ASX Release

26 July 2011

Heemskirk Tin Delivers Strong Drilling Results

- Five holes were drilled since the last update -two at Stormsdown and three at Montana.
- Best results at Stormsdown:
  - ✓ 1.0m at 1.28% tin from 68m in ZQ102
  - ✓ 1.0m at 0.73% tin from 94m in ZQ103.
- Best result at Montana:
  - ✓ 2.0m at 1.57% tin from 150.5m in ZM105.
- Intersections of associated high grade silver, lead and zinc mineralization have the potential to enhance the project.
- Drilling now focused on a deep hole below the Severn deposit.

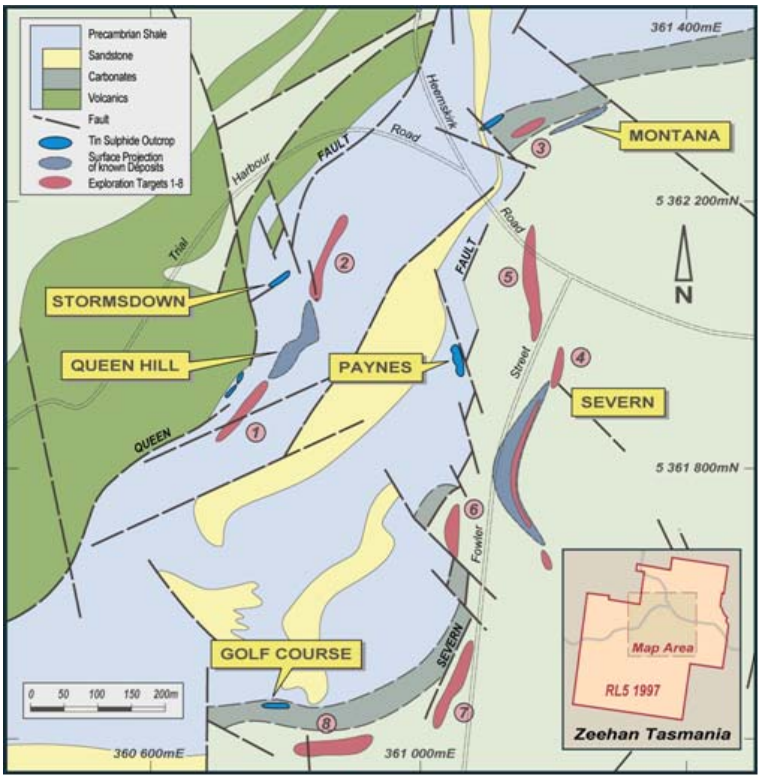

Figure 1: Schematic Geology Heemskirk Tin Project

About Stellar:

Stellar Resources (SRZ) is focusing on the development of its tin and base metal projects in Tasmania. The company holds a portfolio of tenements located in Tasmania, South Australia and New South Wales that have excellent development potential. Key projects include: Heemskirk Tin located near Zeehan in Tasmania and the Tarcoola Iron Ore Project in central South Australia. The company aims to create shareholder value by identifying and developing mature exploration properties.

ASX Code: SRZ

ABN 96 108 758 961
Level 7 Exchange Tower
530 Little Collins Street
Melbourne Victoria 3000
Australia

Telephone +61 3 9909 7618
Facsimile +61 3 9909 7621

www.stellarresources.com.au
srzinfo@stellarresources.com.au

Stormsdown Prospect

The Stormsdown prospect, where a 4m channel chip sample of surface mineralisation graded 1.61% tin, is located 110m north of the Queen Hill deposit (Area 2, Figure 1). Diamond holes ZQ102 and ZQ103 were drilled in a section to test for the down plunge extension of surface mineralisation and to determine the potential for a mineralised zone parallel to the Queen Hill deposit.

The results in Table 1 show a zone of tin mineralisation with associated lead, zinc and silver that could greatly enhance its value. Significant assays in Table 1 are also compiled as a tin equivalent grade using current metal prices. The tonnage potential at Stormsdown is unknown and further drilling is required to determine its continuity and extent.

Table 1 Assay results from Stormsdown and Montana drilling

Hole No	From	To	*Interval	Sn	Acid Sol Sn	Pb	Zn	Ag	WO_3	**Sn Equiv
Stormsdown	**m**	**m**	**m**	**%**	**%**	**%**	**%**	**g/t**	**%**	**%**
ZQ102	65.0	71.0	6.0	0.35	0.01	1.3	3.6	40		0.96
including	66.0	67.0	1.0	0.14	0.02	4.9	10.2	123		2.03
	68.0	69.0	1.0	1.28	0.01					1.28
ZQ103	93.0	95.0	2.0	0.43	0.02	0.0	6.6			1.00
including	94.0	95.0	1.0	0.73	0.00	0.1	1.0			0.83
Montana										
ZM104	31.0	32.0	1.0	0.37	0.01	0.1	7.2	48		1.21
ZM105	106.0	110.0	4.0	0.23	0.01	2.8	1.7	126		1.20
	150.5	152.5	2.0	1.57	0.02	2.3	9.0	62	0.17	3.06

* Down hole intervals

**Price assumptions: US$28,200/t Sn, US$2,678/t Pb, US$2,422/t Zn, US$38.94/oz Ag, US$37,232/t WO_3

Tin equivalent grade is used for illustrative purposes. It is based on the in-ground value of associated metals the recovery of which is yet to be determined.

Montana Prospect

ZM104 and ZM105 were drilled in section along the eastern edge of the Montana deposit to sample the main tin lode and determine whether mineralisation extends to the surface. ZM106, was drilled a further 40m to the east of this section but was only weakly mineralised.

In ZM104, tin mineralisation extended closer to the surface than previously thought. Its relationship with the intersection in ZM105 is unclear and further drilling, particularly to the west, will be required to develop a greater understanding of its geological position.

In ZM105, a 2m intersection in the main tin lode was encountered grading 1.57% tin from 150.5m. As shown in Table 1, high silver, lead, zinc grades add potential value to the intersection. The identification of tungsten for the first time upgrades the potential to significantly enhance the value of the Montana deposit with further drilling.

Montana remains open to the west and at depth where some of the best historical intersections were achieved.

Table 2: Drill Collar Orientation Data

Hole No	Northing Collar	Easting Collar	Relative Level m	Collar Dip/Azimuth	Depth m	Recovery %
ZQ102	5362136	360849	225	52/291	78.3	55
ZQ103	5362136	360850	225	76/281	140.0	80
ZM104	5362272	361194	182	50/344	91.1	33
ZM105	5362271	361194	182	75/345	172.0	84
ZM106	5362256	361228	182	55/345	179.0	89

Background

The Heemskirk Tin Project is located near Zeehan on Tasmania's West Coast in an area well serviced by power, water, transport, mining and other infrastructure. Stellar holds a 60% interest in the project with joint venture partner Gippsland Limited and can increase its holding to 70% by completing a feasibility study.

Figure 2: Location of the Heemskirk Tin Project

Drilling by Gippsland Limited in the 1970s and subsequently Aberfoyle Limited during the 1980s identified three tin deposits; Queen Hill, Montana and Severn. In 2010, Stellar added to the substantial drilling database with 6 holes into the near surface Queen Hill deposit. The Stellar results confirmed the high grade nature of the mineralisation and provided fresh samples for metallurgical testing. As previously reported, these tests indicated that tin is recoverable using a process similar to that employed at the nearby Renison Bell tin mine.

Heemskirk Mineral Resource

Deposit	Indicated			Inferred			Total		
	kt	% Sn	kt Sn	kt	% Sn	kt Sn	kt	% Sn	kt Sn
Queen Hill	1,600	1.2	19				1,600	1.2	19
Montana				360	1.6	6	360	1.6	6
Severn				2,400	0.9	23	2,400	0.9	23
Total	**1,600**		**19**	**2,760**		**29**	**4,360**	**1.1**	**48**

cut-off grade 0.6% tin

estimated on 3 March 2011 by Mining One Pty Ltd

Competent Persons Statement

The drill and exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr R K Hazeldene (Member of the Australasian Institute of Mining and Metallurgy and Member of the Australian Institute of Geoscientists) who is a Consultant of the Company. Mr Hazeldene has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2004 Edition). Mr Hazeldene 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.

For further details please contact:

Peter Blight
CEO
Tel: 03 9909 7618
Email: peter.blight@stellarresources.com.au

or visit our Website at: http://www.stellarresources.com.au