

12 October 2011

CONTINUED EXPLORATION DRILLING ON THE HEEMSKIRK TIN PROJECT

Gippsland Limited [ASX: 'GIP'; FRA: 'GIX'] is pleased to provide the attached copy of today's Stellar Resources Ltd [ASX: 'SRZ'] announcement which provides details regarding additional diamond exploration drilling at the Tasmanian Heemskirk Tin Project, in which Gippsland holds a 40% free carried interest. Stellar recently completed diamond drill hole ZS107 and wedge hole ZS107A. The holes represent a major step out targeted 150m down plunge from historical diamond drill hole ZS84 which intersected 10m grading 0.8% tin. The purpose of the drilling was to test the limit of the northeast margin of the Severn deposit at depth.

Highlights of the completed drilling include:

- ZS107 intersected the ZS84 tin bearing pyrrhotite/pyrite zone at 547m downhole over a thickness of 20m.
- Tenor of tin mineralisation in ZS107 was lower than that encountered in ZS84 suggesting that the deep, northeast margin of the tin mineralisation has been intersected.
- ZS107A tested the target zone 20m above ZS107 and intersected a more intense mineralisation. Assay results are pending.
- Geological interpretation indicates that higher grades are most likely to extend at depth in a southwesterly direction.
- Inferred resource at Heemskirk remains unchanged. Potential is upgraded.
- The next stage of drilling will test below Severn with potential to double the size of the resource.

The Directors are most encouraged by the ongoing drilling which has the potential to upgrade the JORC Mineral Resources at the Heemskirk Tin Project.

Gippsland's Interest in the JV

Gippsland and Columbus Metals Limited ("**Columbus**"), a subsidiary of Stellar Resources, are participants in an unincorporated joint venture ("**Heemskirk Joint Venture**") in relation to retention licence 5/1997 located in Tasmania ("**Licence**"). Gippsland is the beneficial owner of a 40% interest in the Heemskirk Joint Venture ("**JV Interest**") and under the terms of the JV Agreement Gippsland's JV Interest is free carried by Columbus until the completion of a bankable feasibility study. Pursuant to the terms of the Heemskirk Agreement, upon completion of an Acceptable Feasibility Study (as defined in the Heemskirk Agreement) Gippsland's JV Interest will reduce to 30%. In addition, upon commencement of Commercial Mining Operations (as defined in the Heemskirk Agreement), Gippsland shall not be entitled to receive for its own benefit its share of the proceeds from mining operations until it has repaid to Columbus 75% of Expenditures contributed by Columbus on behalf of Gippsland, being 30% of all Expenditures incurred until the completion of the Acceptable Feasibility Study together with interest.

For further information, please contact:

R Caren
Company Secretary
Gippsland Ltd
T: +61 8 9340 6000
E: info@gippslandltd.com

ASX Release

12 October 2011

ASX Code: SRZ

ABN 96 108 758 961
Level 7 Exchange Tower
530 Little Collins Street
Melbourne Victoria 3000
Australia

Telephone +61 3 9909 7618
Facsimile +61 3 9909 7621

www.stellarresources.com.au
srzinfo@stellarresources.com.au



Heemskirk Tin Drilling Update

At the Heemskirk project, Stellar recently completed diamond drill hole ZS107 and wedge hole ZS107A. The holes represent a major step out targeted 150m down plunge from historical diamond drill hole ZS84 which intersected 10m grading 0.8% tin. The purpose of the drillhole was to test the limit of the northeast margin of the Severn deposit at depth. (see Area 4, in Figure 1).

- ZS107 intersected the ZS84 tin bearing pyrrhotite/pyrite zone at 547m downhole over a thickness of 20m.
- Tenor of tin mineralisation in ZS107 was lower than that encountered in ZS84 suggesting that the deep, northeast margin of the tin mineralisation has been intersected.
- ZS107A tested the target zone 20m above ZS107 and intersected a more intense mineralisation. Assay results are pending.
- Geological interpretation indicates that higher grades are most likely to extend at depth in a southwesterly direction.
- Inferred resource at Heemskirk remains unchanged. Potential is upgraded.
- The next stage of drilling will test below Severn with potential to double the size of the resource.

Commenting, CEO Mr Peter Blight said, "Significant potential exists to upgrade the size of the Severn deposit by drilling deeper. The results from these latest holes have defined the northeastern margin at depth and given us a clearer understanding of controls on the mineralisation and where to focus our future drilling to significantly upgrade the Heemskirk resource."

About Stellar:

Stellar Resources (SRZ) is focusing on the development of its tin and base metal projects in Tasmania. Heemskirk Tin located near Zeehan in Tasmania is the highest grade undeveloped tin deposit in Australia and represents the company's key asset. Stellar also holds a portfolio of tenements located in Tasmania, South Australia and New South Wales that have excellent development potential.

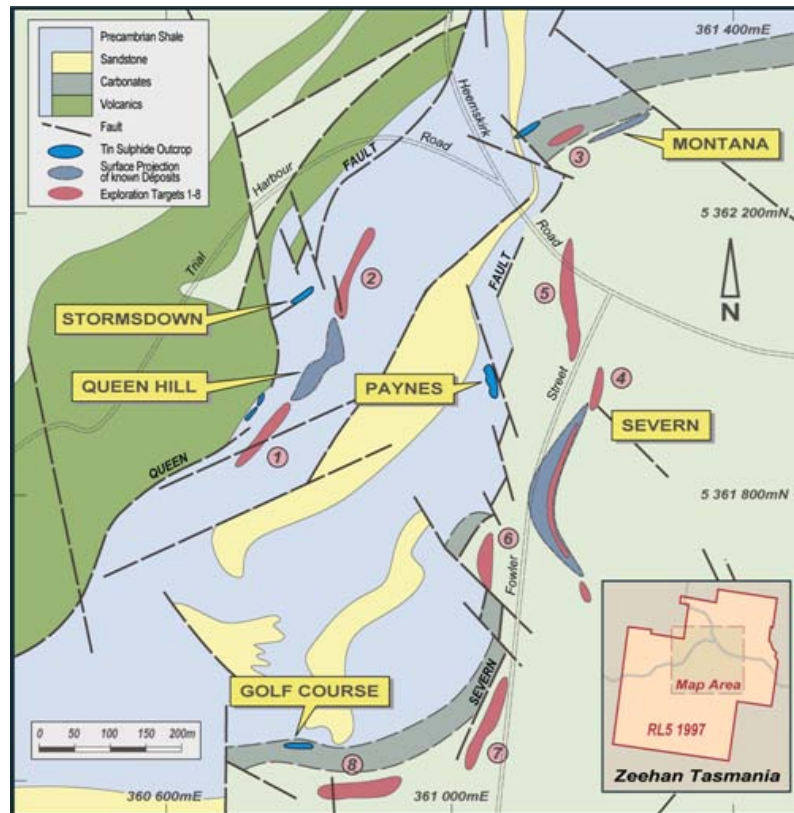


Figure 1: Schematic Geology Heemskirk Tin Project

Drilling at Severn

The latest drilling (ZS107) focused on the deep northeastern margin of the Severn deposit. Of the three known deposits, Severn represents the best possibility of substantially increasing the Heemskirk resource. The purpose of the hole was to test for the presence of the mineralized lode 150m down-plunge, beyond the deepest historical drill holes (ZS81 and ZS84 in Figure 2).

Historical diamond drill hole ZS84 terminated in the Oonah quartzite at a downhole depth of 471m. It intersected a sequence of black shale, siltstone and volcanoclastic shale. Tin mineralization commenced at 407m and averaged 0.5% over 52m. Pyrrhotite/pyrite veining was strongly developed from 432m and from 433m downhole was associated with an increase in tin grade to 0.8% over a length of 10m. .

Diamond drill hole ZS107 encountered a similar geological sequence of black shales and volcanoclastic sediments before terminating in the Oonah quartzite at 635m. The same pyrrhotite/pyrite zone was intersected in ZS107 over 20m from 546m.

Tin mineralization occurred in two zones, 6m grading 0.2% from 437m and 17m grading 0.1% from 547m. Although the same mineralized zone as that in ZS84 was intersected, the lower tenor of the tin mineralization suggests that the hole located the low-grade halo surrounding the main body of mineralization.

Wedge hole ZS107A intersected the zone 20m above ZS107. A similar geological sequence was encountered however an increase in pyrite relative to pyrrhotite in the sulphide zone was noted along

with increased chlorite alteration. The significance of these observations with respect to tin mineralisation will only be known once assay results are received in about three weeks.

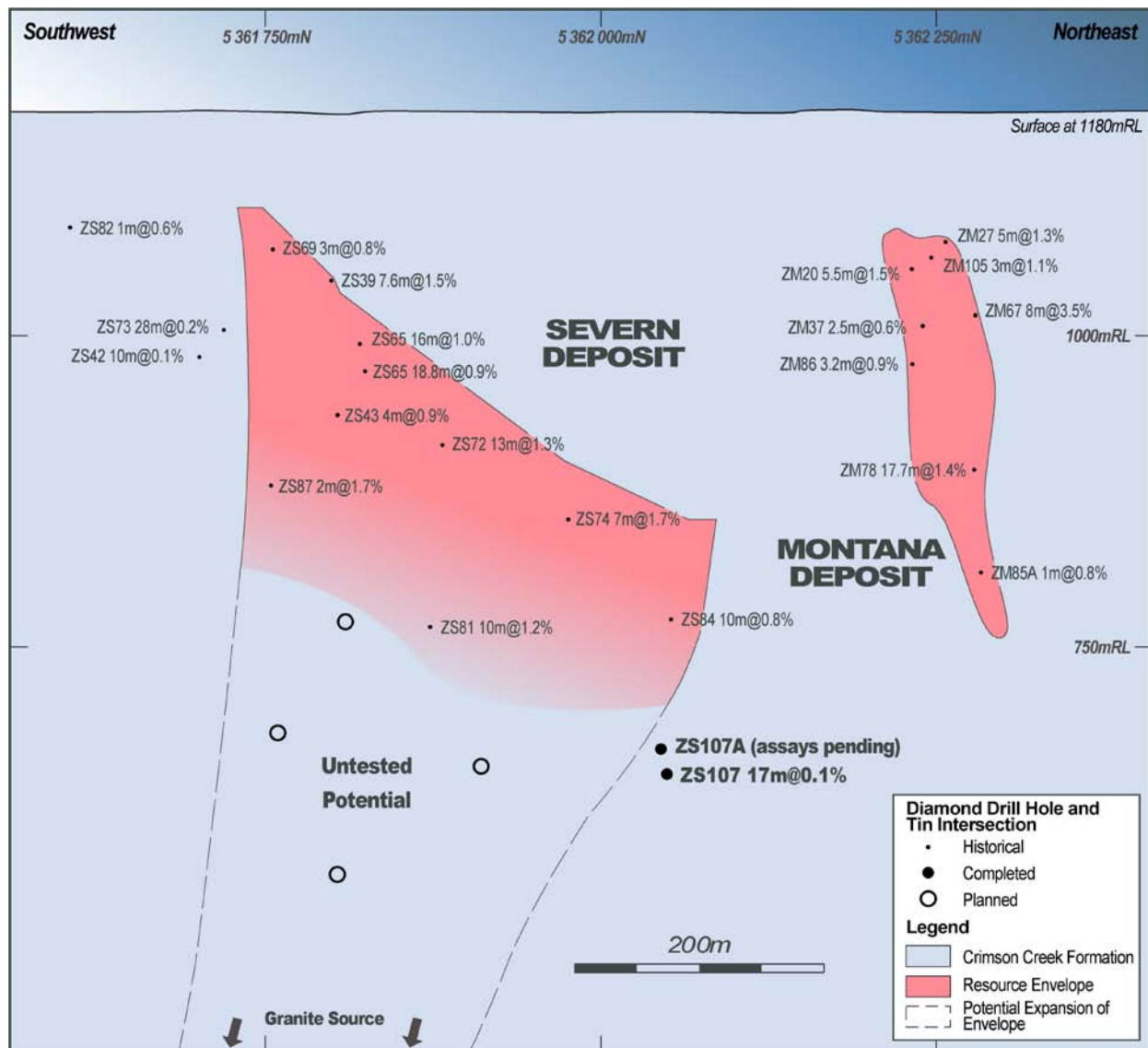


Figure 2: Interpretative Long-section, Showing Tin Mineralised Pierce Points, Severn Deposit

Potential for Severn Resource Expansion

Holes ZS107 and ZS107A are interpreted to have defined the northeastern limit of tin mineralisation in the Severn deposit at depth. This has enabled Stellar to develop a clearer understanding of where further potential for a large extension to the Severn deposit exists at depth as shown in Figure 2.

Based on geological comparisons with the nearby Renison deposit, the source of tin mineralisation is most probably a tin bearing granite body, inferred at depth from a strong magnetic geophysical anomaly that is coincident with the Heemskirk deposits. The deposits were formed most probably by fluids escaping upwards along structures from the granite as it cooled. In similar situations elsewhere, grade and mineral coarseness increase closer to the granite source.

As demonstrated in Figure 2, ZS107 and ZS107A have put an eastern limit on the Severn tin mineralisation. Future drilling will be targeted to test the vertical extension below the highest grade mineralisation where there is potential to double the size of Severn. Four holes are planned to test this priority target in the next stage of drilling.

Table 1: Drill Collar Orientation Data

Hole No	Northing Collar	Easting Collar	Relative Level m	Collar Dip/Azimuth	Depth m	Recovery %
ZS084	5361983	361422	1179	65/285	471	98
ZS107	5361947	361523	1177	70/283	635	98
ZS107A	5361947	361523	1177	70/283	596	98
ZS107A	wedge from 371m - end of hole dip/az			67/276		

Background

The Heemskirk Tin Project is located near Zeehan on Tasmania's West Coast in an area well serviced by power, water, transport, mining and other infrastructure. Stellar holds a 60% interest in the project with joint venture partner Gippsland Limited and can increase its holding to 70% by completing a feasibility study.

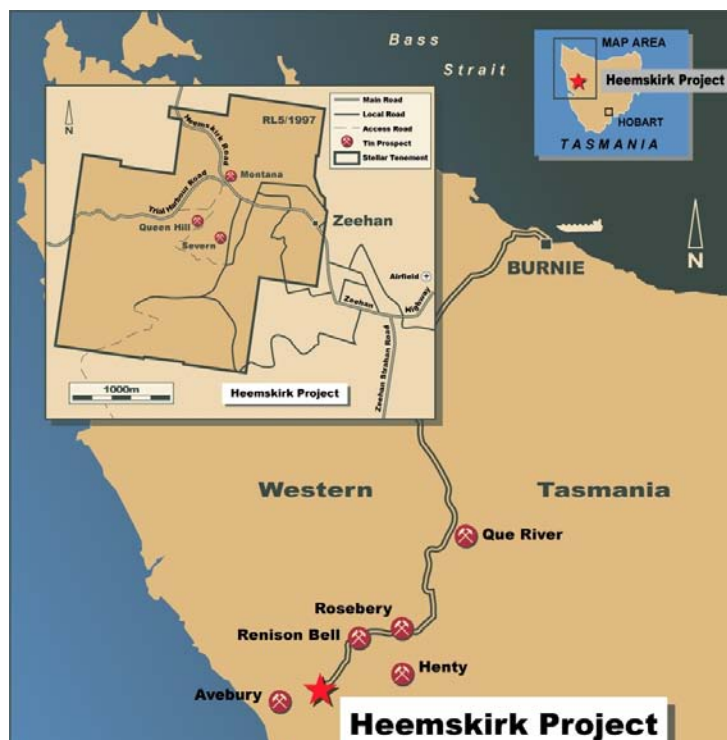


Figure 3: Location of the Heemskirk Tin Project

Drilling by Gippsland Limited in the 1970s and subsequently Aberfoyle Limited during the 1980s identified three tin deposits; Queen Hill, Montana and Severn. In 2010, Stellar added to the substantial drilling database with 6 holes into the near surface Queen Hill deposit. The Stellar results confirmed the high grade nature of the mineralisation and provided fresh samples for metallurgical testing. As previously reported, these tests indicated that tin is recoverable using a process similar to that employed at the nearby Renison Bell tin mine.

Heemskirk Mineral Resource									
Deposit	Indicated			Inferred			Total		
	kt	% Sn	kt Sn	kt	% Sn	kt Sn	kt	% Sn	kt Sn
Queen Hill	1,600	1.2	19				1,600	1.2	19
Montana				360	1.6	6	360	1.6	6
Severn				2,400	0.9	23	2,400	0.9	23
Total	1,600		19	2,760		29	4,360	1.1	48

cut-off grade 0.6% tin

estimated on 3 March 2011 by Mining One Pty Ltd

Competent Persons Statement

The drill and exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr R K Hazeldene (Member of the Australasian Institute of Mining and Metallurgy and Member of the Australian Institute of Geoscientists) who is a Consultant of the Company. Mr Hazeldene has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2004 Edition). Mr Hazeldene consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. It should be noted that the abovementioned exploration results are preliminary.

For further details please contact:

Peter Blight

CEO

Tel: 03 9909 7618

Email: peter.blight@stellarresources.com.au

or visit our Website at: <http://www.stellarresources.com.au>