

17 March 2008



ASX RELEASE

STELLAR RESOURCES LIMITED

ABN 96 108 758 961

PROPOSED NEW ISSUE OF SHARES

Pursuant to Listing Rule 3.10.3 Stellar Resources Limited ABN 96 108 758 961 (SRZ or Company) announces a proposed issue of new ordinary shares:

- (a) The class of securities to be issued is fully paid ordinary shares;
- (b) The number of shares to be issued is 5,853,333 shares.
- (c) The shares will be credited as fully paid and will rank equally in all respects with all the Company's existing ordinary shares.
- (d) The shares will be issued at a price of 15 cents per share as part of the consideration for the acquisition by Columbus Metals Limited, a wholly-owned subsidiary of the Company, of a 60% joint venture interest in the Zeehan Tin Project located near the mining town of Zeehan in northwest Tasmania. For further information about this acquisition see the Announcement made by SRZ earlier today.
- (e) The purpose of the issue is to enable SRZ to comply with its obligations under the Joint Venture Interest Sale Agreement relating to the acquisition of the aforesaid joint venture interest. For further information about this acquisition see the Announcement made by SRZ earlier today.
- (f) The Company intends to seek security holder approval for this proposed issue of shares.
- (g) The issue will not be to a class of security holders.

STELLAR RESOURCES LIMITED

ABN 96 108 758 961

Level 7 Exchange Tower
530 Little Collins Street
Melbourne Victoria 3000

Tel + 61 3 9909 7618 Fax + 61 3 9909 7621