

## Drilling to test Hematite Potential has Commenced at Tarcoola

Stellar Resources is pleased to announce that definition drilling has commenced on its Coolybring deposit within the Tarcoola Iron Ore Project.

The drilling program has two primary aims:

- 1) To test for the presence of high grade iron ore below the significant gravity anomaly that lies along the western flank of the partially-drilled magnetite deposit;
- 2) To define the nature of magnetite mineralisation along the 1,500m strike length of the Coolybring magnetic anomaly.

“Stellar is now in a position to test the high grade iron potential at Coolybring and if successful significantly advance the Tarcoola Iron Ore Project” Stellar’s CEO, Mr Peter Blight, said today.



Figure 1 – Location of Tarcoola Iron Ore Project

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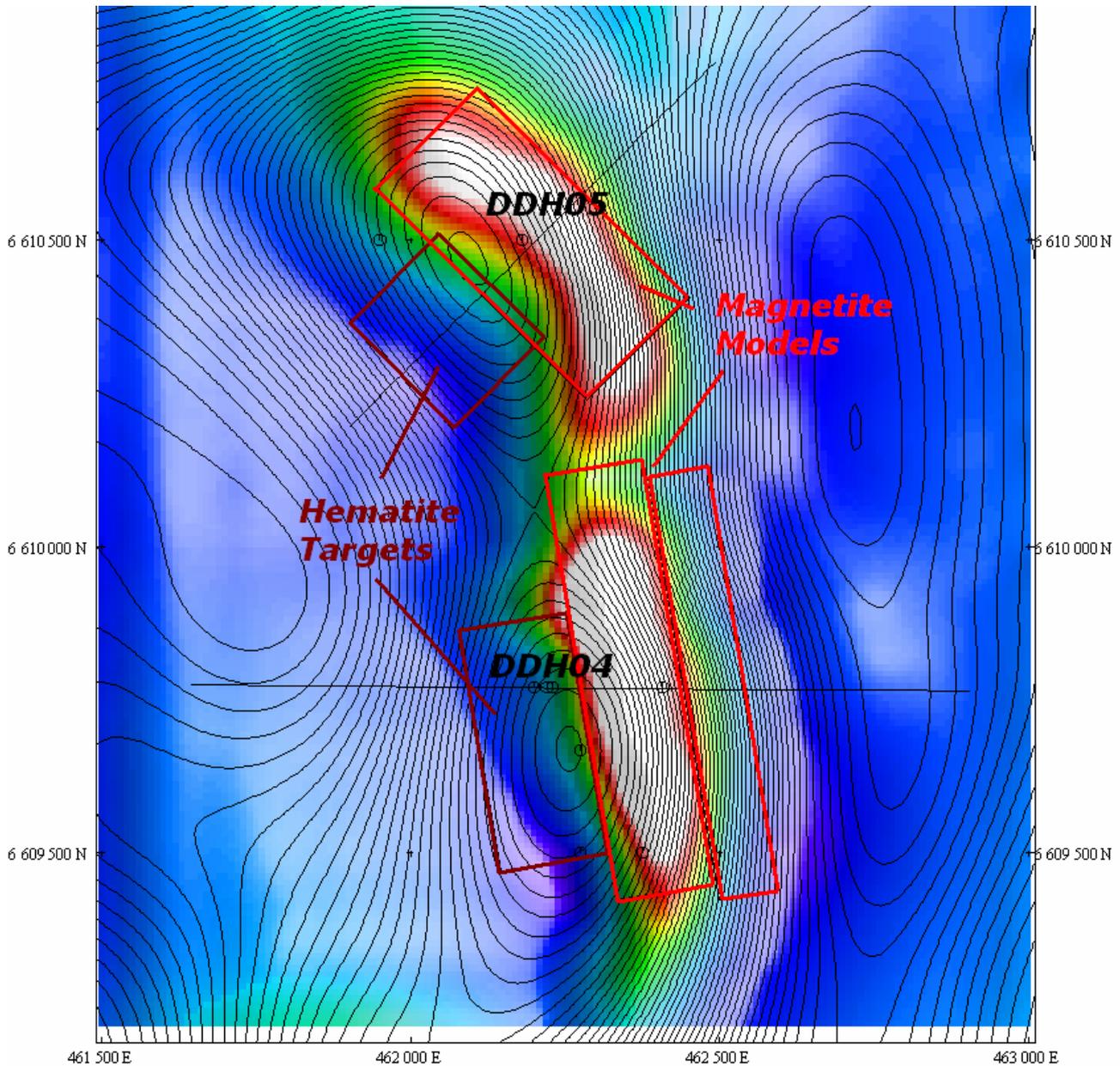
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This first stage of definition drilling at Coolybring will comprise up to 8 reverse circulation drill holes angled at 60° to the east. Drilling will initially focus on continuing the section to the west of DDH04 to determine the source of the gravity high (contours in Figure 2) and identify the western boundary of the magnetite mineralisation. Subsequent drilling will move to the north and test the hematite target to the west of DDH05 and provide drill sections across the magnetite mineralisation defined by the magnetic image.



**Figure 2 – Hematite and Magnetite Drill Targets on Coolybring Magnetic Image**

Previous drilling at Coolybring has largely focused on magnetite mineralisation along sections to the east and south of DDH04. The results reported from this drilling show that the magnetite mineralisation is high grade (up to 39% Fe) and amenable to concentration to a saleable magnetite concentrate product.

## **About Stellar Resources**

*The company is focused on adding value to projects through resource definition and development. In South Australia, the 100% owned Tarcoola Iron Ore Project comprises a large magnetite deposit (with potential for high grade hematite) located within 10km of the Trans-Australia railway line. In Tasmania, Stellar owns 60% of the Heemskirk Tin Project, the largest undeveloped high-grade historic tin resource in Australia.*

*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 twenty 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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