

Copper/Tin Drilling Underway at Gourlays Creek

Stellar Resources is pleased to announce that it has commenced drilling at its 100% owned Gourlays Creek copper/tin target on the northwest coast of Tasmania (see Figure 1, top left prospect).

The target is defined by a number of intense circular magnetic anomalies over a strike length of one kilometre with a near coincident electromagnetic feature along the western boundary (see Figure 2).

Historical drilling one kilometre to the north on a weaker magnetic zone demonstrated the relationship between mineralization and magnetite skarn development. However, no previous drilling has been conducted on Stellar's magnetically more intense and more compelling drill targets to the south.

Stellar plans to drill a 400m diamond drill hole (SGC1 Figure 2) intended to pass through the centre of the magnetic anomaly and also test the electromagnetic zone.

In addition, a further two drill holes are planned along the strike length of the most intense sections of the magnetic anomaly.

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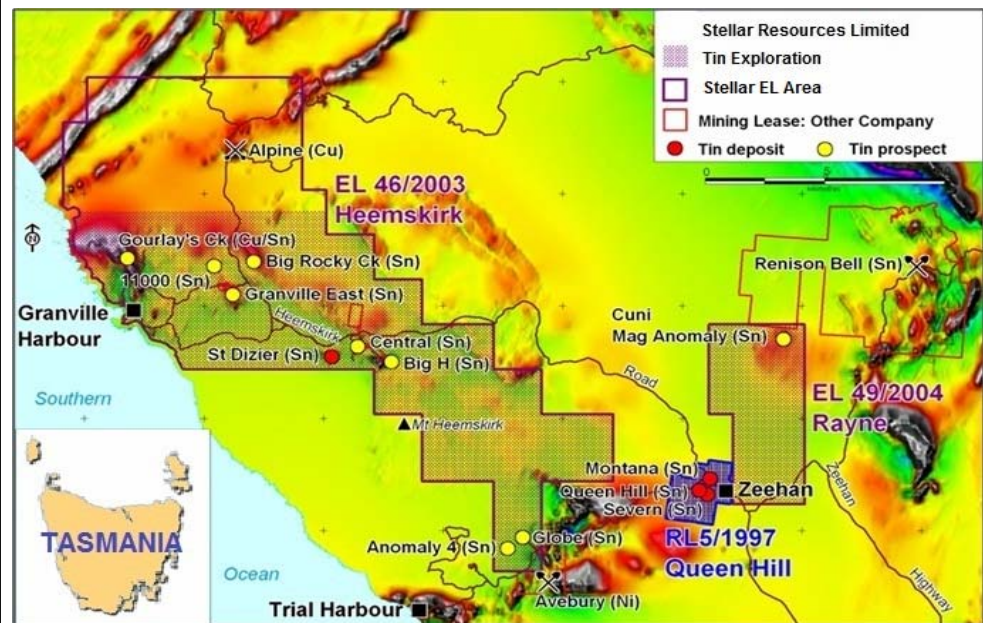


Figure 1. Stellar's west coast Tasmania tin prospects

About Stellar:

Stellar Resources (SRZ) is focusing on the development of its tin and iron projects and advancement of uranium and base metal exploration properties. The company holds a portfolio of tenements located in Tasmania, South Australia and New South Wales that have excellent development potential. Key projects include: Heemskirk Tin located near Zeehan in Tasmania and the Tarcoola Iron Ore Project in central South Australia. The company aims to create shareholder value by identifying and developing mature exploration properties.

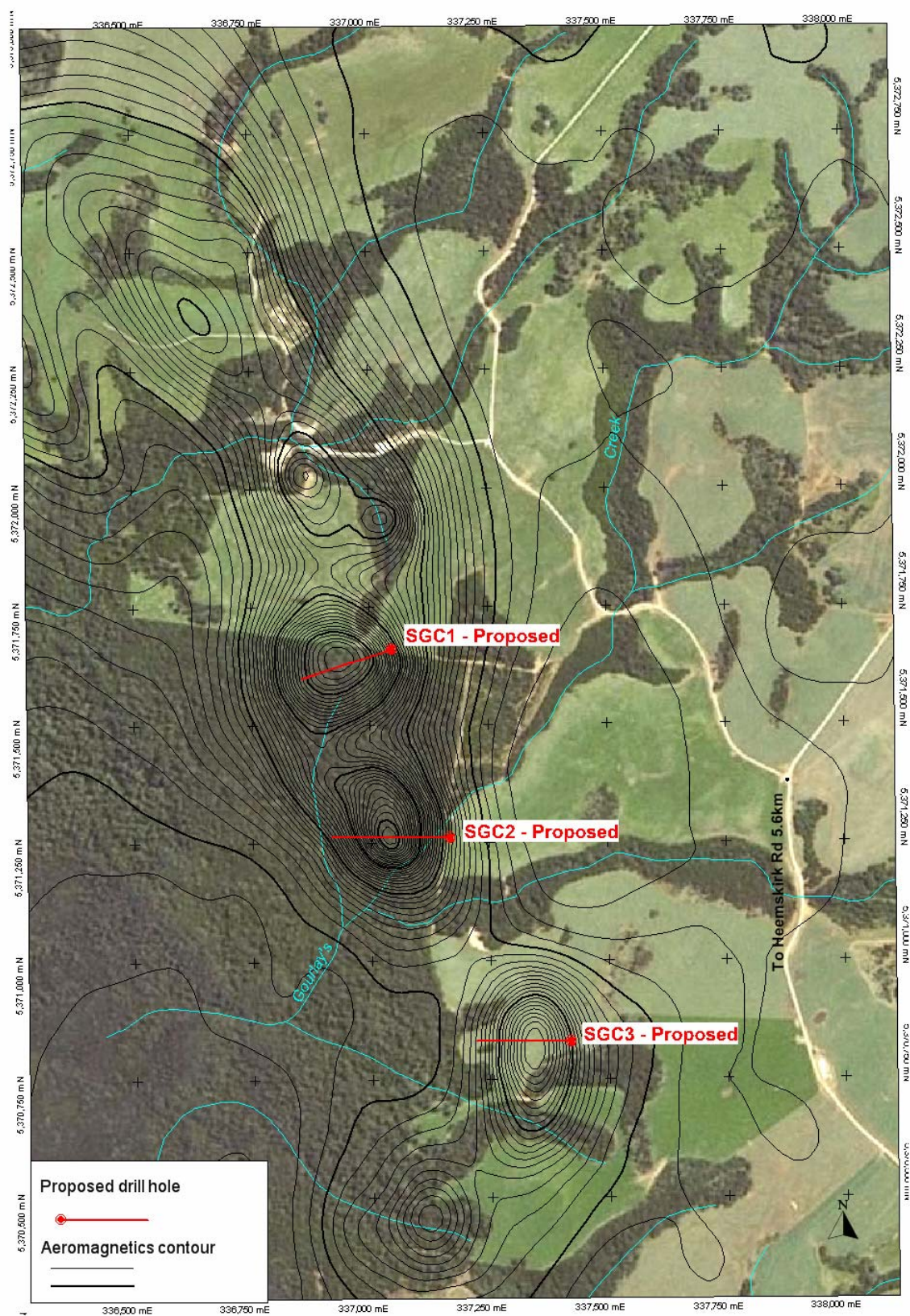


Figure 2. SGC1 is the first of three holes proposed to test the Gourlay's Creek magnetic anomaly

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.

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