

ASX Release

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Placement of 5 million shares

Stellar Resources is pleased to announce that it has made a placement of 5 million new ordinary fully paid shares to investors associated with Chinese steel interests.

The shares were placed at 20 cents, a 33% premium to yesterday's closing share price of 15.0 cents, and raised \$1.0 million of new capital.

A majority of the funds raised will be applied to further assessment of the company's Tarcoola Iron Ore Project, located in central South Australia, adjacent to the Indian Pacific Railway.

The board of Stellar welcomes this new shareholder and looks forward to a long and productive association.

For further details please contact:

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