STELLAR
RESOURCES LIMITED
ACN 108 758 961
AND CONTROLLED ENTITIES

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED
30 JUNE 2012

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CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This report contains "forward-looking statements" which are subject to various risks and uncertainties that could cause actual results and future events to differ materially from those expressed or implied by such statements. Investors are cautioned that such statements are not guarantees of future performance and results. Risks and uncertainties about the Company's business are more fully discussed in the Company's disclosure documents filed from time to time with the Australian securities authorities.

Your Directors present their annual financial report on Stellar Resources Limited and its controlled entities for the year ended 30 June 2012. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of Directors of the Company in office at any time during or since the end of the period are:

Director	Position held
Phillip G Harman	Non-executive Chairman
Thomas J Burrowes	Non-executive Director
David J Isles	Non-executive Director
Thomas H Whiting	Non-executive Director

The above named Directors held office during the whole of the financial year and since the end of the financial year.

Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

Christina R Kemp – appointed 17 October 2011

Principal Activities

The principal activity of the Consolidated Entity during the period was mineral exploration with the objective of identifying and developing economic reserves.

Operating Result

The net loss of the Consolidated Entity for the financial period was ($1,991,911) (2011: loss $986,468).

Dividends Paid or Recommended

No amounts have been paid or declared as dividends during the course of the financial period just concluded.

Review of Operations

During the year, the focus of activity for the Consolidated Entity continued to be the Heemskirk Tin Project which is located near Zeehan on the west coast of Tasmania.

On 31 January 2012, Stellar Resources Limited held an extraordinary meeting of shareholders for the approval which was granted of the acquisition of joint venture partner Gippsland Limited's 40% interest in the Heemskirk Tin Project for 43.5 million ordinary shares in the Company and royalties based on agreed conditions. The acquisition was subsequently followed by a share placement and a non-renounceable rights issue in which 71.1 million ordinary shares in the Company were issued at a price of $0.08 cents per share which raised $5.3 million (net of share issue costs).

The Heemskirk Tin Project has entered the prefeasibility study stage, which requires detailed drilling of deposits and upgraded mine development plans. It also requires completion of major metallurgical test work, optimisation of plant design, detailed engineering, cost studies and completion of a Development Proposal and Environmental Management Plan.

In March 2012, Columbus Metals Limited (a wholly owned subsidiary of Stellar) resumed drilling on the Heemskirk Tin Project with two diamond drilling rigs engaged to complete a 10,000 metre program. In the period to 30 June 2012, 2,850 metres or 29% of the drilling program was completed with six holes drilled into the Severn deposit. Drilling to date, has shown that the tin mineralisation occurs in multiple lodes within a broader stock-work of iron sulphide (pyrite and pyrrhotite) veins that make up the Severn mineralised system.

Review of Operations (cont'd)

The best result achieved to date, was diamond drill-hole ZS113 with an intersection of 42 metres grading 1.11% tin from 265 metres. More importantly, this zone contained a high grade core that averaged 3.97% tin over 7 metres from 295 metres down-hole. At Severn, the drilling program to date has aimed at upgrading the definition of the known tin mineralisation. However, future drilling will also focus on identifying new tin lodes that can add to the tin resource estimate, laterally and at depth. Drill testing will continue to the northeast at Severn and at depth at Queen Hill. In addition, drilling at Montana will test for extensions of the tin lode to the north-west of Severn.

A high resolution aeromagnetic survey was completed in February 2012 and identified a number of new targets for follow-up drilling. The largest of these, Severn South and Golf Course areas lie directly to the south of Severn and represent priority drill targets. Two historical holes drilled by Aberfoyle Ltd approximately 22 years ago were too deep to test the magnetic targets, but did indicate a tin mineralising system existing in this area.

Metallurgical test work continued to focus on Queen Hill mineralisation and particularly the tin float/acid leach circuit during the first half of the fiscal year. Good results from leaching have more recently shifted the focus to the gravity circuit, in order to maximise recovery of finer particle sizes ahead of the tin float circuit. Encouraging progress indicates that the goal of 70% recovery into a 50% tin concentrate is within reach.

Environmental baseline data collection began during the year, with six sites established for water sampling. In addition, routines were reviewed for the determination of acid generating or neutralising properties of ore and waste rock.

Regional exploration work was conducted on the Heazlewood Hill exploration licence (EL 40/2010) in Tasmania. Soil sampling and geological mapping showed elevated copper and gold values associated with a Cambrian meta-volcanic unit. The copper and gold in soil values also coincide with a 1.0km by 0.3km airborne electromagnetic target and represent a high quality drill target for follow-up exploration.

Exploration on licences to the north of Zeehan continued during the period, as did the activity of joint venture partners on the Consolidated Entity's licences in South Australia.

In South Australia, exploration for sedimentary uranium in the Pirie Basin of South Australia was conducted by joint venture partners Renaissance Uranium Limited on Cowell (EL 3798) and UraniumSA Limited on Midgee (EL 4242). To date, there are no significant results to report for the period.

Joint venture partner AngloGold Ashanti Australia Pty Ltd, continues progressing exploration on EL's 3752, 3753, 3655, and 4573 in the Gawler Craton, central South Australia with land access issues continuing to slow progress.

On 30 April 2012, Hiltaba Gold Pty Ltd (a wholly owned subsidiary of Stellar) under the joint venture agreement signed in 2011 was granted a further 750,000 ordinary shares and 750,000 unlisted options in Renaissance Uranium Limited on election to earn into Cowell (EL 3798) in South Australia.

The consolidated loss after tax of the Consolidated Entity for the financial year was ($1,991,911) (2011: loss $986,468).

The loss for the period was mainly attributable to $1.6 million (2011: $0.75 million) of write downs in carrying values of the Consolidated Entity's exploration assets.

During the period, the Consolidated Entity was granted a further 0.75 million shares and 0.75 million options in Renaissance Uranium Limited. The initial recognition resulted in an unrealised gain of $0.08 million and was fair valued at balance date which resulted in an impairment of $0.026 million and was recognised in the statement of comprehensive income. The fair value decrement of $0.023 million on options was also recognised in the statement of comprehensive income. Further, the Consolidated Entity incurred an impairment of $0.11 million in shares held in Uranium SA Limited and was recognised in the statement of comprehensive income.

Financial Position

The net assets of the Consolidated Entity as at 30 June 2012 were $16.1 million (2011: $9.4 million). The Directors believe the Consolidated Entity is in a strong financial position to undertake its outlined exploration activities.

Significant Changes in the State of Affairs

There were no significant changes in the state of the affairs of the Consolidated Entity during the financial period.

After Balance Date Events

On 13 July 2012, the Company entered into a Sale and Purchase Agreement with Mungana Goldmines Ltd for Mungana Goldmines Ltd to acquire the Tarcoola Gold Project. The transaction involves Mungana assuming 100% ownership of the Perseverance Gold area and four mining licences currently under renewal.

Under the terms of the agreement, Mungana shall pay on completion $250,000 to the Company and $25,000 on renewal of each mining licence.

The Company must pay to BHP Billiton Limited 10% of the purchase price on completion under the Falcon Access Agreement.

Other than stated, in the opinion of the Directors of the Company, there has not arisen in the interval between the end of the financial year-end and the date of this report any other item, transaction or event of a material and unusual nature likely to substantially affect the results of the Group.

Business Strategies

The Consolidated Entity is committed to the corporate objective of:

> "Enhancing shareholder wealth through mineral discovery".

It seeks to meet this objective by:

- Utilising cutting edge exploration technology;
- Focusing on projects located within geological terrains hosting world-class ore bodies; and
- Utilising an experienced, focused and success driven management team.

Where joint ventures seem appropriate and beneficial to the risk/reward profile of Stellar Resources, the Board has chosen to enter such agreements. Joint ventures provide financing whilst maintaining meaningful involvement and equity in the project.

Stellar Resources Limited is also prepared to sponsor or co-sponsor new IPO's – including those where the Consolidated Entity's assets may be included. In such cases, shareholders may also be eligible and entitled to subscribe for shares in any new IPO.

The Consolidated Entity's prospects for future years depend very much on the rate of mineral discovery. The Consolidated Entity is an active minerals explorer and a good sized mineral discovery has the potential to add substantial value to Stellar. Against this, Company funds must be expended in this exploration/discovery endeavour and the Board may decide to raise new equity to replenish funds along the path.

Future Developments

The Consolidated Entity intends to continue to explore and, should a viable discovery be made, would then move that project towards the development phase – subject to completing full feasibility studies, financing and development studies.

Disclosure of information regarding likely developments in the operations of the Consolidated Entity in future financial years and the expected results of those operations are likely to result in unreasonable prejudice to the Consolidated Entity. Accordingly, this information has not been disclosed in this report.

Environmental Issues

The Consolidated Entity's exploration activities are subject to various environmental regulations under both state and federal legislation in Australia. The ongoing operation of these tenements is subject to compliance with the respective mining and environmental regulations and legislation.

Licence requirements relating to ground disturbance, rehabilitation and waste disposal exist for all tenements held. The Directors are not aware of any significant breaches of mining and environmental regulations and legislation during the period covered by this report.

Meetings of Directors

The number of meetings of the Company's Board of Directors held during the period ended 30 June 2012, and the number attended by Directors were:

Director	Number of meetings held	Number eligible to attend	Number of meetings attended
P G Harman	10	10	10
T J Burrowes	10	10	10
D J Isles	10	10	10
T H Whiting	10	10	10

Remuneration Report

(a) Names and Positions Held of Key Management Personnel in Office at any time during the Financial Period were:

Phillip G Harman	–	Non-executive Chairman
Thomas J Burrowes	–	Non-executive Director
David J Isles	–	Non-executive Director
Thomas H Whiting	–	Non-executive Director
Peter G Blight	–	Chief Executive Officer
Melvyn J Drummond	–	Company Secretary (resigned 17 October 2011)
Christina R Kemp	–	Company Secretary (appointed 17 October 2011)

(b) Directors' and Executives' Compensation

Remuneration Policy
The Board is responsible for determining and reviewing the remuneration of the Directors including the Chief Executive Officer and executive officers of the Company. This process requires consideration of the levels and form of remuneration appropriate to securing, motivating and retaining executives with the skills to manage the Company's operations. In order to retain and attract executives of sufficient calibre to facilitate the efficient and effective management of the Company's operations, the Board seeks where necessary the advice of external advisers in connection with the structure of remuneration packages. The Board also recommends the levels and form of remuneration for non-executive Directors with reference to performance, relevant comparative remuneration and independent expert advice. The total sum of remuneration payable to non-executive Directors shall not exceed the sum fixed by members of the Company in a general meeting. Shareholders fixed the maximum aggregate remuneration for non-executive Directors at $500,000.

The three key elements of Director and executive remuneration are:

- base salary and fees, which are determined by reference to the market rate based on payments by similar size companies in the industry;
- superannuation contributions; and
- equity-based payments, the value of which are dependent on the Company's share price and other factors.

(c) Relationship between the Remuneration Policy and Company Performance

The tables below set out summary information about the Consolidated Entity's earnings and movements in shareholder wealth for the five years to June 2012. As the table indicates, earnings have varied significantly over the past five financial years, due to the nature of exploration activities. It has been the focus of the Board of Directors to attract and retain management personnel essential to continue exploration activities.

Remuneration Report (cont'd)

	30 June 2012 $	30 June 2011 $	30 June 2010 $	30 June 2009 $	30 June 2008 $
Revenue	166,539	148,552	96,870	121,112	269,910
Net profit/(loss) before tax	(1,991,911)	(986,468)	166,601	(5,341,045)	(5,523,266)
Net profit/(loss) after tax	(1,991,911)	(986,468)	166,601	(5,341,045)	(6,018,216)

	30 June 2012 $	30 June 2011 $	30 June 2010 $	30 June 2009 $	30 June 2008 $
Share price at start of year	$0.14	$0.05	$0.05	$0.18	$0.29
Share price at end of year	$0.07	$0.14	$0.05	$0.05	$0.18
Basic earnings per share (cents)	(1.3)	(1.0)	0.2	(6.3)	(8.6)
Diluted earnings per share	(1.3)	(1.0)	0.2	(6.3)	(8.6)

(d) Remuneration of Directors and Senior Management

2012	Short term employee benefits		Post-employment benefits		Share-based payment	Other benefits	Total
	Salary and fees $	Other compensation $	Super-annuation $	Other $	Options $	$	$
Director							
P G Harman	60,000	-	5,400	-	-	-	65,400
T J Burrowes	30,000	-	2,700	-	-	-	32,700
D J Isles	30,000	-	2,700	-	-	-	32,700
T H Whiting	30,000	38,182	2,700	-	-	-	70,882
Executive							
P G Blight	177,667	-	42,333	-	-	-	220,000
M J Drummond	3,966	-	-	-	-	-	3,966
C R Kemp	98,100	-	-	-	-	-	98,100
	429,733	38,182	55,833	-	-	-	523,748

2011	Short term employee benefits		Post-employment benefits		Share-based payment	Other benefits	Total
	Salary and fees $	Other compensation $	Super-annuation $	Other $	Options $	$	$
Director							
P G Harman	45,000	-	4,050	-	110,096	-	159,146
T J Burrowes	83,500	-	8,275	-	110,096	-	201,871
D J Isles	30,000	-	2,700	-	110,096	-	142,796
T H Whiting	12,500	15,909	1,125	-	109,932	-	139,466
Executive							
P G Blight	172,879	-	45,454	-	109,932	-	328,265
M J Drummond	6,745	-	-	-	27,483	-	34,228
	350,624	15,909	61,604	-	577,635	-	1,005,772

All key management personnel compensation is paid by Stellar Resources Limited. Key management personnel receive no remuneration from group subsidiary companies. No Director or key management personnel appointed during the period received a payment as part of consideration for agreeing to hold the position.

Other compensation for consulting to the Consolidated Entity by Dr T H Whiting is paid to Freelance Global Limited, a non –related party at commercial rates.

Remuneration Report (cont'd)

(e) Compensation Options: Granted and Vested during the Year

2012

No options were issued to Directors or executives during or since the end of the financial year.

The following share-based payment arrangements were in existence during the period.

Option series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Director options (i)	3,000,000	26/11/2010	30/11/2013	20 cents	$330,287
Employee options (ii)	2,250,000	26/11/2010	26/11/2013	20 cents	$247,348

(i) In accordance with the Company's Employee Option Plan, Director options issued on the 3 December 2010 fully vested on issue date.

(ii) In accordance with the Company's Employee Option Plan, employee options issued on the 20 December 2010 fully vested on issue date.

2011

Options issued to Directors and executives in the previous financial year:

Name	Option Series	No. Granted	No. Vested	% of Grant Vested	% of Grant Forfeited
P G Harman	SRZAK	1,000,000	1,000,000	100%	n/a
T J Burrowes	SRZAK	1,000,000	1,000,000	100%	n/a
D J Isles	SRZAK	1,000,000	1,000,000	100%	n/a
T H Whiting	SRZAI	1,000,000	1,000,000	100%	n/a
P G Blight	SRZAI	1,000,000	1,000,000	100%	n/a
M J Drummond	SRZAI	250,000	250,000	100%	n/a

(f) Details Concerning Share-based Remuneration of Directors and Executives

The Company's policy for determining the nature and amount of emoluments of Board members and executives of the Company is as follows:

The remuneration structure for executive officers, including Directors, is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and Directors and executives are on a continuing basis the terms of which are not expected to change in the immediate future. There are no termination benefits or incentives provided. Should the Company terminate the Chief Executive Officer's contract immediately, the Company shall pay an amount equal to the total remuneration for 12 months. Any options not exercised before or on the date of termination will lapse.

The objective of the share-based schemes is to both reinforce the short and long-term goals of the Company and to provide a common interest between management and shareholders. No options were granted to Directors and executives during the year.

The Board is responsible for the review and operation of the Stellar Option Plan including terms and conditions for all options issued. The number of options offered under the plan is limited to less than 5% of the total number of shares on issue at the time of the offer.

Remuneration Report (cont'd)

(g) Number of Options Held by Key Management Personnel

2012	Balance 1/07/11	Granted as compen-sation	Options exercised	Net change other	Balance 30/06/12	Total vested 30/06/12	Total exerc-isable 30/06/12	Total unexerc-isable 30/06/12
Directors								
P G Harman	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
T J Burrowes	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
D J Isles	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
T H Whiting	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
Executives								
P G Blight	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
M J Drummond	250,000	-	-	(250,000)	-	-	-	-
C R Kemp	-	-	-	250,000	250,000	250,000	250,000	-
	5,250,000	-	-	-	5,250,000	5,250,000	5,250,000	-

2011	Balance 1/07/10	Granted as compen-sation	Options exercised	Net change other	Balance 30/06/11	Total vested 30/06/11	Total exerc-isable 30/06/11	Total unexerc-isable 30/06/11
Directors								
P G Harman	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
T J Burrowes	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
D J Isles	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
T H Whiting (i)	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
Executives								
P G Blight	1,000,000	1,000,000	-	(1,000,000)	1,000,000	1,000,000	1,000,000	-
M J Drummond	250,000	250,000	-	(250,000)	250,000	250,000	250,000	-
	1,250,000	5,250,000	-	(1,250,000)	5,250,000	5,250,000	5,250,000	-

(i) Before Dr T H Whiting was appointed non-executive Director, he held 250,000 options as at 30 June 2010. These options expired on 30 November 2010.

(h) Shares Issued on Exercise of Compensation Options

No shares were issued to Directors or executives on exercise of compensation options during the financial year.

(i) Loans to Key Management Personnel

There were no loans to key management personnel at anytime during the current or prior financial year.

(j) Number of Shares held by Key Management Personnel

2012	Balance 1/07/11	Received as compensation	Options exercised	Net change other	Balance 30/06/12
Directors					
P G Harman	152,848	-	-	428,415	581,263
T J Burrowes	1,211,112	-	-	201,853	1,412,965
D J Isles	98,612	-	-	16,436	115,048
T H Whiting	327,210	-	-	226,797	554,007
Executives					
P G Blight	1,100,000	-	-	556,904	1,656,904
M J Drummond	115,000	-	-	(115,000)	-
C R Kemp	-	-	-	74,917	74,917
	3,004,782	-	-	1,390,322	4,395,104

Remuneration Report (cont'd)

2011	Balance 1/07/10	Received as compensation	Options exercised	Net change other	Balance 30/06/11
Directors					
P G Harman	152,848	-	-	-	152,848
T J Burrowes	1,211,112	-	-	-	1,211,112
D J Isles	98,612	-	-	-	98,612
T H Whiting	-	-	-	327,210	327,210
Executives					
P G Blight	1,100,000	-	-	-	1,100,000
M J Drummond	115,000	-	-	-	115,000
	2,677,572	-	-	327,210	3,004,782

Share Options

Shares under options
As at 30 June 2012, Directors have options over 3,000,000 ordinary shares all of which are exercisable at 20 cents each, and expire on 30 November 2013. The Chief Executive Officer and a Director have 1,000,000 options each to subscribe for ordinary shares at an exercise price of 20 cents each and expire on 26 November 2013. In addition, employees have options over 3,125,000 ordinary shares all of which are exercisable at 20 cents each, and expire on 26 November 2013.

At the date of this report, the unissued ordinary shares of Stellar Resources Limited under option are as follows:

Option series	Grant date	Expiry date	Grant date fair value	Exercise price	Number under option	Vesting date
SRZAK	26/11/2010	30/11/2013	$0.11	$0.20	3,000,000	Vests at date of grant
SRZAI	26/11/2010	26/11/2013	$0.11	$0.20	3,125,000	Vests at date of grant

Shares under option were issued under the terms of the Stellar Option Plan. The options hold no voting or dividend rights, and are not transferable, except with the prior written approval of the Board. When a Director ceases to be a Director of the Company, the options lapse three months from the date of retirement. When an executive, employee or contractor ceases employment, the options lapse within two months from date of termination.

Shares issued on exercise on share options
No shares were issued during or since the end of financial year as a result of exercise of a share option.

Options expired
During the financial year, there were no expired options (2011: 1,075,000 share options expired on 30 November 2010, 500,000 share options expired on 31 January 2011).

Options cancelled
During the financial year, there were 250,000 share options cancelled due to the termination of an employee.

Information on Directors and Executives

The qualifications, experience and special responsibilities of each person who has been a Director of Stellar Resources Limited at any time during or since the end of the financial year are provided below, together with details of the Company Secretary as at year end.

Chairman
Phillip G Harman
BSc (Hons) MAusIMM
Appointed Non-executive Director 7 June 2010
Appointed Chairman 7 February 2011

Mr Harman is a professional geophysicist who spent more 30 years working for BHP Billiton in minerals exploration in a broad number of roles both technical and managerial, both in Australia and overseas. Mr Harman was material in bringing BHP Billiton's proprietary FALCON® airborne gravity gradiometer technology to Gravity Capital Limited which was the precursor to Gravity Diamonds Limited in 2001.

Shareholding:	581,263
Option holding:	1,000,000

Directorships of other listed companies since 1 July 2009:
Predictive Discovery Limited (February 2008 – Current)
Callabonna Uranium Limited (Nov 2009 – Current)

Director
Thomas J Burrowes
BEc (Hons) MBA (Melb)
Appointed 19 April 2004
Resigned 20 April 2004
Re-appointed 10 December 2004

Mr Burrowes has extensive experience in all facets of Australian exploration and mining over the past 20 years. After an initial career in funds management, he has held numerous directorships in ASX listed exploration and mining companies.

Shareholding:	1,412,965
Option holding:	1,000,000

Directorships of other listed companies since 1 July 2009:
Rimfire Pacific Mining N.L (December 2010 – Current)

Director
David J Isles
BSc (Hons) PhD SEG ASEG AIG
Appointed 19 April 2004

Dr Isles is a geophysicist and recognised expert in aeromagnetic interpretation. He has worked in operational exploration with BHP Minerals and in the area of exploration technology development with World Geoscience Corporation.

Shareholding:	115,048
Option holding:	1,000,000

Directorships of other listed companies since 1 July 2009:
Mineral Deposits Limited (December 2002 – Current)

Director
Thomas H Whiting
BSc (Hons) PhD FINSIA
Appointed 7 February 2011

Dr Whiting is currently a consultant, having retired from BHP Billiton in 2008, after a distinguished career covering 30 years. He is a widely respected explorer with profound insights on the need for innovation in the mineral exploration sector. Dr Whiting was Vice President of Minerals Exploration for BHP Billiton from 2000 to 2004. Earlier in his career, he led the use of innovative reconnaissance airborne geophysical techniques which led to the discovery of the Cannington lead-zinc-silver mine in North Queensland and the development and deployment of the FALCON® system, the world's first airborne gravity gradiometer.

Shareholding:	554,007
Option holding:	1,000,000

Directorships of other listed companies since 1 July 2009:
Predictive Discovery Limited (July 2008 – Current)
Exco Resources Limited (September 2011 – Current)
Mineral Deposits Limited (January 2012 – Current)

Information on Directors and Executives (cont'd)

Chief Executive Officer Peter G Blight BSc (Hons) (Adelaide), MSc (USA) Appointed 5 February 2008	Mr Blight has been involved in the exploration, mining and finance industries for over 30 years. Prior to joining Stellar Resources, he was Director of Research at Russian aluminium giant UC Rusal where he was responsible for market analysis and business development in China and India. He also had a 14 year career with investment bank, UBS, as Executive Director of commodity analysis in London and prior to that as a mining company analyst in Melbourne. Mr Blight's wide range of experience from exploration to business development places him in a strong position to guide the commercialisation of Stellar's advanced projects. Shareholding: 1,656,904 Option holding: 1,000,000 Mr Blight did not hold any other listed company directorships in the preceding three years.
Company Secretary Christina R Kemp Dip Acc, Dip AICD Appointed 17 October 2011	Ms Kemp has a wealth and depth of experience over 30 years with both public and private companies. Her extensive career began in manufacturing but has also included mineral exploration, mining, retail, travel, transport and utilities where she has held financial positions. Shareholding: 74,917 Option holding: 250,000 Ms Kemp did not hold any other listed company directorships in the preceding three years.

Indemnifying Officers

The Company has paid premiums to insure each of the Directors, Company Secretary and executive officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director/officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The terms and conditions of the insurance are confidential and cannot be disclosed.

Dealing in the Company's Securities

The Company's share trading policy restricts Directors, executives, employees and contractors to only trade in the Company's securities during the 30 days (the "trade window") commencing immediately after each of the following occasions:

- the release by the Company of its quarterly report to the ASX;
- the release by the Company of its half-yearly results to the ASX;
- the release by the Company of its annual results to the ASX; and

A Director, executives, employees or contractors may not trade in the Company's securities outside of the trading window unless approval is given in accordance with the share trading policy.

Prior to trading in (either buying or selling) the Company's securities, Directors, executives, employees and contractors must notify the appropriate person of their intention to trade and confirm that they are not in possession of any published price sensitive information. This requirement does not apply to the acquisition of securities through an incentive plan, nor to the exercise of any security that has vested in accordance with any incentive plan resulting in the holding of a listed security in the Company. However, the requirement does apply to the trading of the listed securities once they have been acquired.

The share trading policy requires the Company Secretary to maintain a register of all trades and holdings in Company securities by Directors, executives, employees and contractors. Directors, executives, employees and contractors must notify the Company Secretary of any trade in the Company's securities within 2 days of such trade occurring. The Company Secretary will comply with the ASX Listing Rule 3.19A requirement to notify the ASX of any change in a notifiable interest held by a Director.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

Non Audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 19 to the financial statements.

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 49 of the Annual Report.

This Directors' Report is signed in accordance with a resolution of Directors made pursuant to s.298(2) of the Corporations Act 2001 and dated this 28th day of August, 2012.

On behalf of the Directors

P G Harman
Chairman
Melbourne

Introduction

In March 2003, the Australian Stock Exchange (ASX) Corporate Governance Council (Council) published Principles of Good Governance and Best Practice Recommendations. The Listing Rules of ASX require Australian-listed companies to report on the extent to which they have complied with the best practice recommendations during the reporting period. Where a company has not followed all the recommendations, it must identify the recommendations that have not been followed and give reasons for not adhering to them. If a recommendation has been followed for only part of the period, a company must state the period during which it has been followed.

In August 2007, following a major review of the operation of the Principles and Recommendations since they were issued, a second edition of the Corporate Governance Principles and Recommendations was published by the Council. Stellar Resources Limited (SRZ or the Company) was first required to report on its compliance with the revised Principles and Recommendations in its annual report in relation to the financial year ended 30 June 2009.

On 30 June 2010, after a period of consultation, the Council published a number of amendments to the revised (second) edition of the Corporate Governance Principles and Recommendations. These amendments came into force on 1 January 2011 and the reporting requirement for each of them first applies to Australian listed companies with a 30 June balance date in relation to the financial year ended 30 June 2012.

As recognised by the Council, corporate governance is “the framework of rules, relationships, systems and processes within and by which authority is exercised and controlled in corporations.” It encompasses the mechanisms by which companies, and those in control, are held to account. Corporate governance influences how the objectives of a company are set and achieved, how risk is monitored and assessed and how performance is optimised. There is no single model of good corporate governance. Corporate governance practices will evolve in the light of the changing circumstances of a company and must be tailored to meet those circumstances. Corporate governance practices must also evolve in the context of developments both in Australia and overseas.

This statement briefly outlines the main corporate governance practices of the Company. Unless otherwise stated, the Company’s corporate governance practices were in place throughout the 2011/12 year and comply with the Council’s revised (second edition) Corporate Governance Principles and Recommendations.

Role of the Board and Management

The primary responsibility of the Board is to protect and advance the interests of shareholders. To fulfil this role, the Board has overall responsibility for the corporate governance of the Company including matters such as strategic direction, setting of management goals and monitoring management performance against the set goals.

The primary responsibilities of the Board include:

- Formulation, review and approval of the Company’s strategic direction and operational policies;
- Establishing management goals and monitoring management performance;
- Review and approval of the Company’s Business Plan (incorporating its annual budget);
- Monitoring the performance and reviewing remuneration of senior executives and other key staff;
- Approval of all significant business transactions including acquisitions, investments, divestments and corporate restructures;
- Monitoring business risk exposures and risk management systems;
- Review and approval of financial and other reporting, including continuous disclosure reporting; and
- Reporting to shareholders.

Mr Peter Blight continued in office as the Chief Executive Officer of the Company (but not a member of the Board) during the whole of the reporting period.

Mr Blight’s specific responsibilities include:

- Contributing to the formulation of the Company’s strategic direction for approval by the Board and thereafter managing its implementation;
- In conjunction with the Chief Financial Officer (or equivalent), designing and implementing the risk management and internal control system to manage the Company’s material business risks and reporting to the Board on whether those risks are being managed effectively;
- Managing the day to day affairs of the Company within the guidelines set by the Board;

- Identifying and developing a range of potential partners for project development;
- Managing relationships with Government at all levels;
- Marketing the Company to existing and potential investors;
- Monitoring employee performance; and
- Managing costs at the direction of the Board.

Each of Mr Phillip Harman, Mr Tom Burrowes, Dr David Isles and Dr Tom Whiting was a non-executive Director of the Company during the whole of the reporting period.

Board Composition and Performance

During the whole of the reporting period, the Board had four non-executive Directors (Mr P Harman, Mr T Burrowes, Dr D Isles and Dr T Whiting), two of whom (Dr D Isles and Mr P Harman) are considered by the Board to be independent. The Board has reassessed the independence of Dr David Isles and, taking into account the fact that his executive role ended more than three years before the commencement of the reporting period and the nature and extent of the geophysical services provided to the Company by Dr Isles during the reporting period, determined that it should continue to regard him as an independent Director of the Company.

It is a Council Recommendation that a majority of the Board should be independent Directors. The Board endorses the position that all Directors – whether independent or not – should bring an independent judgement to bear on Board decisions but considers that the need for independence is to be balanced against the need for skills, commitment and functional board size. The composition of the Company's Board is balanced with Directors contributing a range of complementary skills and experience to its deliberations.

Directors are initially appointed by the Board but must then stand for re-election by the shareholders at the next annual general meeting. No Director may hold office for more than three years following his or her last election by the shareholders and one third of the Directors must retire by rotation at each annual general meeting to ensure that this requirement is satisfied. A retiring Director may stand for re-election at the annual general meeting at which he or she retires.

The Board has adopted processes to measure its own performance and that of individual Directors. The annual performance evaluation reviews the performance of the Board against its responsibilities. It also reviews the contribution of each member of the Board. The annual performance evaluation also sets forth the goals and objectives of the Board for the following year. The Chairman conducts confidential discussions with each Director in relation to matters such as work programmes and perceived strengths and weaknesses of the Board. Ms C Kemp, the Company Secretary, is accountable to the Board, through the Chairman, on all governance and compliance matters and for liaison with ASX. After discussion between the Chairman and Ms C Kemp, any significant performance related issues identified, or changes recommended, are referred to the Board for action in its ongoing development programme.

A performance evaluation of the Board and each Director, in accordance with the process disclosed, commenced before the end of the reporting period and will be completed before this statement is published.

Skills Experience and Expertise of Directors

The skills, experience and expertise relevant to the position of Director held by each of them as at 30 June 2012, and the period of office held by each Director, are as follows:

Phillip G Harman – Non-Executive Chairman
Mr Harman is a graduate of Sydney University where he majored in Geology and Geophysics. He worked for BHP for over 30 years in the field of mineral exploration occupying a variety of technical and managerial positions in Australia and elsewhere in the world. In these positions, he gained broad experience in exploration management and was associated with a number of discoveries.

In 2001, he joined Grenfell Resources Limited for the specific purpose of introducing the FALCON® Airborne Gravity Gradiometer System, developed by BHP, to the Australian exploration scene. Grenfell subsequently evolved into Gravity Capital Limited which was later split into Gravity Diamonds Limited and Stellar Resources Limited, the latter retaining ownership of the non diamond projects. Mr Harman remained as Managing Director of Gravity Diamonds which carried out diamond exploration in Australia and Democratic Republic of Congo, then subsequently merged with Mwana Africa in 2008.

Currently, Mr Harman is non-executive Chairman of ASX listed Predictive Discovery Limited and a non-executive Director of ASX listed Callabona Uranium Ltd as well as a non-executive Director of the Deep Exploration Technologies Cooperative Research Centre.

He is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Company Directors as well as a number of other professional societies.

Period of office: 2 years.

Thomas J Burrowes – Non-Executive Director
Mr Burrowes has an Honours degree in economics and an MBA from Melbourne University. He has gained extensive experience in many facets of Australian exploration and mining over the past twenty years. After an initial career in funds management, he held a number of directorships in ASX listed exploration and mining companies including Carr Boyd Minerals Limited, VAM Limited, Perseverance Corporation Ltd, Bendigo Mining NL and New Hampton Goldfields Limited. Until July 2003, he was Managing Director of Buka Minerals Limited. From December 2004 to mid September 2008, he was the Executive Chairman of Stellar Resources Limited, and thereafter until 7 February 2011 he was the non-executive Chairman of the Company. Mr Burrowes is also a non-executive Director of ASX listed Rimfire Pacific Mining N.L. He brings extensive corporate experience to the Board.

Period of office: 8 years.

David J Isles – Non-Executive Director
Dr Isles has a background in the minerals industry spanning more than 30 years. He has held senior positions in large mining and exploration companies and in contracting and consulting companies. Since 1993, he has operated a technical consultancy specialising in exploration applications of airborne geophysics.

In recent times, he has been an executive Director of ASX listed companies New Hampton Goldfields Limited and Gravity Capital Limited and is currently a non-executive Director of the Senegalese-focused ASX listed mining and exploration company, Mineral Deposits Limited. He was a founding Director of Stellar Resources Limited.

He is a member of the Society of Exploration Geophysicists, the Australian Institute of Geoscientists and the Australian Society of Exploration Geophysicists.

Period of office: 8 years.

Thomas H Whiting – Non-Executive Director
Dr Whiting is a geophysicist by profession and has over 30 years experience in the minerals exploration sector. From 2000 to 2004, he led BHP Billiton's global minerals exploration group as Vice President of Minerals Exploration. During his career with BHP Billiton he was associated with a number of discoveries and was at the forefront of promoting the development and application of new exploration technologies related to the search for ore deposits under cover. He is currently a consultant to a number of other mineral exploration companies.

Dr Whiting is a non-executive Director of ASX listed Predictive Discovery Limited, Mineral Deposits Limited, Exco Resources Limited and non-executive Chairman of the Deep Exploration Technologies Cooperative Research Centre.

He is a member of the Society of Exploration Geophysicists and the Australian Institute of Company Directors.

Period of office: 1 year.

Ethical and Responsible Decision-making

It is the policy of the Company for Directors, officers and employees to observe high standards of conduct and ethical behaviour in all of the Company's activities. This includes dealings with suppliers, business partners, public servants and the general communities in which it operates.

The Company adopted a formal Code of Ethics with effect from 29 August 2008. The Code is available on the Company's website www.stellarresources.com.au.

Securities Trading Policy

The Company adopted a new Securities Trading Policy in December 2010, as required by the revised ASX listing rules.

A copy of the Company's Securities Trading Policy is available on the Company's website www.stellarresources.com.au.

Communications with Shareholders

The Board seeks to empower shareholders through effective communication by providing balanced and understandable information and encouraging participation at General Meetings. It is the policy of the Company to communicate with shareholders in an open, regular and timely manner so that the market has sufficient information on the operations and results of the Company to make informed investment decisions.

Mechanisms used to communicate with shareholders include:

- the statutory financial report is distributed to all shareholders who have chosen to receive it and otherwise made available in accordance with the *Corporations Act 2001*. The Board also ensures that the statutory financial report is provided to any shareholder requesting it at the annual general meeting;
- the half-yearly report as at 31 December contains condensed financial information and a review of the Consolidated Entity during the period. This financial report is sent to any shareholder requesting it;
- the quarterly report summarising activities on the Company's projects on a quarterly basis. This report is sent to any shareholder requesting it;
- preparation and circulation of regular Business Reviews;
- BRR Media broadcasts by the Chief Executive Officer;
- regular investor presentations by the Chief Executive Officer; and
- maintaining a comprehensive website www.stellarresources.com.au which is user friendly and regularly updated.

The Board encourages full participation of shareholders at the annual general meeting to ensure a high level of accountability and understanding of the Company's strategy and goals. Generally, every meeting of shareholders is followed by a presentation by the Chief Executive Officer and/or Directors.

All announcements made to the market and related information (for example, information provided to analysts during briefings), are placed on the Company's website after they have been released to ASX. These announcements include the full text of notices of meeting and explanatory material. The Company's website also contains Brokers' Reports on the Company and financial data for the last three years.

Integrity of Financial Reporting

It is a requirement of the *Corporations Act 2001* that the Chief Executive Officer (or equivalent) and Chief Financial Officer (or equivalent) declare in writing to the Board (in accordance with section 295A of the *Corporations Act 2001*) that, in their opinion, the financial records have been properly maintained and the consolidated financial statements of the Company and its controlled entities for each half and full financial year present a true and fair view of the Consolidated Entity's financial position and performance and are in accordance with relevant accounting standards.

Continuous Disclosure to ASX

The Board is responsible for monitoring compliance with ASX Listing Rule disclosure requirements and approval of any proposed ASX announcement prior to release. The Board has appointed the Company Secretary as the designated contact person with ASX.

A copy of the Company's Continuous Disclosure Policy and Procedures is available on the Company's website www.stellarresources.com.au.

Risk Management

The Board is responsible for the oversight of the Consolidated Entity's risk management and control framework. Management is required to design and implement the risk management and internal control system to manage the Company's material business risks and report to the Board on whether those risks are being managed effectively. The effectiveness of the risk management and internal control system is reviewed periodically by the Board. The Chief Executive Officer and the Chief Financial Officer (or equivalent in each case) has ultimate responsibility to the Board for the risk management and control framework.

A report on Safety is the first item on the agenda for consideration at each board meeting.

Senior executives have reported to the Board as to the effectiveness of the Company's management of its material business risks and the Board has received assurance from the Chief Executive Officer (or equivalent) and Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the *Corporations Act 2001* is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Company appointed a new auditor in 2006 following a competitive tender. External auditors are selected on the basis of professional skills, reputation, service levels and fees. The current policy of the external auditor is to rotate the audit engagement partner every 5 years.

Performance of Senior Executives

The Board is responsible for regularly reviewing the performance of senior executives against appropriate measures including the implementation of the Company's Business Plan. The annual performance evaluation covers the Chief Executive Officer and any other key executives of the Company. The Chairman is primarily responsible for arranging such reviews and canvasses the views of each of the other Directors before a formal decision of the Board is made.

A performance evaluation of senior executives, in accordance with the disclosed process, commenced before the end of the reporting period and will be completed before this statement is published.

Remuneration of Directors and Senior Executives

It is the policy of the Company that, except in special circumstances, non-executive Directors normally be remunerated by way of fixed fees, should not receive bonus or option payments and should not be provided with retirement benefits other than statutory superannuation.

The Board, within the limit pre-approved by shareholders, determines fees payable to individual non-executive Directors. The remuneration level of any executive Director (there was no executive Director during the reporting period) or other senior executive (such as the Chief Executive Officer) is determined by the Board after taking into consideration levels that apply to similar positions in comparable companies in Australia and taking account of the individual's possible participation in any equity-based remuneration scheme. The Board may use industry-wide data gathered by independent remuneration experts annually as its point of reference. Options or shares issued to any Director pursuant to any equity-based remuneration scheme require approval by shareholders prior to their issue. Options or shares granted to senior executives who are not Directors are issued by resolution of the Board.

It is the policy of the Company that persons to whom options have been issued should not enter into any transaction in any associated product which is designed to limit the economic risk of participating in unvested entitlements under an equity-based remuneration scheme.

There are no schemes for retirement benefits, other than the payment of the statutory superannuation contribution, for non-executive Directors.

The Company's policies and details of Director and executive remuneration are set out in more detail in the Remuneration Report, which forms part of the Directors' Report.

Interests of Stakeholders

The Company's core objective is the effective management of its resources with a view to identifying and developing profitable and environmentally sound mineral projects on its own or in conjunction with joint venture partners that are beneficial for all stakeholders.

Diversity

The Company adopted a Diversity Policy on 15 June 2012. The policy is set out below and is available on the Company's website.

<u>Vision</u>
The Company recognises the benefits arising from employee and Board diversity including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. The Company values diversity in all aspects of its business and is committed to creating an environment where the contribution of all its personnel is received fairly and equitably.

Objectives

The Company has a number of objectives in place to continually work towards its Vision including:

- a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- improved employment and career development opportunities for women;
- a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity.

Strategy

The Company seeks to achieve its Objectives by:

- recruiting and managing on the basis of competence and performance regardless of age, ethnicity, gender or cultural background;
- providing equal opportunities based on merit;
- fostering a culture that empowers people to act in accordance with this policy;
- fostering an inclusive, supportive and respectful culture to enable all personnel to reach their full potential;
- respecting the unique attributes that each individual brings to the workforce; and
- establishing and reviewing measurable objectives, particularly on gender diversity.

Application

The Board and Chief Executive Officer of the Company are responsible for monitoring and ensuring this policy is implemented. In addition, the Board and Chief Executive Officer will review progress against the Objectives as a key performance indicator in its annual performance assessment. The Board will include in its Annual Report each year measurable objectives, if any, set by the Board and progress against the objectives.

The Board has not yet set measurable objectives for achieving gender diversity.

As at 30 June 2012, the Company had the following employee workforce profile:

	Female	Female %	Male	Male %
Board of Directors	0	0	4	100
Executive Management	1	50	1	50
Other	1	25	3	75

Compliance with the Australian Securities Exchange Corporate Governance Principles and Recommendations

The ASX listing rules require listed entities to include in their Annual Report a statement disclosing the extent to which the entity has followed the ASX Corporate Governance Principles and Recommendations during the reporting period, identifying the recommendations that have not been followed and providing reasons for any variance. If a recommendation has been followed for only part of the year, the entity must state the period during which it has been followed.

During the reporting period, the Company complied with each of ASX Corporate Governance best practice recommendations, other than in relation to the matters below:

Recommendation 2.1
A majority of the Board should be independent Directors

Notification of Departure

The majority of the Board was not comprised of independent Directors.

Explanation of Departure

The Board strongly endorses the position that Boards exercise independence of judgement; however this needs to be balanced with the need for skills, commitment and a workable board size. During the reporting period, only two of the four Board members were independent Directors. However, one of those independent Directors was the Chairman (Mr P Harman) who is entitled to a casting vote in the event of an equality of votes at any meeting of the Board.

The Board considers that the structure during the whole of the reporting period was appropriate to ensure independence of judgement (given the diverse background and experience of the various Directors during this period) combined with the established procedure which empowers Directors to seek independent professional advice at the Company's expense.

Recommendation 2.4
The Board should establish a nomination committee
Recommendation 4.1
The Board should establish an audit committee
Recommendation 8.1
The Board should establish a remuneration committee

Notification of Departure

The Company did not establish separate nomination, audit or remuneration committees given the limited size and current composition of its Board of Directors. It follows that the Company did not comply with Recommendations 4.2 and 4.3 concerning respectively the structure and charter of the audit committee and is unable to disclose most of the information required by Recommendation 4.4. It also follows that the Company is unable to disclose the charters of the nomination or remuneration committees or the summaries required by Recommendations 2.6 and 8.4 respectively.

Explanation of Departure

The Board considers that it continues to be of a size, composition and experience which is conducive to making the relevant decisions itself efficiently and expeditiously. Accordingly, the functions of, and all matters that may be capable of delegation to, any such committee are presently dealt with by the full Board. If the size, skill sets or composition of the Board change, the Board will reconsider the establishment of separate committees.

Recommendation 2.6
Companies should provide the information indicated in the Guide to reporting on Principle 2

Notification of Departure

The Company does not have a policy for the nomination and appointment of Directors and is therefore unable to disclose same.

Explanation of Departure

Due to the size and nature of the Company's operations, it is not considered appropriate for the Board to have such a policy. However, the Board shall review this on an annual basis.

Recommendation 3.5
Companies should provide the information indicated in the Guide to reporting on Principle 3

Notification of Departure

The Company has not yet established measurable objectives for achieving gender diversity and is therefore unable to disclose those objectives or progress towards achieving them.

Explanation of Departure

The size and nature of the Company's present operations do not warrant the establishment of measurable objectives for achieving gender diversity. As the Company moves to a development stage, the Board and Chief Executive Officer shall review this matter.

Recommendation 7.4
Companies should provide the information indicated in the Guide to reporting on Principle 7

Notification of Departure

Except to the extent specified in this Statement, the Company does not make publicly available a summary of its policies on risk oversight and management of material business risks.

Explanation of Departure

The Company has not yet recorded its risk oversight and management policies in a "stand alone" policy document approved by the Board. Until this is done, a summary of the current policies is unlikely to provide much additional information for shareholders.

	Note	30 June 2012 $	30 June 2011 $
Revenue	2	166,539	148,552
Other income	3	78,834	779,814
Administration expenditure		(461,477)	(948,906)
Depreciation and amortisation expenses	3	(4,432)	(7,074)
Impairment of available-for-sale investments	3	(143,126)	(140,250)
Fair value loss on financial assets	3	(23,420)	(71,457)
Exploration expenditure and other costs written off	11	(1,604,829)	(747,147)
Loss before tax		(1,991,911)	(986,468)
Income tax expense	5	-	-
Loss for the year		(1,991,911)	(986,468)
Other comprehensive income			
Net loss on available-for-sale financial assets taken to equity		(116,418)	(210,961)
Recognition of profit on sale on available-for-sale financial assets taken to income statement		-	(139,650)
Total other comprehensive income		(116,418)	(350,611)
Total comprehensive income for the year		(2,108,329)	(1,337,079)
Earnings per share			
Basic (cents per share)	17	(1.3)	(1.0)
Diluted (cents per share)	17	(1.3)	(1.0)

Notes to the financial statements are included on pages 24 to 47.

	Note	30 June 2012 $	30 June 2011 $
Assets			
Current assets			
Cash and cash equivalents	6	4,879,427	2,287,745
Trade and other receivables	7	126,184	113,315
Other	8	72,729	30,284
Other financial assets	9	457,956	660,950
Total current assets		5,536,296	3,092,294
Non-current assets			
Property, plant and equipment	10	143,823	96,255
Exploration expenditure	11	10,849,787	6,490,521
Total non-current assets		10,993,610	6,586,776
Total assets		16,529,906	9,679,070
Liabilities			
Current liabilities			
Trade and other payables	12	373,934	284,330
Provisions	13	23,800	26,558
Total current liabilities		397,734	310,888
Total liabilities		397,734	310,888
Net assets		16,132,172	9,368,182
Equity			
Capital and reserves			
Issued Capital	14	30,603,135	21,730,816
Reserves	15	1,337,246	1,453,664
Accumulated losses	16	(15,808,209)	(13,816,298)
Total equity		16,132,172	9,368,182

Notes to the financial statements are included on pages 24 to 47.

	Note	Issued capital $	Employee equity-settled benefits reserve $	Investments revaluation reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2010		19,737,446	635,937	467,029	(12,829,830)	8,010,582
Loss on available-for-sale financial assets		-	-	(210,961)	-	(210,961)
Recognition of profit on sale on available-for-sale financial assets		-	-	(139,650)	-	(139,650)
Other comprehensive income		-	-	(350,611)	-	(350,611)
Loss for the year	16	-	-	-	(986,468)	(986,468)
Total comprehensive income for the year		-	-	(350,611)	(986,468)	(1,337,079)
Issue of share capital	14	2,100,000	-	-	-	2,100,000
Cost of share issues	14	(106,630)	-	-	-	(106,630)
Vesting of options under share option plan	15	-	701,309	-	-	701,309
Balance at 30 June 2011		21,730,816	1,337,246	116,418	(13,816,298)	9,368,182
Balance at 1 July 2011		21,730,816	1,337,246	116,418	(13,816,298)	9,368,182
Loss on available-for-sale financial assets		-	-	(116,418)	-	(116,418)
Other comprehensive income		-	-	(116,418)	-	(116,418)
Loss for the year	16	-	-	-	(1,991,911)	(1,991,911)
Total comprehensive income for the year		-	-	(116,418)	(1,991,911)	(2,108,329)
Issue of share capital	14	9,213,584	-	-	-	9,213,584
Cost of share issues	14	(341,265)	-	-	-	(341,265)
Balance at 30 June 2012		30,603,135	1,337,246	-	(15,808,209)	16,132,172

Notes to the financial statements are included on pages 24 to 47.

	Note	30 June 2012 $	30 June 2011 $
Cash flows from operating activities			
GST receipts from ATO		233,448	195,914
Payments to suppliers and employees		(453,434)	(262,627)
Net cash used in operating activities	23	(219,986)	(66,713)
Cash flows from investing activities			
Interest received		147,774	136,375
Payment for investment securities		-	(112,233)
Proceeds on sale investment securities		-	415,578
Payments for exploration expenditure		(2,675,097)	(2,296,355)
Proceeds from sale of exploration tenement		-	250,000
Payments for property, plant and equipment		-	(7,768)
Security deposit payments		(10,000)	-
Proceeds from security deposit		2,500	41,000
Net cash used in investing activities		(2,534,823)	(1,573,403)
Cash flows from financing activities			
Proceeds from share issues		5,687,756	2,100,000
Payment of share issue costs		(341,265)	(106,630)
Net cash generated by financing activities		5,346,491	1,993,370
Net increase in cash and cash equivalents		2,591,682	353,254
Cash and cash equivalents at beginning of financial year		2,287,745	1,934,491
Cash and cash equivalents at the end of the financial year	6	4,879,427	2,287,745

Notes to the financial statements are included on pages 24 to 47.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General information
Stellar Resources Limited (the Company) is a public company listed on the Australian Stock Exchange, (SRZ), incorporated in Australia, operating in Australia and comprises the Company and its subsidiaries (together referred to as the Group).

Statement of compliance
These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial report comprises the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

Accounting Standards include Australian equivalents to International Financial Reporting Standards ("A-IFRS"). Compliance with A-IFRS ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards ("IFRS").

The financial statements were authorised for issue by the Directors on 28 August 2012.

Basis of preparation
The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Going Concern
Stellar Resources Limited's financial statements are prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business. During the year ended 30 June 2012, the Group incurred a net loss of $1,991,911, had net cash outflows from operating activities of $219,986, payments for exploration activities of $2,675,097 and had an accumulated loss of $15,808,209 as at 30 June 2012. The continuation of the Group as a going concern is dependent upon its ability to generate sufficient cash from operating and financing activities and manage the level of exploration and other expenditure within available cash resources. The Directors consider that the going concern basis of accounting is appropriate for the following reasons:

As at 30 June 2012, the Group had cash assets of $4,879,427, net working capital of $4,680,606, as well as investments in UraniumSA Limited of $349,941 and Renaissance Uranium Limited of $78,000 which could be sold if required. The Group also has unlisted options in Renaissance Uranium Limited of which 750,000 options exercisable at $0.24c each expire on 17 February 2015 and 750,000 options exercisable at $0.054c each expire on 30 April 2016.

The most recently prepared cash flow forecast prepared by management and reviewed by the Directors indicates that the Group will hold sufficient cash reserves to meet their operating requirements beyond the end of the financial year 2013. This cash flow forecast takes into account the Group's implementation of cost reviews which includes exploration activity and overhead expenditure, as well as raising new equity capital in order for the Consolidated Entity to meet its planned committed exploration expenditure.

The Group's financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Group's accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The critical accounting judgement areas primarily relate to the carrying values in respect of exploration costs. Refer note 1(g) for details.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Adoption of new and revised Accounting Standards
In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

The adoption of these new and revised Standards and Interpretations has not resulted in changes to the Group's accounting policies and has not affected the amounts reported or disclosure and presentation for the current or prior periods.

Standards and Interpretations issued not yet effective
At the date of authorisation of the financial statements, the Standards and Interpretation listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after
AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2013
AASB 10 Consolidated Financial Statements	1 January 2013
AASB 11 Joint Arrangements	1 January 2013
AASB 12 Disclosure of Interests in Other Entities	1 January 2013
AASB 127 Separate Financial Statements (2011)	1 January 2013
AASB 128 Investments in Associates and Joint Ventures (2011)	1 January 2013
AASB 13 Fair Value Measurement and related AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13	1 January 2013
AASB 119 Employee Benefits (2011), AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (2011)	1 January 2013
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	1 July 2013
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	1 January 2013
AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income	1 July 2012
Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine and AASB 2011-12 Amendments to Australian Accounting Standards arising from Interpretation 20	1 January 2013

These Standards and Interpretations will be first applied in the financial report of the Group that relates to the annual reporting period beginning after the effective date of each pronouncement.

The Directors are still in the process of determining the financial impact that the adoption of the standards and interpretation in future periods will have on the financial statements of the Consolidated Entity.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Income Tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or used tax losses and tax offsets can be utilised.

The Company and all its wholly-owned Australian resident entities have formed a tax-consolidated group under Australian taxation law. Stellar Resources Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the "separate taxpayer within group" approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group). Under the tax sharing arrangements, amounts will be recognised as payable or receivable between group companies in relation to their contribution to the tax benefits and amounts of tax paid or payable. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing arrangement is considered remote.

(b) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount.

All revenue is stated net of the amount of goods and services tax ("GST").

(c) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(d) Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(e) Impairment of Tangible and Intangible Assets other than Goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(e) Impairment of Tangible and Intangible Assets other than Goodwill (cont'd)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the statement of comprehensive income immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of comprehensive income immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Impairment/extinguishment of loan balances between entities within the Group are recognised within the profit and loss component of the statement of comprehensive income in the individual entities.

(f) Property, Plant and Equipment

Land and building are recognised at cost. Plant and equipment, leasehold improvements and building are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful life, residual values and depreciation method is reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

Class of Fixed Asset	**Depreciation Period**
Office furniture and equipment	2 to 5 years
Software	2.5 years
Buildings	40 years

(g) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward on the statement of financial position where rights to tenure are current and to the extent that costs are expected to be recouped through either the successful development of the area of where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves and active and significant exploration activity in, or in relation to, the area is continuing. External consultants are engaged to ascertain fair value assessments, in relation to areas of interest that may be subject to sale. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Accumulated costs in relation to an abandoned area are written down in full in the statement of comprehensive income during the period in which the decision to abandon the area is made. Proceeds on sale or farm-out of an area within an exploration area of interest are offset against the carrying value of the particular area involved. Where the total carrying value of an area has been recouped in this manner, the balance of the proceeds is brought to account in the statement of comprehensive income.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(h) Goodwill

Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill is not amortised, but tested for impairment annually and whenever there is an indication that the goodwill may be impaired. Any impairment is recognised immediately in the statement of comprehensive income and is not reversed in subsequent periods.

(i) Payables

Liabilities for trade payables and other amounts are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

(j) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

(k) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) (referred to as the "Group" in these financial statements). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets (except receivables) are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the consolidated statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(m) Financial Assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose term require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) Financial Assets (cont'd)

Impairment of financial assets
Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets, with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the statement of comprehensive income.

If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the statement of comprehensive income to the extent that carrying amount to the investment at the date of impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Other financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", "held-to-maturity investments", "available-for-sale" financial assets, and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. At balance date, the entity held the following available-for-sale financial assets:

Available-for-sale financial assets
Certain shares held by the Group are classified as being available-for-sale and are stated at fair value. Fair value is determined in the manner described. Gains and losses arising from changes in fair value are recognised directly in the investments revaluation reserve with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets which are recognised directly in the statement of comprehensive income. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is included in profit or loss for the period.

Financial assets at fair value through profit or loss
Financial assets are classified as financial assets at fair value through profit or loss where the financial assets:

- has been acquired principally for the purpose of selling in the near future;
- is part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in the statement of comprehensive income. The net gain or loss recognised in the statement of comprehensive income incorporates any dividend or interest earned on the financial asset.

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- the fair value of derivative instruments are calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(n) Share-based Payments

The Company provides benefits to employees (including Directors) of the entity in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions"). These benefits are currently provided under the Employee Option Plan.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Stellar Resources Limited ("market conditions").

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity reserve, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date").

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(o) Jointly Controlled Assets

Interests in jointly controlled assets in which the Group is a venturer (and so has joint control) are included in the financial statements by recognising the Group's share of jointly controlled assets (classified according to their nature), the share of liabilities incurred (including those incurred jointly with other venturers) and the Group's share of expenses incurred by or in respect of each joint venture.

2. REVENUE

	30 June 2012 $	30 June 2011 $
Operating activities		
Interest received – bank deposits	158,438	141,688
Other revenue	8,101	6,864
Total revenue	166,539	148,552

3. LOSS FOR THE YEAR

Loss for the year includes the following significant items:-

	30 June 2012 $	30 June 2011 $
Unrealised gain on recognition of available-for-sale investments	78,834	96,178
Gain on recognition of available-for-sale investments	-	114,477
Gain on disposal of available-for-sale investments	-	387,725
Gain on disposal of exploration tenement	-	181,434
Depreciation – buildings, plant and equipment	(4,432)	(7,074)
Impairment of property, plant and equipment	-	(31,812)
Exploration expenditure and other costs written off	(1,604,829)	(747,147)
Expense recognised in respect of equity-settled share-based payments	-	(701,309)
Impairment of available-for-sale investments – shares	(143,126)	(140,250)
Fair value loss on financial assets – options	(23,420)	(71,457)

4. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results from operations by reportable segment.

2012	**Corporate $**	**Iron Ore $**	**Tin/Nickel $**	**Uranium $**	**Copper/Gold $**	**Other $**	**Total $**
Revenue							
Interest income	158,438	-	-	-	-	-	158,438
Other income	86,935	-	-	-	-	-	86,935
Expenses						-	
Other expenses	(628,023)	-	-	-	-	-	(628,023)
Depreciation and amortisation	(3,182)	-	(1,250)	-	-	-	(4,432)
Exploration expenditure and other costs written off	-	(1,002,814)	(180,757)	(46,305)	(374,953)	-	(1,604,829)
Loss before tax	(385,832)	(1,002,814)	(182,007)	(46,305)	(374,953)	-	(1,991,911)
Current assets	5,536,296	-	-	-	-	-	5,536,296
Exploration expenditure	-	577,212	8,518,801	-	1,361,523	392,251	10,849,787
Property, plant and equipment	16,031	-	75,792	-	-	-	91,823
Additions to property, plant and equipment	-	-	52,000	-	-	-	52,000
	16,031	-	127,792	-	-	-	143,823
Current liabilities	(397,734)	-	-	-	-	-	(397,734)
Net assets	5,154,593	577,212	8,646,593	-	1,361,523	392,251	16,132,172

2011	**Corporate $**	**Iron Ore $**	**Tin/Nickel $**	**Uranium $**	**Copper/Gold $**	**Other $**	**Total $**
Revenue							
Interest income	141,688	-	-	-	-	-	141,688
Other income	599,280	-	-	-	181,434	5,964	786,678
Expenses							
Other expenses	(1,160,614)	-	-	-	-	-	(1,160,614)
Depreciation and amortisation	(5,824)	-	(1,250)	-	-	-	(7,074)
Exploration expenditure and other costs written off	-	-	-	(744,944)	(11,772)	9,570	(747,146)
Profit/(loss) before tax	(425,470)	-	(1,250)	(744,944)	169,662	15,534	(986,468)
Current assets	3,092,294	-	-	-	-	-	3,092,294
Exploration expenditure	-	1,826,912	3,005,816	5,917	1,315,175	336,701	6,490,521
Property, plant and equipment	3,445	-	75,042	-	-	-	78,487
Additions to property, plant and equipment	15,768	-	2,000	-	-	-	17,768
	19,213	-	77,042	-	-	-	96,255
Current liabilities	(310,888)	-	-	-	-	-	(310,888)
Net assets	2,800,619	1,826,912	3,082,858	5,917	1,315,175	336,701	9,368,182

4. SEGMENT INFORMATION (cont'd)

The Group operates in the Australian mineral exploration sector where it is actively pursuing opportunities for a number of mineral targets through various tenements all of which are currently at exploration stage and require further funding to proceed to revenue generation stages. As such the Group is required to prioritise its funding allocation and does so based on the assessment of the market sentiment and the potential of finding a viable mineral resource. Each exploration licence may be identified as a separate business activity that has revenue earning potential. However, licences of the same mineral exploration targets have been aggregated into the same segment based on similar economic characteristic. Various corporate and investing activities have been allocated to a corporate operating segment of the Group.

	30 June 2012 $	30 June 2011 $

5. INCOME TAX

(a) Income Tax Recognised in the Statement of Comprehensive Income

	30 June 2012 $	30 June 2011 $
Tax expense/(income) comprises:		
Current tax expense/(benefit)	-	-
Deferred tax expense relating to origination and reversal of temporary differences	-	-
Total tax expense/(benefit)	-	-
The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:		
Profit/(loss) from operations	(1,991,911)	(986,468)
Income tax expense/(benefit) calculated at 30%	(597,573)	(295,940)
Non-deductible expenses	28,220	341,888
Under provision in previous year	99,164	(540,137)
Effect of deductible items not expensed in determining profit	(66,750)	(621,621)
Tax losses and tax offsets not recognised as deferred tax assets	536,939	1,115,810
Total tax expense/(benefit)	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

(b) Unrecognised Deferred Tax Balances

	30 June 2012 $	30 June 2011 $
The following deferred tax assets have not been brought to account as assets:		
Tax losses – revenue	5,183,962	4,721,402
Tax losses – capital	794,123	719,744
Capitalised exploration costs	(2,165,807)	(1,947,156)
Total tax benefit	3,812,278	3,493,990

Tax Consolidation

Relevance of tax consolidation to the consolidation entity

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 October 2004 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Stellar Resources Limited.

Nature of tax sharing agreements

Entities within the tax-consolidated group have entered into a tax sharing agreement with the head entity. The tax sharing agreement entered into between members of the tax-consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

	30 June 2012 $	30 June 2011 $

6. CASH AND CASH EQUIVALENTS

	30 June 2012 $	30 June 2011 $
Cash at bank	138,019	217,745
Term deposits	4,741,408	2,070,000
	4,879,427	2,287,745

Reconciliation of cash
Cash at the end of the financial year as shown in the consolidated statement of cash flows is reconciled to items in the consolidated statement of financial position as follows:

Cash and cash equivalent	4,879,427	2,287,745

7. TRADE AND OTHER RECEIVABLES

	30 June 2012 $	30 June 2011 $
Interest receivable	29,714	19,050
Other debtors	-	9,561
GST receivable	29,470	25,204
Tenement security deposit	67,000	59,500
	126,184	113,315

The average credit period for other debtors is 45 days. No interest is charged on outstanding amounts.

8. OTHER ASSETS

	30 June 2012 $	30 June 2011 $
Prepaid insurance premium	24,994	17,131
Prepaid listing fees	21,231	-
Other	26,504	13,153
	72,729	30,284

9. OTHER FINANCIAL ASSETS

	30 June 2012 $	30 June 2011 $
Shares and options in listed investments	3,328,883	3,248,912
Accumulated impairment	(2,870,927)	(2,587,962)
	457,956	660,950
Available-for-sale investments carried at fair value:		
Shares in listed companies	427,941	637,985
Financial assets carried at fair value through profit or loss (FVTPL):		
Options in listed companies	30,015	22,965

	2012		2011	
	Value $	Number	Value $	Number
Other financial assets comprise of the following:				
UraniumSA Limited - shares	349,941	3,888,238	583,235	3,888,238
Renaissance Uranium Limited - shares	78,000	1,500,000	54,750	750,000
Renaissance Uranium Limited - options	30,015	1,500,000	22,965	750,000
	457,956	6,888,238	660,950	5,388,238

Shares in UraniumSA Limited are held by Hiltaba Gold Pty Ltd (a wholly owned subsidiary of Stellar). At 30 June 2012, the investments in UraniumSA were restated to fair value. A revaluation decrement of $116,418 in relation to the available-for-sale shares in UraniumSA was recognised in the investment revaluation reserve. An impairment charge of $116,876 in relation to the available-for-sale shares in UraniumSA was also recognised in the statement of comprehensive income during the year.

9. OTHER FINANCIAL ASSETS (cont'd)

On 30 April 2012, Hiltaba Gold Pty Ltd was granted by way of reimbursement for certain past expenditure on Cowell (EL 3978), (joint venture tenement) another 750,000 shares valued at $49,500 (fair value at $0.066 each on 30 April 2012) and another 750,000 unlisted options, valued at $30,470 (exercisable at $0.054 each and expiring 30 April 2016) in Renaissance Uranium Limited pursuant to the Cowell Joint Venture Agreement with Hiltaba Gold Pty Ltd. At 30 June 2012, the investments in Renaissance Uranium were restated to fair value. An impairment of $26,250 in relation to the available-for-sale shares in Renaissance Uranium was recognised in the statement of comprehensive income in the current reporting period. The fair value of options held in Renaissance Uranium decreased by $23,420. The fair value decrement on options was recognised in the statement of comprehensive income.

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings $	Motor vehicles $	Office furniture and equipment $	Computer equipment $	Total $
Gross carrying amount					
Balance at 1 July 2010	122,669	57,056	23,311	62,651	265,687
Additions	2,000	-	2,900	2,868	7,768
Disposals	-	-	-	-	-
Balance at 1 July 2011	124,669	57,056	26,211	65,519	273,455
Additions	52,000	-	-	-	52,000
Balance at 30 June 2012	176,669	57,056	26,211	65,519	325,455
Accumulated depreciation					
Balance at 1 July 2010	(4,233)	(57,056)	(18,547)	(58,478)	(138,314)
Depreciation expense	(1,606)	-	(1,199)	(4,269)	(7,074)
Impairment on revaluation	(31,812)	-	-	-	(31,812)
Balance at 1 July 2011	(37,651)	(57,056)	(19,746)	(62,747)	(177,200)
Depreciation expense	(1,346)	-	(1,939)	(1,147)	(4,432)
Balance at 30 June 2012	(38,997)	(57,056)	(21,685)	(63,894)	(181,632)
Net book value					
As at 30 June 2011	87,018	-	6,465	2,772	96,255
As at 30 June 2012	137,672	-	4,526	1,625	143,823

11. EXPLORATION EXPENDITURE

(a) Carrying Values

	30 June 2012 $	30 June 2011 $
Balance at the beginning of the period	6,490,521	5,262,915
Expenditure incurred during the period	2,349,987	2,252,490
Expenditure and other costs written off during the period	(1,604,829)	(747,147)
Cost of exploration expenditure associated with tenement acquisition	3,631,566	-
Cost of exploration expenditure associated with tenements disposed	-	(68,566)
Carrying value of exploration expenditure on tenements written off	(1,136)	(193,244)
Expenditure recoupment during the period	(16,322)	(15,927)
Exploration expenditure at the end of the period	10,849,787	6,490,521

Ultimate recovery of capitalised exploration expenditure is dependent upon success in exploration and development or sale or farm-in\farm-out of the exploration interests.

11. EXPLORATION EXPENDITURE (cont'd)

(b) Joint Venture Interest

A wholly owned subsidiary, Balrone Holdings Pty Ltd, has the following significant exploration joint venture interest:

– Goldfinger Project – Base metal exploration farm-in

A wholly owned subsidiary, Hiltaba Gold Pty Ltd, has the following significant exploration joint venture interests:

– Cowell Project – Uranium exploration farm-out
– Pirie Basin Project – Uranium exploration farm-out
– Coronation Bore/Gairdner Project– Copper/Gold exploration farm-out

A wholly owned subsidiary, Rubicon Min Tech Ventures Pty Ltd, has the following significant exploration joint venture interest:

– Rayne Project – Tin/Nickel exploration farm-out

	30 June 2012 $	30 June 2011 $
The Group's share of assets employed in the joint ventures are:		
Non-current Assets		
Exploration expenditure	254,668	2,873,441

12. TRADE AND OTHER PAYABLES

Other creditors and accruals	373,934	284,330

The average credit period on purchases is 30 days. No interest is charged on trade payables.

13. PROVISIONS

Audit fees	23,800	23,100
Employee benefits – annual leave	-	2,018
Other – workers compensation insurance	-	1,440
	23,800	26,558

	Annual leave	Audit fees
Balance at 1 July 2011	2,018	23,100
Additional provisions recognised	25,014	32,500
Payments made	(31,008)	(31,800)
(Prepayment)/provision at 30 June 2012	(3,976)	23,800

	30 June 2012 $	30 June 2011 $
– Aggregate employee benefits liability	-	2,018
	No.	**No.**
– Number of employees at year-end	6	5

14. ISSUED CAPITAL

	30 June 2012 $	30 June 2011 $
(a) Issued Capital		
223,447,547 fully paid ordinary shares (2011: 108,821,858)	30,603,135	21,730,816

14. ISSUED CAPITAL (cont'd)

	2012 No.	2012 $	2011 No.	2011 $
(b) Movements in Shares on Issue				
At the beginning of the reporting period	108,821,858	21,730,816	94,821,858	19,737,446
Issue of shares:				
(i) under the Joint Venture Interest Sale Agreement (restricted until 31 January 2013)	43,528,743	3,525,828	-	-
(ii) placement to sophisticated investors	39,175,868	3,134,069	14,000,000	2,100,000
(iii) 1 for 6 non-renounceable rights offer	31,921,078	2,553,687	-	-
Share issue costs	-	(341,265)	-	(106,630)
At the end of the reporting period	223,447,547	30,603,135	108,821,858	21,730,816

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

At shareholders meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(i) On 25 January 2012, at a General Meeting of shareholders passed an ordinary resolution for the approval to issue 43,528,743 fully paid ordinary shares in the capital of the Company in accordance with the Joint Venture Interest Sale Agreement between Stellar Resources Limited and Gippsland Limited which entitles Stellar to 100% project ownership of the "Heemskirk Tin Project". On 31 January 2012, the Company issued 43,528,743 ordinary shares to Gippsland Limited, restricted until 31 January 2013.

(ii) On 6 February 2012, the Company announced that it had raised $3.1 million, before issue costs, in a placement to sophisticated investors. On 8 February 2012, the Company issued 39,175,868 ordinary shares at $0.08c per share.

(iii) On 6 February 2012, the Company also announced a fully underwritten 1 for 6 non-renounceable entitlement offer at $0.08c per share to raise $2.6 million before issue costs. On 13 March 2012, the Company issued 31,921,078 ordinary shares under the 1 for 6 non-renounceable entitlement offer.

(c) Share-based Payments

The Company has in place an Employee Option Plan under which employees of the Company, including non-executive Directors can be offered both short term and long term incentives. Under the plan each option is to subscribe for one share and, when issued, these shares rank equally with other shares. Options issued under the Employee Option Plan are not transferable. As at 30 June 2012, Directors have options over 3,000,000 ordinary shares all of which are exercisable at 20 cents each, and expire on 30 November 2013. The Chief Executive Officer and a Director have 1,000,000 options each to subscribe for ordinary shares at an exercise price of 20 cents each and expire on 26 November 2013. Employees (which at the time of issue included the Chief Executive Officer and a Director) have options over 3,125,000 ordinary shares all of which are exercisable at 20 cents each, and expire on 26 November 2013.

At 30 June 2012, the Company had on issue the following options to acquire shares in the Company:

Nos.	Class
3,000,000 (i)	Unlisted Vested Director Options expiring 30 November 2013
3,125,000 (ii)	Unlisted Vested Employee Options expiring 26 November 2013

14. ISSUED CAPITAL (cont'd)

(c) Share-based Payments (cont'd)

The following share-based payment arrangements were in existence during the period.

Option series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Director options (i)	3,000,000	26/11/2010	30/11/2013	20 cents	$330,287
Employee options (ii)	3,125,000	26/11/2010	26/11/2013	20 cents	$371,022

(i) In accordance with the Company's Employee Option Plan, Director options issued on the 3 December 2010 fully vested on issue date.

(ii) In accordance with the Company's Employee Option Plan, employee option issued on the 20 December 2010 fully vested on issue date.

The following reconciles the outstanding options at the beginning and end of the financial year.

	2012		2011	
	Number of options	Weighted average exercise prices	Number of options	Weighted average exercise prices
Balance at the beginning of the financial year	6,375,000	20 cents	1,575,000	28 cents
Granted during the financial year	-	-	6,375,000	-
Forfeited during the financial year	(250,000)	-	-	-
Exercised during the financial year (i)	-	-	-	-
Expired during the financial year	-	-	(1,575,000)	-
Balance at end of the financial year (ii)	6,125,000	20 cents	6,375,000	20 cents
Exercisable at the end of the financial year	6,125,000	20 cents	6,375,000	20 cents

(i) Exercised during the financial year
No share options issued under the Employee Option Plan were exercised during the year.

(ii) Balance at end of the financial year
The share options outstanding at the end of the financial year had an exercise price of 20 cents and a weighted average remaining contractual life of 516 days (2011: 882 days).

15. RESERVES

	30 June 2012 $	30 June 2011 $
(a) Employee Equity-settled Benefits Reserve		
Balance at the beginning of the financial year	1,337,246	635,937
Share-based payment	-	701,309
Transfer to share capital	-	-
Balance at the end of the financial year	1,337,246	1,337,246

The employee equity-settled benefits reserve arises on the grant of share options to Directors and employees under the Company's Employee Option Plan. Amounts are transferred out of the reserve and into issued capital when the options are exercised. Further information about share-based payments to employees is made in Note 14 to the financial statements.

15. RESERVES (cont'd)

(b) Investments Revaluation Reserve

	30 June 2012 $	30 June 2011 $
Balance at the beginning of the financial year	116,418	467,029
Net loss arising on revaluation of available-for-sale financial assets	(116,418)	(210,961)
Recognition of profit on sale on available-for-sale financial assets	-	(139,650)
Balance at the end of the financial year	-	116,418

The investments revaluation reserve represents accumulated gains and losses arising on the revaluation of available-for-sale financial assets that have been recognised in other comprehensive income, net of amounts reclassified to the statement of comprehensive income when those assets have been disposed of or are determined to be impaired.

16. ACCUMULATED LOSSES

	30 June 2012 $	30 June 2011 $
Accumulated losses at the beginning of the year	(13,816,298)	(12,829,830)
Loss for the year	(1,991,911)	(986,468)
Accumulated losses at the end of the financial year	(15,808,209)	(13,816,298)

17. EARNINGS PER SHARE

	30 June 2012 cents per share	30 June 2011 cents per share
Basic earnings per share	(1.3)	(1.0)
Diluted earnings per share	(1.3)	(1.0)

	30 June 2012 $	30 June 2011 $
(a) Reconciliation of earnings to net loss:-		
Net loss	(1,991,911)	(986,468)
Earnings used in the calculation of basic and diluted EPS	(1,991,911)	(986,468)
(b) Weighted average number of ordinary shares outstanding during the period used in calculation of basic and diluted EPS	151,593,407	102,723,228

The options on issue throughout 2011 and 2012 are not dilutive in effect.

18. KEY MANAGEMENT PERSONNEL COMPENSATION

(a) Names and Positions Held of Key Management Personnel in Office at any time during the Financial Period were:

Phillip G Harman	–	Non-executive Chairman
Thomas J Burrowes	–	Non-executive Director
David J Isles	–	Non-executive Director
Thomas H Whiting	–	Non-executive Director
Peter G Blight	–	Chief Executive Officer
Melvyn J S Drummond	–	Company Secretary (resigned 17 October 2011)
Christina R Kemp	–	Company Secretary (appointed 17 October 2011)

18. KEY MANAGEMENT PERSONNEL COMPENSATION (cont'd)

(b) Directors' and Executives' Compensation

The aggregate compensation made to key management personnel of the Group is set out below:

	30 June 2012 $	30 June 2011 $
Short-term employees benefits	467,915	366,533
Post-employment benefits	55,833	61,604
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	577,635
	523,748	1,005,772

(c) Number of Options Held by Key Management Personnel

2012	Balance 1/07/11	Granted as compen-sation	Options exercised	Net change other	Balance 30/06/12	Total vested 30/06/12	Total exerc-isable 30/06/12	Total unexerc-isable 30/06/12
Directors								
P G Harman	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
T J Burrowes	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
D J Isles	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
T H Whiting	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
Executives								
P G Blight	1,000,000	-	-	-	1,000,000	1,000,000	1,000,000	-
M J Drummond	250,000	-	-	(250,000)	-	-	-	-
C R Kemp	-	-	-	250,000	250,000	250,000	250,000	-
	5,250,000	-	-	-	5,250,000	5,250,000	5,250,000	-

2011	Balance 1/07/10	Granted as compen-sation	Options exercised	Net change other	Balance 30/06/11	Total vested 30/06/11	Total exerc-isable 30/06/11	Total unexerc-isable 30/06/11
Directors								
P G Harman	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
T J Burrowes	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
D J Isles	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
T H Whiting (i)	-	1,000,000	-	-	1,000,000	1,000,000	1,000,000	-
Executives								
P G Blight	1,000,000	1,000,000	-	(1,000,000)	1,000,000	1,000,000	1,000,000	-
M J Drummond	250,000	250,000	-	(250,000)	250,000	250,000	250,000	-
	1,250,000	5,250,000	-	(1,250,000)	5,250,000	5,250,000	5,250,000	-

(i) Before Dr T H Whiting was appointed non-executive Director, he held 250,000 options as at 30 June 2010. These options expired on 30 November 2010.

(d) Shares Issued on Exercise of Compensation Options

No shares were issued to Directors, executives, employees or contractors on exercise of compensation options during the financial year.

(e) Loans to Key Management Personnel

There were no loans to key management personnel at anytime during the current or prior financial year.

18. KEY MANAGEMENT PERSONNEL COMPENSATION (cont'd)

(f) Number of Shares Held by Key Management Personnel

2012	Balance 1/07/11	Received as compensation	Options exercised	Net change other	Balance 30/06/12
Directors					
P G Harman	152,848	-	-	428,415	581,263
T J Burrowes	1,211,112	-	-	201,853	1,412,965
D J Isles	98,612	-	-	16,436	115,048
T H Whiting	327,210	-	-	226,797	554,007
Executives					
P G Blight	1,100,000	-	-	556,904	1,656,904
M J Drummond	115,000	-	-	(115,000)	-
C R Kemp	-	-	-	74,917	74,917
	3,004,782	-	-	1,390,322	4,395,104

2011	Balance 1/07/10	Received as compensation	Options exercised	Net change other	Balance 30/06/11
Directors					
P G Harman	152,848	-	-	-	152,848
T J Burrowes	1,211,112	-	-	-	1,211,112
D J Isles	98,612	-	-	-	98,612
T H Whiting	-	-	-	327,210	327,210
Executives					
P G Blight	1,100,000	-	-	-	1,100,000
M J Drummond	115,000	-	-	-	115,000
	2,677,572	-	-	327,210	3,004,782

	30 June 2012 $	30 June 2011 $
19. REMUNERATION OF AUDITORS		
Remuneration for audit or review of the financial reports of the Company	31,800	31,500
Preparation of tax return and other non-audit services	45,885	11,000
	77,685	42,500

The auditor of the Group is Deloitte Touche Tohmatsu.

20. COMMITMENTS FOR EXPENDITURE

Exploration Commitments	2,180,529	4,302,500

In order to maintain current rights of tenure to exploration tenements, the Group has minimum exploration expenditure requirements up until the expiry of leases. These obligations, which are subject to renegotiation upon expiry of leases, are not provided for in the financial statements and are payable:

Not later than one year	2,180,529	4,302,500

Exploration commitments later than one year are dependent on management assessment of prospectivity and desirability of retaining the current suite of exploration projects.

21. RELATED PARTIES

Remuneration Benefits

Information on remuneration benefits of Directors and executives is disclosed in the Directors' Report and Note 18 to the Financial Statements.

Transactions with Directors, Executives and their Related Entities Concerning Shares or Share Options

Directors, executives and their related entities hold directly, indirectly or beneficially as at the reporting date the following equity interests in the Group:

	30 June 2012 No.	30 June 2011 No.
Ordinary shares	4,395,104	3,004,782

Information on Directors and executives option holdings is disclosed in Note 18 to the Financial Statements. No options were held by their related entities as at the reporting date.

Other Transactions with Directors, Executives and their Related Entities

During the financial year ended 30 June 2012, technical assistance, office accommodation / facilities and administrative support were provided to the Group at commercial rates by Mineral Deposits Limited of which Dr David Isles was both a Director and shareholder and Dr Thomas Whiting was both a Director and shareholder. Total charged was $66,358 (2011: $47,372) in relation to these services to 30 June 2012.

22. SUBSIDIARIES

	Country of incorporation	Percent owned (%)	
		2012	2011
Company:			
Stellar Resources Limited	Australia	-	-
Subsidiaries of Stellar Resources Limited:			
Balrone Holdings Pty Ltd	Australia	100%	100%
Rilo Explorations Pty Ltd	Australia	100%	100%
Bridgedale Holdings Pty Ltd	Australia	100%	100%
Hiltaba Gold Pty Ltd	Australia	100%	100%
Rubicon Min Tech Ventures Pty Ltd	Australia	100%	100%
Hillment Pty Ltd	Australia	100%	100%
Columbus Metals Limited	Australia	100%	100%
Tarcoola Iron Pty Ltd	Australia	100%	-

Columbus Metals Limited a wholly-owned subsidiary was incorporated on 14 September 2007, entered into a deed of cross guarantee with Stellar Resources Limited pursuant to ASIC Class Order 98/1418 dated 19 June 2008 and is relieved from the requirement to prepare and lodge an audited financial report.

22. SUBSIDIARIES (cont'd)

The consolidated income statement and consolidated statement of financial position of the entities party to the deed of cross guarantee are:

	30 June 2012 $	30 June 2011 $
Income Statement		
Revenue	158,438	141,688
Other income	-	16,864
Administration expenditure	(450,479)	(210,272)
Employee benefits expense	-	(701,309)
Depreciation and amortisation expenses	(4,432)	(6,742)
Exploration expenditure recouped	14,280	9,240
(Impairment)/reversal of loans to subsidiaries	(399,897)	(429,804)
Loss before tax	(682,090)	(1,180,335)
Income tax expense	-	-
Total comprehensive income for the year	(682,090)	(1,180,335)
Statement of Financial Position		
Current assets		
Cash and cash equivalents	4,879,427	2,287,745
Trade and other receivables	124,184	111,315
Other	72,729	30,284
Total current assets	5,076,340	2,429,344
Non-current assets		
Property, plant and equipment	143,823	96,255
Exploration expenditure	8,261,372	2,678,861
Total non-current assets	8,405,195	2,775,116
Total assets	13,481,535	5,204,460
Current liabilities		
Trade and other payables	373,934	284,330
Provisions	23,800	26,558
Total current liabilities	397,734	310,888
Total liabilities	397,734	310,888
Net assets	13,083,801	4,893,572
Equity		
Issued Capital	30,603,135	21,730,816
Reserves	1,337,246	1,337,246
Accumulated losses	(18,856,580)	(18,174,490)
Total equity	13,083,801	4,893,572

	30 June 2012 $	30 June 2011 $

22. SUBSIDIARIES (cont'd)

Accumulated Losses

Accumulated losses as at beginning of the financial year	(18,174,490)	(16,994,155)
Net loss	(682,090)	(1,180,335)
Accumulated losses as at end of the financial year	(18,856,580)	(18,174,490)

(a) Joint Venture Interest Acquired

On 31 January 2012, 43,528,743 ordinary shares in the Company were issued to Gippsland Limited as consideration payable by Columbus Metals Limited (a wholly owned subsidiary of Stellar Resources Limited) for the 40% interest held by Gippsland Limited in the Heemskirk Tin Project.

Other than stated, no joint venture interests were acquired during the period.

(b) Subsidiaries Acquired

No subsidiaries were acquired during the period.

(c) Subsidiaries Disposed

No subsidiaries were disposed during the period.

23. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with loss after income tax:-

	30 June 2012 $	30 June 2011 $
Loss for the year:	(1,991,911)	(986,468)
Depreciation of property, plant and equipment	4,432	7,074
Interest income received	(158,438)	(141,688)
Unrealised gain on recognition available-for-sale financial assets and financial assets at FVTPL	(79,970)	(96,178)
Unrealised gain on recognition of available-for-sale financial assets	-	(114,477)
Gain on disposal of available-for-sale financial assets	-	(387,725)
Exploration expenditure and other costs written off	1,604,829	747,147
Gain on disposal of exploration tenements	-	(181,434)
Expense recognised in respect of equity-settled share-based payments	-	701,309
Fair value loss on available-for-sale financial assets and impairment	166,546	211,707
Impairment of non-current assets	-	31,812
Movements in working capital:		
(Increase) in receivables	(12,869)	(24,405)
(Increase)/decrease in prepayments	(38,469)	4,742
Decrease in other assets	202,994	79,786
Increase in payables	94,690	74,248
Increase/(decrease) in employee entitlements	(11,080)	6,116
Increase/(decrease) in provisions	(740)	1,721
Net cash from operating activities	(219,986)	(66,713)

24. FINANCIAL INSTRUMENTS

(a) Off-balance Sheet Derivative Instruments

The Group does not utilise any off-balance sheet derivative instruments.

(b) Commodity Contracts

As at 30 June 2012, the Group does not have in place any commodity contracts.

(c) Credit Risk Exposure

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure to credit risks are continuously monitored and controlled by counterparty limits that are reviewed and approved by management on a regular basis.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited as the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represent the Group's maximum exposure to credit risk.

	30 June 2012 $	30 June 2011 $
(d) Categories of Financial Instruments		
Financial assets:		
Fair value through profit or loss (FVTPL):		
Derivative instruments (i)	30,015	22,965
Other receivables	126,184	113,315
Cash and cash equivalents	4,879,427	2,287,745
Available-for-sale financial assets (ii)	427,941	637,985
Financial liabilities:		
Other payables and accruals	373,934	284,330

(i) Derivative instruments include unlisted options in Renaissance Uranium Limited.
(ii) Available-for-sale financial assets include shares in UraniumSA Limited and Renaissance Uranium Limited.

(e) Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern.

The capital structure of the Group consists of cash and cash equivalents and equity holders of the parent, comprising issued capital, reserves and accumulated losses disclosed in notes 14, 15 and 16.

None of the Group's entities are subject to externally imposed capital requirements.

(f) Market Risk

The Group's activities expose it primarily to the financial risks of changes in interest rates and price risk on listed shares and unlisted options (refer note (d)).

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

24. FINANCIAL INSTRUMENTS (cont'd)

(g) Interest Rate Risk Management

The Group is exposed to interest rate risk on cash and cash equivalents.

The Group's exposure to interest rates on financial assets are detailed in the liquidity risk management section of this note.

(h) Interest Rate Sensitivity Analysis

The Group's sensitivity to interest rates has increased during the current period mainly due to an increase in the level of cash and cash equivalents at balance date.

(i) Other Price Risks

The Group is exposed to equity price risks arising from equity investments.

(j) Equity Price Sensitivity

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

At reporting date, if the equity prices had been 5%p.a. higher or 5%p.a. lower:

- net loss for the year ended 30 June 2012 would have been affected as the equity instruments classified as available-for-sale would have increased/decreased further by $21,397 (2011: net loss for the year would have increased/decreased by $2,738).
- Investment revaluation reserve would have increased/decreased by $nil at 30 June 2012 (2011: investment revaluation reserve would have increased/decreased by $29,162).

The Group's sensitivity to equity prices has changed significantly from the prior year.

(k) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on receivables is limited because the Group has no trade receivables as the Group is still exploring for minerals rather than producing.

(l) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's funding and liquidity management requirements. The Group manages liquidity risk by maintaining sufficient cash balances.

(m) Liquidity and Interest Rate Risk Exposure

The following table details the Group's remaining contractual maturity for its non-derivative financial assets and liabilities. The table has been drawn up based on the earliest date on which the Group can be required to pay and receive.

24. FINANCIAL INSTRUMENTS (cont'd)

	Weighted average effective interest rate %	Less than 1 month $	1-3 months $	3 months to 1 year $	1-5 years $	5+ years $
2012						
Financial assets						
Non-interest bearing	-	126,184	-	-	-	-
Financial liabilities						
Non-interest bearing	-	373,934	-	-	-	-
2011						
Financial assets						
Non-interest bearing	-	113,315	-	-	-	-
Financial liabilities						
Non-interest bearing	-	284,330	-	-	-	-

(o) Fair Value of Financial Instruments

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- the fair values of derivative instruments are calculated using quoted prices and option pricing models.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3
Shares in listed companies	427,941	-	-
Derivative financial assets	-	30,015	-
Total	427,941	30,015	-

The Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

25. PARENT ENTITY DISCLOSURES

(a) Financial Position

	30 June 2012 $	30 June 2011 $
Assets		
Current assets	5,061,585	5,557,028
Non-current assets	37,171	34,418
Total assets	5,098,756	5,591,446
Liabilities		
Current liabilities	397,734	310,888
Non-current liabilities	-	-
Total liabilities	397,734	310,888
Equity		
Issued capital	30,603,135	21,730,816
Accumulated losses	(27,239,359)	(17,787,504)
Reserves		
- Equity settled employee benefits	1,337,246	1,337,246
Total equity	4,701,022	5,280,558

(b) Financial Performance

	30 June 2012 $	30 June 2011 $
Loss for the year	(9,451,855)	(1,171,412)
Other comprehensive income	-	-
Total comprehensive income	(9,451,855)	(1,171,412)

(c) Guarantees Entered into by the Parent Entity in Relation to the Debts of its Subsidiaries

	30 June 2012 $	30 June 2011 $
Guarantee provided under the deed of cross guarantee	8,801,582	3,141,098

The Company is within the class of companies affected by ASIC Class Order 98/1418. The nature of the deed of cross guarantee is such that each Company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

(d) Commitments for the Acquisition of Property, Plant and Equipment by the Parent Entity

	30 June 2012 $	30 June 2011 $
Plant and equipment		
Not longer than 1 year	-	-
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	-	-

26. EVENTS SUBSEQUENT TO REPORTING DATE

On 13 July 2012, the Company entered into a Sale and Purchase Agreement with Mungana Goldmines Ltd for Mungana Goldmines Ltd to acquire the Tarcoola Gold Project. The transaction involves Mungana assuming 100% ownership of the Perseverance Gold area and four mining licences currently under renewal.

Under the terms of the agreement, Mungana shall pay on completion $250,000 to the Company and $25,000 on renewal of each mining licence.

The Company must pay to BHP Billiton Limited 10% of the purchase price on completion under the Falcon Access Agreement.

Other than stated, in the opinion of the Directors of the Company, there has not arisen in the interval between the end of the financial year-end and the date of this report any other item, transaction or event of a material and unusual nature likely to substantially affect the results of the Group.

The Directors of the Company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001, including:

    a) complying with International Financial Reporting Standards and the Corporations Act 2001 as stated in note 1 to the financial statements;

    b) giving a true and fair view of the financial position as at 30 June 2012 and of the performance for the financial period ended on that date of the Consolidated Entity;

    c) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

    d) The Directors have been given the declarations required by s.295A of the Corporations Act 2001.

2. The Chief Executive Officer and Chief Financial Officer have declared that:

    a) the financial records of the Company for the financial period have been properly maintained in accordance with section 286 of the Corporations Act 2001;

    b) the financial statements and notes for the financial period comply with the Accounting Standards; and

    c) the financial statements and notes for the financial period give a true and fair view.

3. At the date of this declaration, the Company is within the class of companies affected by ASIC Class Order 98/1418. The nature of the deed of cross guarantee is such that each Company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

4. In the Directors' opinion, there are reasonable grounds to believe that the Company and the companies to which the ASIC Class Order applies, as detailed in note 22 to the financial statements will, as a Group, be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

This declaration is made in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001 and dated this 28th day of August, 2012.

On behalf of the Directors

Phillip G Harman
Chairman
Melbourne

Deloitte.

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

550 Bourke Street
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The Board of Directors
Stellar Resources Limited
Level 17, 530 Collins Street
Melbourne VIC 3000

28 August 2012

Dear Board Members,

Stellar Resources Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Stellar Resources Limited.

As lead audit partner for the audit of the financial statements of Stellar Resources Limited for the financial year ended 30 June 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely,

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ian Sanders

Ian Sanders
Partner
Chartered Accountants

Deloitte.

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

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Independent Auditor's Report to the members of Stellar Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Stellar Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2012, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity, comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 20 to 48.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Stellar Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Stellar Resources Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 4 to 8 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Stellar Resources Limited for the year ended 30 June 2012, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ian Sanders

Ian Sanders
Partner
Chartered Accountants
Melbourne, 28 August 2012

The following additional information is required by Australian Stock Exchange Limited in respect of listed public companies.

1. Shareholding

The issued capital of the Company was 223,447,547 ordinary shares fully paid as at 21 August 2012, of which all are listed on the Australian Stock Exchange. In addition, the Company has on issue 3,000,000 unlisted options to acquire shares at an exercise of 20 cents per share at any time up to 30 November 2013 and 3,125,000 unlisted options to acquire shares at an exercise of 20 cents per share at any time up to 26 November 2013.

(a) Distribution of Shareholder Numbers

Size of holding	Number of shareholders	Units	%	Number of optionholders	Units	%
1 – 1,000	226	80,357	0.04	-	-	-
1,001 – 5,000	456	1,312,827	0.59	-	-	-
5,001 – 10,000	252	2,010,269	0.90	-	-	-
10,001 – 100,000	760	28,038,659	12.55	-	-	-
100,001 and over	236	192,005,435	85.92	9	6,125,000	100.00
	1,930	223,447,547	100.00	9	6,125,000	100.00

There were 762 shareholders who held less than a marketable parcel (1,862,980 shares).

(b) Substantial Shareholder as at 21 August 2012

	Name	Number of Shares Held	%
1	Gippsland Limited	43,528,743	19.48
2	Merrill Lynch (Australia) Nominees Pty Limited	36,147,425	16.18
3	JP Morgan Nominees Australia Limited <Cash Income A/C>	21,182,319	9.48
		100,858,487	45.14

(c) 20 Largest Shareholders – Ordinary Shares

	Name	Number of Shares Held	%
1	Gippsland Limited	43,528,743	19.48
2	Merrill Lynch (Australia) Nominees Pty Limited	36,147,425	16.18
3	JP Morgan Nominees Australia Limited <Cash Income A/C>	21,182,319	9.48
4	HSBC Custody Nominees (Australia) Limited	5,356,099	2.40
5	JPC International Pty Ltd	5,000,000	2.24
6	AWJ Investments Pty Ltd	2,829,167	1.27
7	L J Thomson Pty Ltd	2,509,464	0.87
8	Fountain Oaks Pty Ltd <Limbs Family Super Fund A/C>	2,245,000	1.00
9	Mr Michael A Whiting & Mrs Tracey A Whiting <Whiting Family S/F A/C>	2,138,009	0.96
10	Calama Holdings Pty Ltd <Mambat Super Fund A/C>	2,000,000	0.90
11	Octifil Pty Ltd	1,821,716	0.82
12	Foresight Pty Ltd	1,800,000	0.81
13	UBS Wealth Management Australia Nominees Pty Ltd	1,656,904	0.74
14	Yelwac Pty Ltd <The Cawley Superfund No2 A/C>	1,469,169	0.66
15	Mrs Xiaoqiong Chen	1,402,033	0.63
16	Mr J Darroch & Mrs G Darroch & Mr R Darroch & Ms H Darroch <J N Darroch Private S/F A/C>	1,285,479	0.58
17	Symington Pty Ltd	1,167,979	0.52
18	Providence Gold And Minerals Pty Ltd	1,166,667	0.52
19	Toad Facilities Pty Ltd <JP Nettleton/Toad S/F A/C>	1,070,417	0.48
20	Corporate Property Services Pty Ltd <K W Share A/C>	1,063,812	0.48
		136,840,402	61.02

(d) Largest Optionholders

	Name	Number of Options Held	%
1	Mr P G Harman	1,000,000	15.69
2	Mr T J Burrowes	1,000,000	15.69
3	Dr D J Isles	1,000,000	15.69
4	Dr T H Whiting	1,000,000	15.69
5	Mr P G Blight	1,000,000	15.69
		5,000,000	78.45

(e) Voting Rights

Voting rights of members are governed by the Company's Constitution. In summary, on the show of hands, every member present in person or by proxy shall have one vote and, upon a poll, every such attending member shall be entitled to one vote for every share held.

(f) Unquoted and Restricted Securities

Options over un-issued Shares

- 3,000,000 options are on issue to Directors. These options are exercisable up to 30 November 2013 at an exercisable price of 20 cents each.
- 2,000,000 options are on issue to a Director and the Chief Executive Officer. These options are exercisable up to 26 November 2013 at an exercisable price of 20 cents each.

Area	Stellar interest held (%)	Registered title holder	Grant Date/ Application Date	Expiry Date/ Relinquished Date	Notes
Exploration Licence EL4632 – Rupee, New South Wales (Goldfinger Project; JV with CBH Resources Limited; Stellar has 60% interest)					
35 Units	60	Triako Resources Limited	21/12/1993	20/12/2011	Renewal pending approval
Exploration Licence EL6556 - Panama Hat, New South Wales					
38 Units	100	Balrone Holdings Pty Ltd	11/04/2006	10/04/2011	Licence relinquished at expiry
Mining Lease ML4650 - Tarcoola, South Australia					
15.61 ha	100	Hiltaba Gold Pty Ltd	11/01/2005	10/01/2011	Refer to Note 1 below
Mining Lease ML4667 - Tarcoola, South Australia					
4.49 ha	100	Hiltaba Gold Pty Ltd	11/01/2005	10/01/2011	Refer to Note 1 below
Mining Lease ML5179 - Tarcoola, South Australia					
4.68 ha	100	Hiltaba Gold Pty Ltd	11/01/2005	10/01/2011	Refer to Note 1 below
Mining Lease ML5300 - Tarcoola, South Australia					
2.89 ha	100	Hiltaba Gold Pty Ltd	11/01/2005	10/01/2011	Refer to Note 1 below
Exploration Licence EL4167 - Tarcoola, South Australia					
1,249 km^2	100	Hiltaba Gold Pty Ltd	30/07/2008	29/07/2013	Refer to Note 1 below
Exploration Licence EL4301 - Pinding, South Australia					
500 km^2	100	Hiltaba Gold Pty Ltd	25/08/2009	25/08/2014	
Exploration Licence EL4707 - Carnding, South Australia					
268 km^2	100	Hiltaba Gold Pty Ltd	28/03/2011	27/04/2014	
Exploration Licence EL3799 - Cooladding, South Australia					
45 km^2	100	Hiltaba Gold Pty Ltd	12/06/2007	11/06/2012	Licence relinquished at expiry
Exploration Licence EL4882 - Kingoonya, South Australia (JV with AngloGold Ashanti Australia Limited earning 75% interest)					
376 km^2	100	Hiltaba Gold Pty Ltd	27/11/2011	26/11/2013	
Exploration Licence EL4573 - Stony Top Hill, South Australia (JV with AngloGold Ashanti Australia Limited earning 75% interest)					
149 km^2	100	Hiltaba Gold Pty Ltd	07/10/2010	08/10/2011	Renewal pending approval
Exploration Licence EL3752 - Cleanskin Swamp, South Australia (JV with AngloGold Ashanti Australia Limited earning 75% interest)					
216 km^2	100	Hiltaba Gold Pty Ltd	19/04/2007	18/04/2012	Renewal pending approval
Exploration Licence EL3753 - Long Creek, South Australia (JV with AngloGold Ashanti Australia Limited earning 75% interest)					
233 km^2	100	Hiltaba Gold Pty Ltd	19/04/2007	18/04/2012	Renewal pending approval

Note 1 – Refer to Note 26 Events Subsequent to Reporting Date as part of the Financial Statements

Area	Stellar interest held (%)	Registered title holder	Grant Date/ Application Date	Expiry Date/ Relinquished Date	Notes
Exploration Licence EL4389 - Hicks Hill, South Australia					
41 km^2	100	Hiltaba Gold Pty Ltd	9/12/2009	8/12/2014	
Exploration Licence EL4570 - Warrior, South Australia					
165 km^2	100	Hillment Pty Ltd	21/09/2010	20/09/2012	
Exploration Licence EL3978 - Cowell, South Australia (JV with Renaissance Uranium Limited earning 75% interest)					
840 km^2	100	Hiltaba Gold Pty Ltd	7/11/2007	6/11/2012	
Exploration Licence EL4242 - Midgee, South Australia (JV with UraniumSA Limited earning 73% in uranium interest)					
134 km^2	100	Hiltaba Gold Pty Ltd	25/03/2009	25/03/2014	
Exploration Licence EL4907 - Lake Woorong, South Australia (Sold to Western Plains Resources Ltd on August 2010)					
889 km^2		Hiltaba Gold Pty Ltd	08/06/2012	07/06/2013	Transfer of licence in progress
Exploration Licence EL46/2003 - Heemskirk, Tasmania					
142 km^2	100	Rubicon Min Tech Ventures Pty Ltd	3/02/2005	2/02/2013	
Exploration Licence EL1/2004 - Ramsay River, Tasmania					
71 km^2	100	Rubicon Min Tech Ventures Pty Ltd	3/02/2005	2/02/2013	
Exploration Licence EL49/2004 - Rayne, Tasmania (JV with MMG Exploration Pty Ltd earning 60% interest)					
28 km^2	100	Rubicon Min Tech Ventures Pty Ltd	3/02/2005	2/02/2013	
Exploration Licence EL26/2009 - Huskisson River, Tasmania					
39 km^2	100	Rubicon Min Tech Ventures Pty Ltd	9/07/2010	8/07/2015	Relinquishment pending acceptance as at July 2012
Exploration Licence EL40/2010 – Heazlewood Hill, Tasmania					
20 km^2	100	Rubicon Min Tech Ventures Pty Ltd	2/06/2011	01/06/2016	
Retention Licence RL5/1997 - Zeehan, Tasmania					
6 km^2	100	Columbus Metals Limited	20/06/1998	19/06/2013	

DIRECTORS

Phillip G Harman (Non-executive Chairman)
Thomas J Burrowes (Non-executive)
David J Isles (Non-executive)
Thomas H Whiting (Non-executive)

COMPANY SECRETARY

Christina R Kemp

CHIEF EXECUTIVE OFFICER

Peter G Blight

REGISTERED OFFICE

Level 17
530 Collins Street
Melbourne VIC 3000

Telephone:	(03) 9618 2540
Facsimile:	(03) 9649 7200
E-Mail:	srzinfo@stellarresources.com.au
Website:	www.stellarresources.com.au

Registers of unlisted director and employee options held at this address

LEGAL ADVISOR

Bryan D Cumming
21 Adam Street
Indented Head VIC 3223

AUDITOR

Deloitte Touche Tohmatsu
550 Bourke Street
Melbourne VIC 3000

TAX AGENTS AND ADVISORS

Deloitte Private Pty Ltd
550 Bourke Street
Melbourne VIC 3000

BANKERS

National Australia Bank Limited
Level 2, 330 Collins Street
Melbourne VIC 3000

Bank West
Level 6, Bourke Place
600 Bourke Street
Melbourne VIC 3000

Westpac Banking Corporation
Level 3, 360 Collins Street
Melbourne VIC 3000

HOME STOCK EXCHANGE

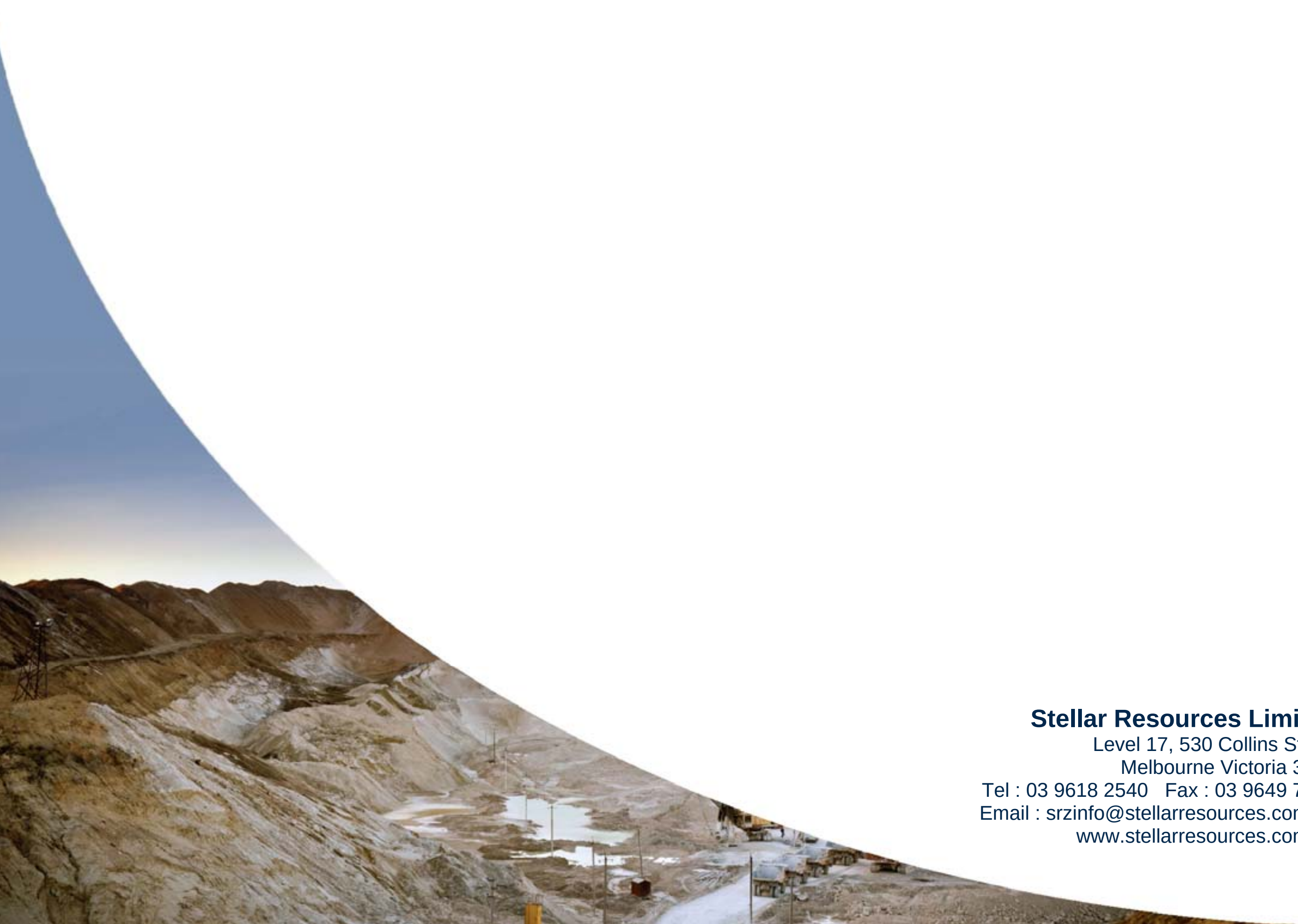
Australian Securities Exchange
Level 45, South Tower, Rialto
525 Collins Street
Melbourne VIC 3000

ASX code for shares: SRZ

SHARE REGISTRY

Boardroom Pty Limited
Level 7, 207 Kent Street
Sydney NSW 2000

Register of listed ordinary shares held at this address



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