



STELLAR RESOURCES LIMITED

RISK POLICY

JULY 2013

RISK POLICY

Stellar Resources Limited (“Stellar”) and its controlled entities is an exploration and mining Company that is listed on the ASX: SRZ. The Company recognises that there are many inherent risks involved in its activities that can impact on many aspects of its business. Some of these are beyond its direct control and require risk mitigation while others are directly within the Company’s control and require operational and management procedures to address them. The major areas of risk have been identified as follows:

- **Operational:** could impact on the technical execution of a project and personal safety;
- **Community:** including environmental and community impacts caused by operations which could affect the Company’s licence to operate;
- **Metal Price and exchange rate variations:** could impact on the economic viability of Company’s operations;
- **Market and financing:** could impact on the Company’s ability to raise capital and debt to finance its development and mining activities; and
- **Governance risks:** relate to the effective, transparent and legal management of the Company’s affairs.

Stellar acknowledges the scope of its activities will change when it moves from exploration to mining and marketing and the potential risks will change in nature and severity.

Stellar’s policy:

Stellar recognises that it is impossible to identify every risk that may impact on its business. Nevertheless, it is the Company’s policy to maintain an awareness of risk and be proactive in its mitigation. Stellar seeks to meet these objectives by:

- potential risks be identified and classified for potential impact on the business;
- identified risks be held in a Risk Register that is the responsibility of the Board;
- the CEO, in consultation with the Board, will develop remedial and operational plans and actions for the management of each identified risk;
- the Risk Register will be reviewed at least twice per year and where required be modified by the Board; and
- the Board and management be constantly aware of the changing environment and the changing scope of the Company’s activities and respond accordingly.



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