

## FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

## OMB APPROVAL

☒ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

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(Print or Type Responses)

|   |  |  |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|--|
| 1. Name and Address of Reporting Person <sup>*</sup><br>Carter Paul G |  |  | 2. Issuer Name <b>and</b> Ticker or Trading Symbol<br>NOVASTAR RESOURCES LTD.<br>[NVAS.OB] |  |  | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><input type="checkbox"/> Director <input type="checkbox"/> 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)<br>President |  |  |
| (Last) (First) (Middle)<br>821 E. 29TH                                |  |  | 3. Date of Earliest Transaction (Month/Day/Year)<br>07/08/2005                             |  |  |  |  |  |
| (Street)<br>NORTH VANCOUVER, A1 V7K 1B6                               |  |  | 4. If Amendment, Date Original Filed(Month/Day/Year)                                       |  |  | 6. Individual or Joint/Group Filing(Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person  |  |  |
| (City) (State) (Zip)  |  |  | Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned           |  |  |  |  |  |

| 1. Title of Security<br>(Instr. 3) | 2. Transaction<br>Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) |   | 4. Securities Acquired<br>(A) or Disposed of (D)<br>(Instr. 3, 4 and 5) |                  |          | 5. Amount of Securities<br>Beneficially Owned Following<br>Reported Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I)<br>(Instr. 4) | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|------------------------------------|--|---|--------------------------------------|---|---|------------------|----------|--|---|---|
|                                    |  |   | Code                                 | V | Amount  | (A)<br>or<br>(D) | Price    |  |   |   |
| common stock                       | 07/08/2005                                 |   | S                                    |   | 15,000  | D                | \$ 0.205 | 1,985,000  | D   |   |
| common stock                       | 08/09/2005                                 |   | S                                    |   | 10,000  | D                | \$ 0.17  | 1,975,000  | D   |   |
| common stock                       | 08/10/2005                                 |   | S                                    |   | 6,000   | D                | \$ 0.165 | 1,969,000  | D   |   |
| common stock                       | 08/10/2005                                 |   | S                                    |   | 17,000  | D                | \$ 0.163 | 1,952,000  | D   |   |
| common stock                       | 08/10/2005                                 |   | S                                    |   | 2,000   | D                | \$ 0.17  | 1,950,000  | D   |   |
| common stock                       | 08/31/2005                                 |   | S                                    |   | 15,000  | D                | \$ 0.13  | 1,935,000  | D   |   |
| common stock                       | 09/30/2005                                 |   | S                                    |   | 30,000  | D                | \$ 0.255 | 1,905,000  | D   |   |
| common stock                       | 09/30/2005                                 |   | S                                    |   | 5,000   | D                | \$ 0.22  | 1,900,000  | D   |   |
| common stock                       | 09/30/2005                                 |   | S                                    |   | 10,000  | D                | \$ 0.225 | 1,890,000  | D   |   |
| common stock                       | 09/30/2005                                 |   | S                                    |   | 5,000   | D                | \$ 0.26  | 1,885,000  | D   |   |
| common stock                       | 11/15/2005                                 |   | S                                    |   | 50,000  | D                | \$ 0.20  | 1,835,000  | D   |   |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction<br>Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable<br>and Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and<br>4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number of<br>Derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 4) | 10. Ownership<br>Form of<br>Derivative<br>Security:<br>Direct (D)<br>or Indirect<br>(I)<br>(Instr. 4) | 11. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---|--|--|---|--------------------------------------|--|--|--|---|--|---|--|
|---|--|--|---|--------------------------------------|--|--|--|---|--|---|--|

|  |  |  |  |      |   |     |     |                     |                    |       |  |  |  |  |  |
|--|--|--|--|------|---|-----|-----|---------------------|--------------------|-------|--|--|--|--|--|
|  |  |  |  | Code | V | (A) | (D) | Date<br>Exercisable | Expiration<br>Date | Title | Amount<br>or<br>Number<br>of<br>Shares |  |  |  |  |
|--|--|--|--|------|---|-----|-----|---------------------|--------------------|-------|--|--|--|--|--|

## Reporting Owners

| Reporting Owner Name / Address                              | Relationships |              |           |       |
|---|---------------|--------------|-----------|-------|
|   | Director      | 10%<br>Owner | Officer   | Other |
| Carter Paul G<br>821 E. 29TH<br>NORTH VANCOUVER, A1 V7K 1B6 | X             |              | President |       |

## Signatures

|  |  |            |
|--|--|------------|
| /s/ Paul G. Carter                             |  | 05/12/2006 |
| <small>**Signature of Reporting Person</small> |  | Date       |

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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