

18 April 2006



Significant Copper Intersection at Alpine

Stellar Resources is extremely pleased to report that a significant intersection of copper has been returned from diamond drilling at the Alpine prospect which is favourably located on the highly mineralised west coast of Tasmania.

- **AP-4 intersected 22.25m @ 1.23% Cu, including 13.3m @ 1.44% Cu;**
- **An additional zone of 41.8m @ 0.30% Cu was intersected from 111.0m to 152.8m (EOH);**
- **95m of copper mineralisation present from 57.7m to the end of the hole, at a grade of 0.46% Cu, system open at depth;**
- **Potential exists for a large mineralised system.**

Hole AP-4	From (m)	To (m)	Intercept (m)	Grade (% Cu)
interval	64.65	86.90	22.25	1.23
(incl)	67.50	80.80	13.30	1.44
and	111.00	152.8 (eoh)	41.80	0.30

Current interpretation of core angles indicates that true thicknesses are likely to be close to the down-hole intersection widths.

The hole finished in strong mineralisation (with the last sample of 1.2 metres assaying 0.39% Cu). The consulting geologist reports some 90 plus metres of continuously mineralised drill core – in both massive and disseminated sulphides – indicating potential for a large mineralised system.

In the light of these drilling results, the geology of Alpine is being urgently assessed to better understand its character and potential. Petrology on drill core samples and geophysical interpretation are currently in progress.

Additional diamond drill holes are being planned as soon as these assessments are complete and a suitable drilling rig becomes available.

ASX Code: SRZ

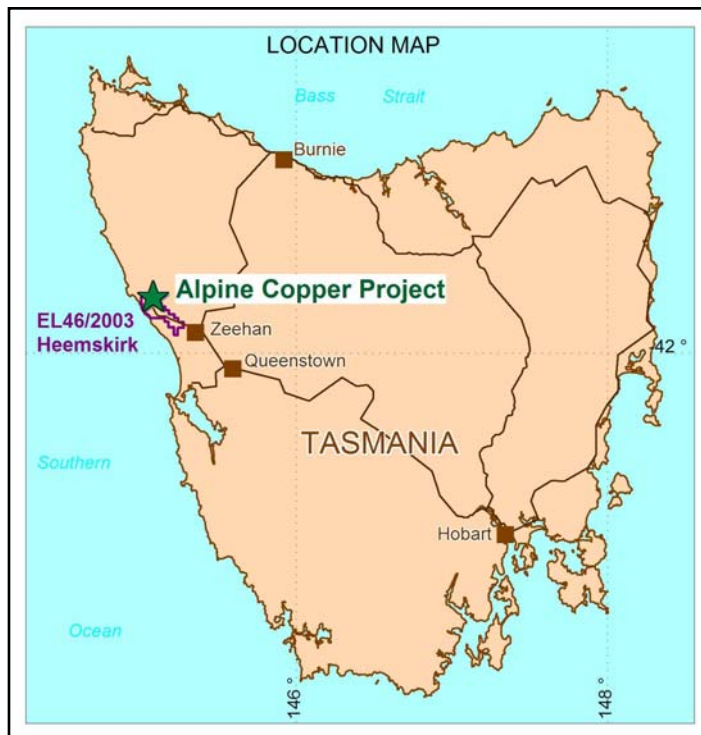
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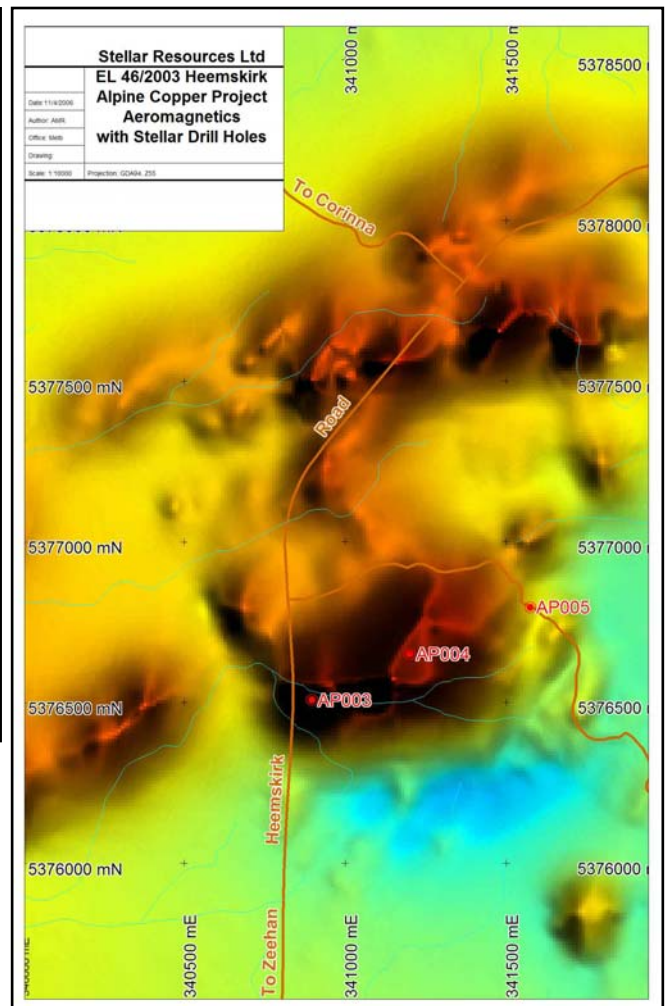
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Location and Infrastructure

Alpine is favourably located on the mineral rich west coast of Tasmania, some 35kms from Zeehan. It lies adjacent to a sealed road and a power line. Substantial existing mining and processing facilities are located within a 100km radius of Alpine, which would assist in any potential development.



Alpine Prospect – Location map



Alpine Prospect - Magnetic image

Alpine – Background

The Alpine property was partly explored in the 1970s & 80s by a number of companies, including Outokumpu and CRA Exploration (CRAE), which conducted geochemical sampling and geophysical surveys. CRAE drilled only two shallow holes (AP-1 and AP-2), both of which intersected copper over widths exceeding 10 metres but with grades under 1% Cu.

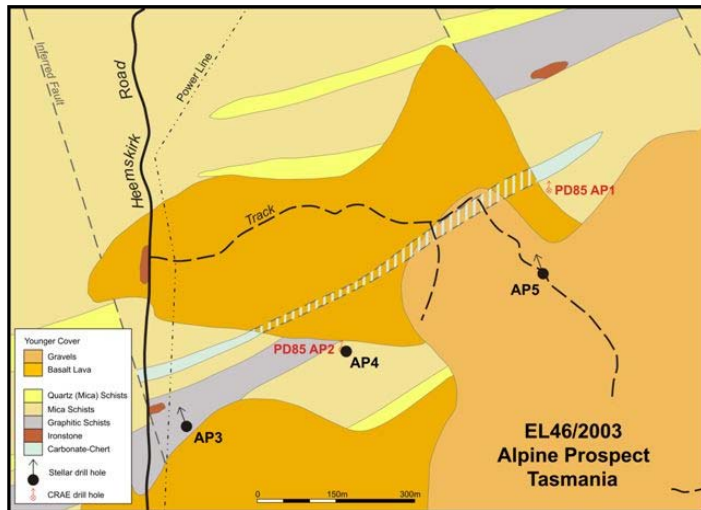
In its recently concluded drilling program, Stellar drilled three holes: AP-3, AP-4 and AP-5. AP-3 has intersected sulphide mineralisation similar to AP-4 but of an apparent lower tenor. Assays are awaited. AP-5 was stopped short of target due to drilling problems.

Geology

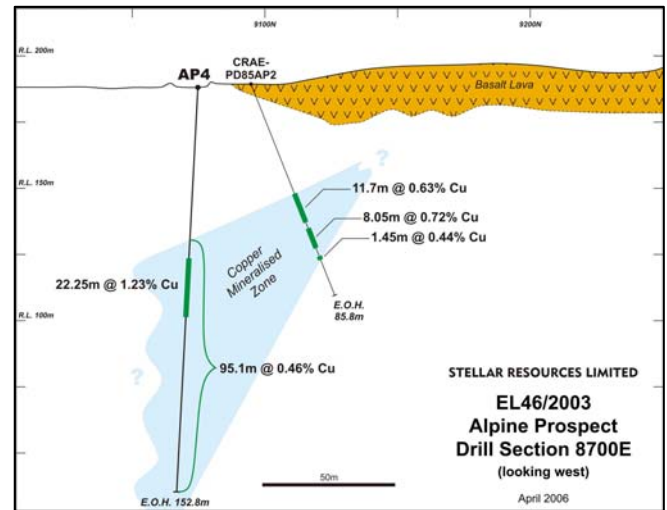
The Consulting Geologist reports as follows:

“The Alpine prospect is located in metamorphosed and highly deformed sedimentary rocks, dolerite and basalt of PreCambrian age in north west Tasmania. Surface outcrop of the mineralised host sequence is largely obscured by a thin veneer of basalt and recent agglomerate.

Diamond drillhole AP-4 has intersected chalcopyrite mineralisation grading 1.23% Cu in mixed layered and brecciated rocks in a 22.25m interval from 64.65m to 86.90m. This interval is rich in pyrite and contains substantial magnetite and haematite.”



Alpine Prospect – Geology



Alpine Prospect – Section through AP-4

Regional Potential

The geophysical image shows substantial features which require testing. Further interpretation is planned with a view to designing a drilling program for immediate follow-up.

Stellar Resources considers that the large dimensions of this geophysical anomaly, together with the several well mineralised copper intercepts plus the open nature of the intersections to date, makes Alpine a compelling project.

Ownership

Stellar holds a 100% interest in the 193 sq. km Heemskirk EL46/2003, which is not subject to any third party interests.

The drill and exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr C.G. Anderson (Fellow of the Australasian Institute of Mining and Metallurgy) who is a Director of the Company with more than 20 years' experience in the field of activity being reported. Mr Anderson 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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