



6 February 2012

Dear Optionholder

### **Rights Issue – Notice to Optionholders**

We wish to advise you that Stellar Resources Limited (**Company**) today announced a capital raising by way of a non-renounceable pro-rata rights issue (**Rights Issue**).

#### **Details of the Rights Issue**

This Rights Issue entitles shareholders to subscribe for 1 fully paid ordinary share for every 6 shares held at 7.00pm (AEST time) on 14 February 2012 (**Record Date**) at an issue price of \$0.08 per share.

The Rights Issue will be made without disclosure to investors, in accordance with section 708AA(2)(f) of the *Corporations Act 2001* (Cth), as modified by ASIC Class Order 08/35.

#### **Can you participate as an optionholder?**

As an optionholder you are not entitled to participate in the Rights Issue.

#### **What if you want to participate in the Rights Issue?**

For you to participate in the Rights Issue, you must exercise your options (in accordance with the terms of the options) and be registered as an eligible shareholder before 7.00pm (AEST time) on the Record Date.

You should carefully consider your personal circumstance before deciding whether to exercise your options. If you are unsure what action you should take or have any questions about the Rights Issue, you should contact your stockbroker, accountant or other professional adviser.

#### **What will happen if you don't exercise your options?**

If you do not want to exercise your options and participate in the Rights Issue, then you can continue to hold the options in accordance with their terms.

**STELLAR RESOURCES LIMITED**

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Further details of the Rights Issue are set out in the announcement released on 6 February 2012, which is available at [www.asx.com.au](http://www.asx.com.au) or from the Company's Website, [www.stellarresources.com.au](http://www.stellarresources.com.au).

Yours faithfully

A handwritten signature in black ink, appearing to read 'CKemp', with a long, sweeping flourish extending to the right.

Christina Kemp  
Company Secretary