

ASX Release

16 July 2012

ASX Code: SRZ

ABN 96 108 758 961
Level 17, 530 Collins Street
Melbourne Victoria 3000
Australia

Telephone +61 3 9618 2540
Facsimile +61 3 9649 7200

www.stellarresources.com.au



Record High Grade Intercept in DDH ZS113 – Heemskirk Tin Project

- ZS113 intersection is 110 metres to the northeast of ZS110 – the previous record holder for the Severn deposit.
- 42 metre zone of tin mineralisation broader than previously encountered at Severn.
- Best intersection:
 - 12 metres @ 2.58% tin from 292 metres
 - Including 7 metres @ 3.97% tin from 295 metres
 - Including 1 metre @ 12.70% tin from 299 metres
- Assay results are pending for wedge hole ZS113W.
- Diamond drill holes ZS112, ZS115 and ZS116 are in progress.



About Stellar:

Stellar Resources (SRZ) is focusing on the development of its tin and base metal projects in Tasmania. 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 is the company's flagship project. The company aims to create shareholder value by taking the Heemskirk Tin Project into development.

CEO Peter Blight commented “This excellent result shows that Severn has the potential to deliver thicker and much higher grade tin intersections than previously encountered. This current drilling is part of our campaign to better define the distribution of the known tin mineralisation at Heemskirk as part of our drive to develop a new tin mine. It indicates significant potential for Heemskirk to become a world class tin project.”

Significant Assay Results

Table 1: Significant Assay Results ZS113 at Severn

Hole No	From	To	Interval	Tin	Sol Tin
Severn	m	m	m	%	%
ZS113	265.0	307.0	42.0	1.11	0.02
Upper lode	279.0	285.0	6.0	0.96	0.02
Lower lode	292.0	304.0	12.0	2.58	0.02
including	295.0	302.0	7.0	3.97	0.01
including	299.0	300.0	1.0	12.70	0.03

ZS113 was designed to test the continuity of high grade mineralisation between ZS72 (8 metres @ 1.9% tin) and ZS74 (7 metres @ 1.7% tin). The 42 metre intersection of tin mineralisation in ZS113 demonstrates continuity and also shows considerable thickening of the mineralised zone. In addition, there are two lodes; an upper lode grading 0.96% tin over 6 metres from 279 metres and a lower lode with a high-grade core averaging 3.97% tin over 7 metres from 295 metres – the highest grade intersection encountered to date in all three Heemskirk deposits.

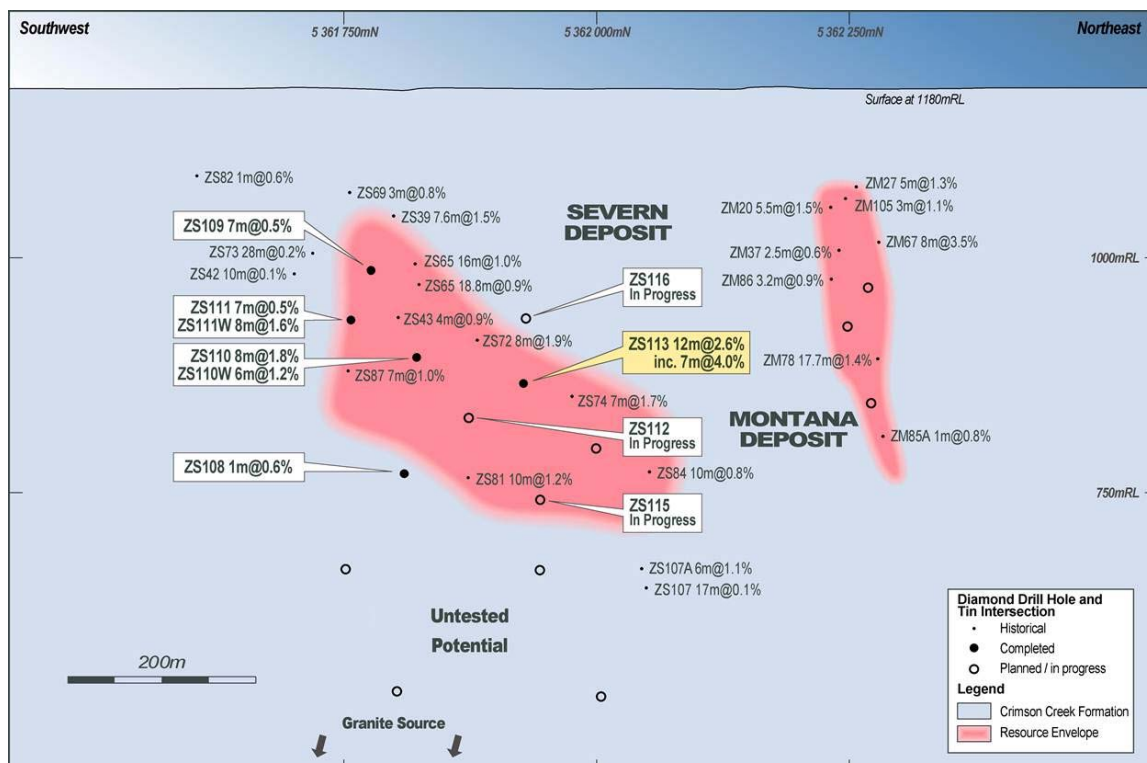


Figure 1: Schematic Long-section Severn and Montana (Oblique) Tin Deposits

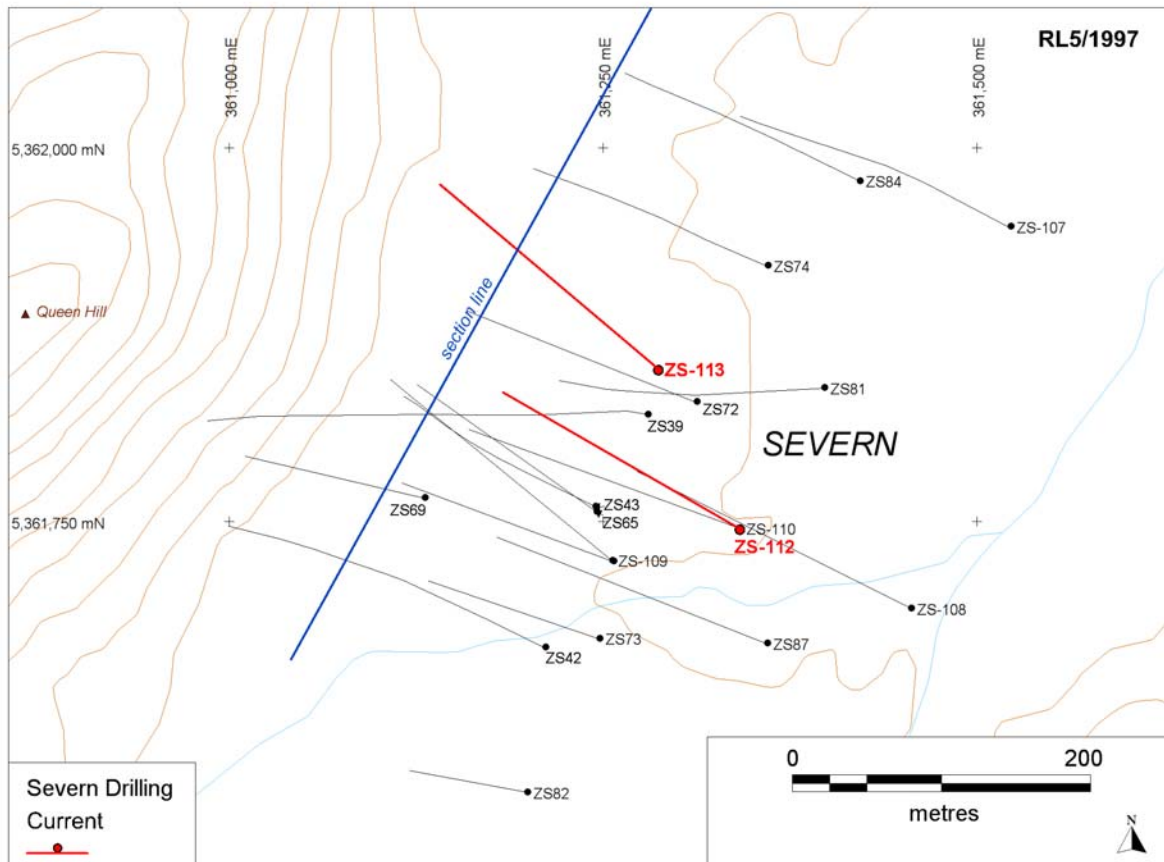


Figure 2: Plan view of drill hole locations

Drilling Program Update

- ZS113W, a wedge hole off ZS113, is complete with assays due at the end of July.
- ZS112 is nearing completion with a wedge hole scheduled to commence in a week.
- ZS 115 precollar is underway using a rotary/percussion rig.
- ZS116 precollar is underway using a diamond rig.
- A third diamond drilling rig is testing shallow magnetic targets to the north of Queen Hill

Appendix 1: Drill Hole Coordinates

Hole No	Northing Collar	Easting Collar	Relative Level m	Collar Dip/Azimuth	Depth m	Recovery %
ZS113	5361852	361287	180	65/310	350	100

Appendix 2: Assay Data

Hole No	From m	To m	Interval m	Tin %	Sol Tin ppm
ZS113	265	266	1	0.49	<50
	266	267	1	0.17	<50
	267	268	1	0.84	<50
	268	269	1	0.75	140
	269	270	1	0.43	90
	270	271	1	0.35	<50
	271	272	1	0.57	90
	272	273	1	0.17	50
	273	274	1	0.68	50
	274	275	1	0.12	<50
	275	276	1	0.14	<50
	276	277	1	0.56	420
	277	278	1	0.39	310
	278	279	1	0.57	60
	279	280	1	1.91	200
	280	281	1	0.57	140
	281	282	1	1.01	70
	282	283	1	0.91	60
	283	284	1	0.28	260
	284	285	1	1.05	330
	285	286	1	0.45	70
	286	287	1	0.67	70
	287	288	1	0.56	<50
	288	289	1	0.13	<50
	289	290	1	0.29	<50
	290	291	1	0.13	50
	291	292	1	0.33	<50
	292	293	1	0.53	<50
	293	294	1	0.85	60
	294	295	1	0.37	120
	295	296	1	3.12	120
	296	297	1	4.20	70
297	298	1	1.50	60	
298	299	1	2.89	70	
299	300	1	12.70	280	
300	301	1	1.49	170	
301	302	1	1.92	130	
302	303	1	0.77	330	
303	304	1	0.60	440	
304	305	1	0.15	110	
305	306	1	0.47	190	
306	307	1	0.36	140	

Competent Person Statement – Exploration

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.

Background

The Heemskirk Tin Project is located near Zeehan on Tasmania's West Coast in an area well serviced by power, water, transport, mining and other infrastructure. Stellar holds 100% of the project and also owns 100% of the nearby St Dizier tin deposit.

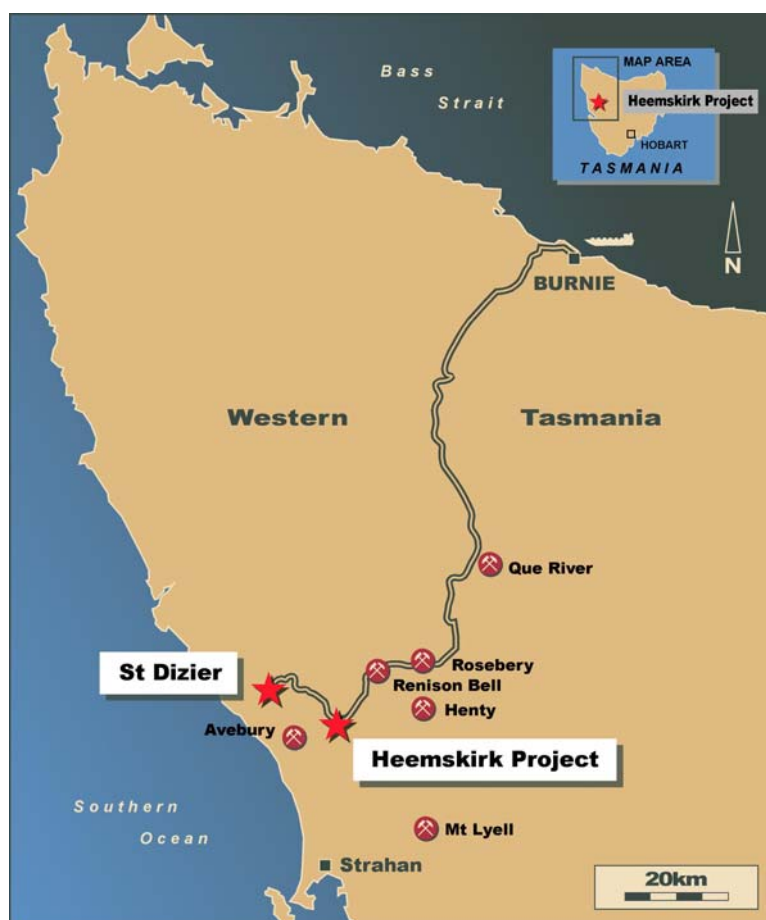


Figure 3: Location of the Heemskirk Tin Project

Drilling by Gippsland Limited in the 1970s and subsequently Aberfoyle Limited during the 1980s identified three tin deposits; Queen Hill, Montana and Severn. In 2010, Stellar added to the substantial drilling database with 6 holes into the near surface Queen Hill deposit. The Stellar results confirmed the high grade nature of the mineralisation and provided fresh samples for metallurgical testing. The Mineral Resource estimate following is based on historical drilling and Stellar's more recent drill results.

Deposit	Indicated		Inferred			Total			
	kt	% Sn	kt Sn	kt	% Sn	kt Sn	kt	% Sn	kt Sn
Queen Hill	1,600	1.2	19				1,600	1.2	19
Montana				360	1.6	6	360	1.6	6
Severn				2,400	0.9	23	2,400	0.9	23
Total	1,600	1.2	19	2,760	1.0	29	4,360	1.1	48

cut-off grade 0.6% tin

estimated on 3 March 2011 by Mining One Pty Ltd

Competent Person Statement – Heemskirk Mineral Resource

The information in this report that relates to Mineral Resources is based on information compiled by Michael McKeown who is a fellow of the Australasian Institute of Mining and Metallurgy. Michael McKeown is employed by Mining One Pty Ltd and he has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Michael McKeown consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

For further details please contact:

Peter Blight

CEO

Tel: 03 9618 2540

Email: peter.blight@stellarresources.com.au

or visit our Website at: <http://www.stellarresources.com.au>