 units at \$0.08 per unit. Each unit consists of one flow through share and one-half of one common share purchase warrant. Each whole warrant shall entitle the holder thereof to purchase one additional common share for a period of two years at a price of \$0.12 per share during the first year and \$0.15 per share during the second year. The warrants will expire July 13, 2012. Exemptions relied upon include NI 45-106, s. 2.3(1) and NI 45-106, s. 2.5(1)(a).

Item 7:

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Newfoundland	5	\$0.08	\$16,600.00
Saskatchewan	2	\$0.08	\$38,000.00
British Columbia	1	\$0.08	\$8,000.00
Total number of Purchasers	8		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$62,600

Item 8:

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	

Item 9:

If a distribution is made in Ontario, please include the attached “Authorization of Indirect Collection of Personal Information for Distributions in Ontario”.... N/A

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: July 30, 2010

Petrostar Petroleum Corporation

Name of issuer

William Stafford, CFO & Director, 250-383-2000

Print name, title and telephone number of person signing

“Bill Stafford”

Signature

Item 10:

Dee L. Sauvé, Corporate Administrator, 604-568-4350

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.