

17 January 2007



Latest Copper intersections at Alpine

Stellar Resources is pleased to report assay results from the two most recent diamond drill holes at the Alpine copper prospect, west coast Tasmania. Both holes intersected copper mineralisation over substantial widths.

Hole AP11 has intersected 49m @ 0.36% Cu, from a vertical depth of 27m, including **5m @ 0.86% Cu** (37m – 42m).

(Hole AP11 was collared some 100m north of AP04 which returned 22m @ 1.23% Cu, within a wider zone of 95m @ 0.45% Cu, last April.)

Hole AP12A intersected 182.4m @ 0.17% Cu from 58.6m with a number of higher-grade copper zones within the interval 58.6m – 241m. This vertical hole was terminated at 269.5m. Some of the better individual intercepts included:-

- **35m @ 0.39% Cu (77m – 112m)**
- 5m @ 0.30% Cu (121.70m – 126.70m)
- 2m @ 0.70% Cu (213m – 215m)

During 2006, in three drilling campaigns, Stellar tested Alpine with eight diamond drill holes and two at Alpine North. **Copper mineralisation was intersected in six of these Alpine holes over substantial widths and commencing at relatively shallow depths.** The copper mineralisation has so far been demonstrated over more than 200m both in a north-south and an east-westerly direction. Significantly, the average width of mineralisation appears to be in excess of 50m. Importantly, these last two holes have extended the copper-bearing zone substantially to the north and to the edge of (or beyond) the higher magnetic zone.

Holes AP11 and AP12A contain copper in an area of near zero magnetic susceptibility where the copper mineralisation appears to be in a different host rock – and containing some intense silicification. Geological interpretation at Alpine is now more complex, which may be interpreted positively.

Assay results for gold are awaited from both holes.

Drilling continues to define the geometry and tenor of the Alpine copper mineralised zone and drilling is planned to resume in mid February.

Comment

Stellar considers the latest holes to be of great interest. Whilst the large magnetic anomaly has biased recent interpretation, the two new recent mineralised holes have caused us to review the model. Stellar continues to rate Alpine highly.

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Details

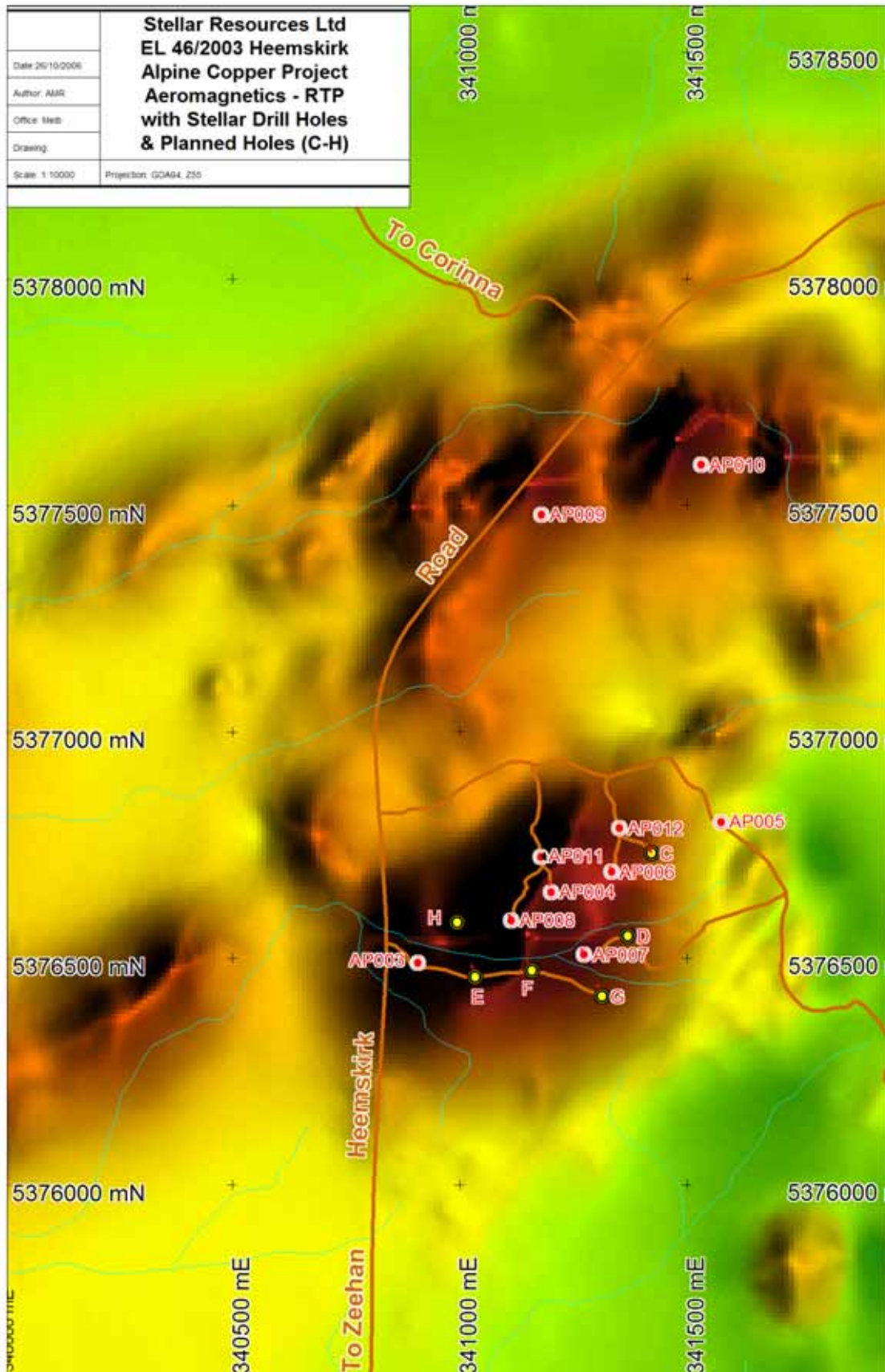


Figure 1 – Alpine - Drill collars on RTP aeromagnetic image

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	71.40	1.75	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
AP11	341180	5376725	27.00	76.00	49.00	0.36
			(incl) 37.00	42.00	5.00	0.86
AP12A	341348	5376768	58.60	241.00	182.40	0.17
			(incl) 77.00	112.22	35.22	0.39
			(and) 121.70	126.70	5.00	0.30
			(and) 213.00	215.00	2.00	0.70

Table 1 – Copper intercepts. *Previously reported; [^]Drilled by CRAE

Location and infrastructure

Alpine is excellently located on the mineral rich west coast of Tasmania where mining is the foremost industry with a supportive and generally pro-mining culture. It is adjacent to a sealed road, with easy access to the town of Zeehan – and to existing mineral treatment infrastructure. A power line also runs parallel to the sealed road.

Corinna – new licence

Stellar has applied for exploration tenure over a large tract of ground north and north west of Alpine where regional magnetic images show trends/structures of interest. Geochemical surveys carried out by previous explorers support the copper prospectivity of this area.

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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