

Continued Copper Intersections at Alpine

Stellar Resources is very pleased to report a further copper intersection, over significant width, at the Alpine copper prospect, west coast Tasmania.

Hole AP08 has intersected 41m @ 0.48% Cu, from a depth of 29.8m downhole. Hole AP08 is located approximately 120m from AP04, which returned 22m @ 1.23% Cu, within a wider zone of 95m @ 0.45% Cu.

This year, Stellar has drilled six holes into the Alpine prospect. **Four drillholes have intersected significant copper mineralisation over substantial widths** and, importantly, **at relatively shallow depths**. The drilling is continuing to define the geometry of this copper deposit; currently the mineralisation has been shown to be present over a strike distance of over 200m and indicating a potential width of up to 150m. Defining the continuity and tenor of mineralisation will require additional drilling.

Assay results for copper only, in holes AP06 and AP07 were released to the ASX on 8 August. **Assaying for other elements including gold** and other precious and base metals is in progress.

In addition, two diamond holes have been completed on magnetic features at North Alpine, with core being logged prior to assaying.

Comment

The inversion image of aeromagnetic data over Alpine (Figure 1) shows a substantial zone of elevated magnetite with dimensions of approximately 500m by 150m. Four holes drilled thus far show widespread copper mineralisation with a close association with magnetite. Interpretation is continuing with a view to designing a drilling program for immediate follow up.

Alpine appears to represent a style of mineral deposit not previously recognised in Tasmania. Geophysically, Alpine is located along a substantial belt of magnetically susceptible rocks, indicating exploration and discovery opportunity over a very large region within Stellar's tenements (Figure 2).

Stellar considers that the large dimensions of this geophysical anomaly, together with these four well mineralised copper intercepts, continues to **support the prospectivity of the Alpine copper prospect**.

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Details

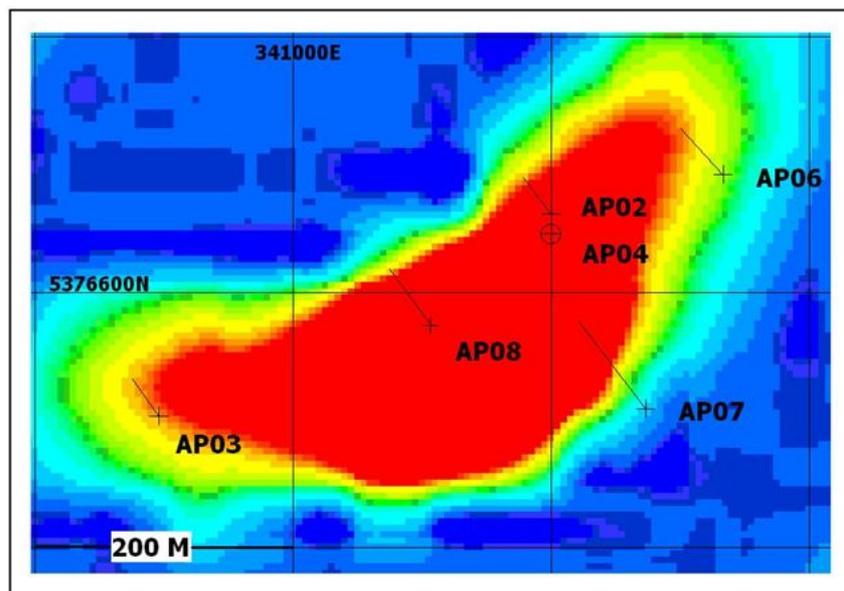


Figure 1 – Alpine - Drill collars on inversion model of aeromagnetic data showing interpreted magnetite distribution.

Drillhole	AMG Easting	AMG Northing	From (m)	To (m)	Interval (m)	Grade Cu (%)
AP02* [^]	341200	5376661	44.50	56.20	11.70	0.63
			58.60	66.65	8.05	0.72
			69.65	71.10	1.45	0.44
AP04*	341200	5376646	57.70	152.80 (EOH)	95.10	0.46
			(incl) 64.65	86.90	22.25	1.23
AP06*	341333	5376692	42.00	91.00	49.00	0.39
AP07*	341273	5376509	62.00	148.00	86.00	0.50
			(incl) 129.00	135.00	6.00	1.05
AP08	341110	5376575	29.80	70.80	41.00	0.48

*Previously reported. [^]Drilled by CRAE

Table 1 – Copper intercepts.

Location and infrastructure

Alpine is excellently located on the mineral rich west coast of Tasmania, which is host to a divergent group of valuable commodities and mines. Mining is the foremost industry on the west coast, where a supportive and generally pro mining culture exists. Alpine is favourably located adjacent to a sealed road, with easy access to the town of Zeehan – and to existing mineral treatment infrastructure. A power line also runs adjacent to the sealed road.

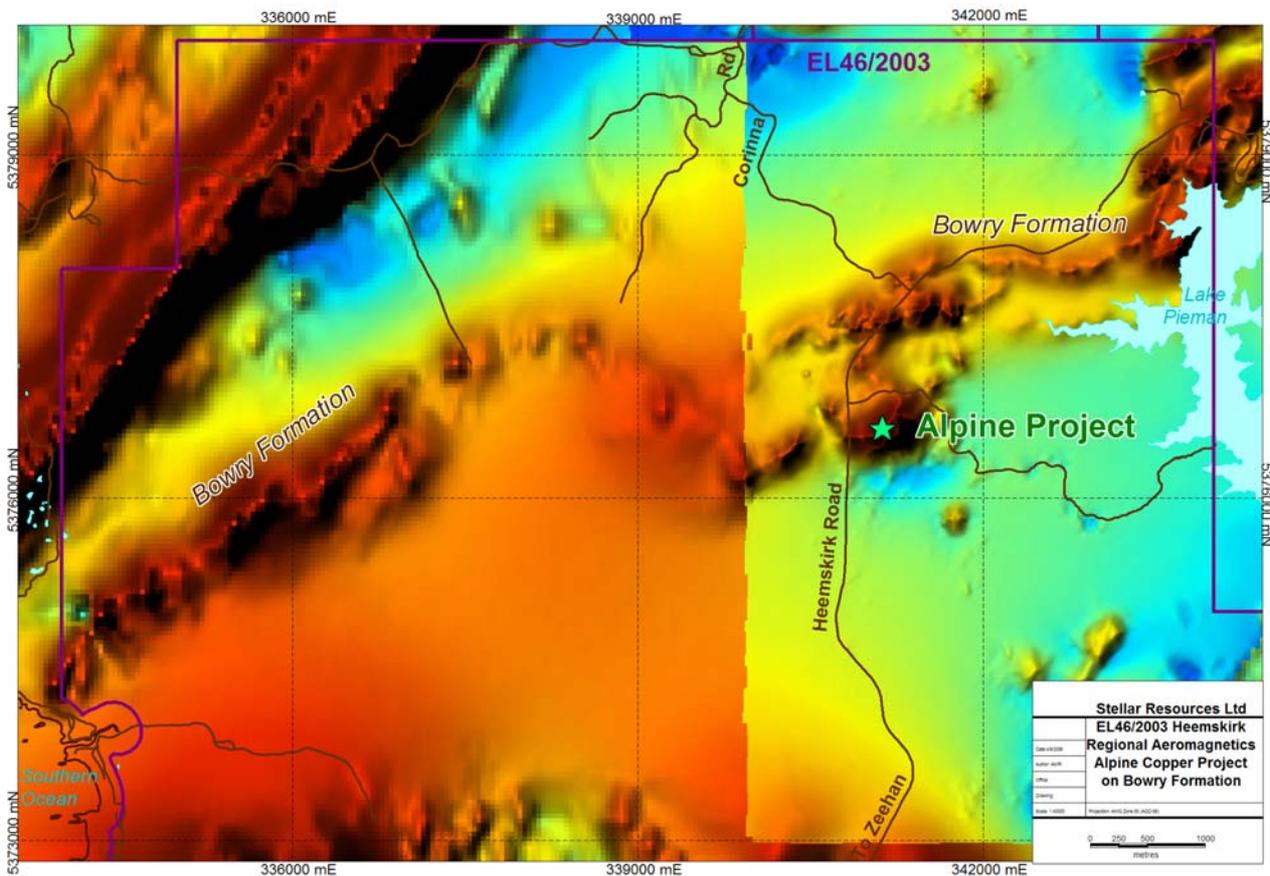


Figure 2 – Regional geophysical trend, showing magnetic trend across Stellar’s Heemskirk EL.

Ownership

Stellar holds a 100% interest in EL46/2003, 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 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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