

11 October 2010



Australian Securities Exchange
Level 45, 525 Collins Street
Melbourne VIC 3000

Attn: Ms Elise Jacobs

By email: elise.jacobs@asx.com.au

Dear Elise,

We refer to your letter dated 8 October 2010, regarding the increase in volume and price of our securities from close of trading on 6 October 2010.

As requested, we respond to each of your questions as follows:

1. The Company is not aware of any information that has not been announced which could be an explanation for the recent stronger trading in its securities.

Stellar Resources has a diverse range of mineral development projects in three states of Australia. The company has been nominating iron ore, tin and uranium as its lead projects. We have observed market interest in tin firming up of late with investors showing interest in companies holding tin assets. Through its dedicated subsidiary, Columbus Metals Limited, Stellar holds a 60% interest in the substantial Heemskirk Tin Project in Tasmania. We refer you to a string of recent announcements, which include drill results.

2. Not applicable.
3. Stellar enjoys a strong ground position on the west coast of Tasmania – well known as a tin producing area, including Renison, Mt Bischoff, Cleveland. Within this ground position, is the 100% interest in the St Dizer tin project to the west of Zeehan where excellent tin drill results were obtained several years ago.

The Board considers that the market price of our securities previously did not reflect the true worth of the Company's assets for some time – and perhaps investors have been reassessing fair value.

4. As we are only half way into the half year period, we are unable to provide a meaningful response to this question at this point.

STELLAR RESOURCES LIMITED

ABN 96 108 758 961

Level 7 Exchange Tower
530 Little Collins Street
Melbourne Victoria 3000

Tel + 61 3 9909 7618 Fax + 61 3 9909 7621

5. No.
6. The Company is of the opinion that it is in compliance with ASX Listing Rules and, in particular, Listing Rule 3.1.

Yours faithfully,

A handwritten signature in black ink, appearing to read "T J Burrowes". The signature is written in a cursive, flowing style with a large initial 'T'.

T J Burrowes



ASX Compliance Pty Limited
ABN 26 087 780 489
Level 45
Rialto South Tower
525 Collins Street
Melbourne VIC 3000

GPO Box 1784
Melbourne VIC 3001

Telephone 61 3 9617 8625
Facsimile 61 3 9614 0303
www.asx.com.au

8 October 2010

Melvyn Drummond
Company Secretary
Stellar Resources Limited
Level 7, 530 Collins Street
Melbourne VIC 3000

By email only

Dear Melvyn

Stellar Resources Limited (“Company”) - Price Query

We have noted a change in the price of the Company’s securities from 11 cents at the close of trading on 6 October 2010 to an intra-day high of 18.5 cents at the time of writing today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company’s securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?

4. Is there any reason to think that there may be a change in the operating results before abnormal items and income tax so that the figure for the half year ended 31 December 2010 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.

5. Is there any reason to think that the Company may record any material abnormal or extraordinary item for the financial year ended 31 December 2010? If so, please provide details.

6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Australian Securities Exchange

Australian Stock Exchange
Sydney Futures Exchange

Australian Clearing House
SFE Clearing Corporation

ASX Settlement and Transfer Corporation
Australia

Your response should be sent to me by e-mail at darren.collins@asx.com.au. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **9.30 a.m. E.D.S.T. Monday, 11 October 2010**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely

[Sent electronically, without signature]

Darren Collins

Senior Adviser Issuers and Accounting Policy