

ASX Release

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Stellar Paid on Option Exercise

As foreshadowed in a release dated 9 September 2009, Western Plains Resources Limited (WPG) has exercised its option under the Robin Rise Option Agreement by paying Stellar \$250,000. On receipt of the payment, Stellar has agreed to transfer EL 4525 Robin Rise and ELA 339/09 Lake Woorong to WPG's wholly owned subsidiary Southern Coal Holdings Pty Ltd.

Stellar retains a royalty over both ELs of \$0.60/tonne of coal or iron ore mined. WPG is looking at potential development options for the Penrhyn coal deposit located within EL 4525. If any of these are carried through to production, Stellar will receive significant royalty payments without the need to outlay capital or take on risk.

In addition, Stellar has a right to acquire a 49% joint venture interest in any mineral resource, other than coal or iron ore, identified by Southern Coal Holdings on these tenements.

Sale of the Robin Rise tenements and any other long-dated exploration properties is in keeping with Stellar's strategy of recovering value for non-strategic assets. It also allows the company to focus on its key South Australian iron ore and Tasmanian tin and base metal projects where it believes that greater value can be delivered to shareholders in the next two to three years.

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About Stellar:

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