



ANNUAL REPORT

**FOR THE FINANCIAL YEAR ENDED
30 JUNE 2014**



Contents	Page
Directors' Report	1
Corporate Governance Statement	13
Consolidated Statement of Profit or Loss and Other Comprehensive Income	21
Consolidated Statement of Financial Position	22
Consolidated Statement of Changes in Equity	23
Consolidated Statement of Cash Flows	24
Notes to the Financial Statements	25
Directors' Declaration	50
Auditor's Independence Declaration	51
Independent Audit Report	52
Additional Information for Listed Public Companies	54
Schedule of Tenements	56
Corporate Directory	57

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 2014. 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
Peter G Blight	Managing Director
Thomas H Whiting	Non-executive Director
Markus Elsasser	Non-executive Director
Miguel Lopez de Letona	Non-executive Director
David J Isles	Non-executive Director
Thomas J Burrowes	Non-executive Director

The above named Directors held office during the whole of the financial year and since the end of the financial year except for:

David J Isles – resigned 21 May 2014
Miguel Lopez de Letona – appointed 21 May 2014
Thomas J Burrowes – resigned 26 May 2014
Peter G Blight – appointed 26 May 2014

Company Secretary

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

Christina R Kemp

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 profit/(loss) of the Consolidated Entity for the financial period was (\$1,137,279) (2013: profit \$273,633).

The loss for the period was mainly attributable to \$953,163 (2013: \$117,634) of write downs in carrying values of the Consolidated Entity's exploration assets. Also, equity-settled share based payments of \$497,426 was recognised in relation to unlisted options issued to Capetown S.A..

The other notable impact was \$42,771 in the fair value decrement in Uranium SA Limited shares which was recognised in the consolidated statement of profit and loss. A fair value increment in Renascor Resources Limited of \$7,500 on options was also recognised in the consolidated statement of profit and loss.

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

Strategy

During the twelve months to 30 June 2014, the Consolidated Entity continued to work towards development of the Heemskirk Tin Project, its flagship asset and the highest grade undeveloped tin deposit in Australia. Heemskirk is located near the mining community of Zeehan on the west coast of Tasmania.

Review of Operations (cont'd)

Upon completion of a positive prefeasibility study in July 2013 and in consultation with the Board of Directors, it was decided to review all aspects of the project in an effort to enhance its value and further de-risk it ahead of a commitment to a definitive feasibility study. The review is on-going and includes the possibility of an open cut mine at St Dizier, a satellite tin deposit located 20 km via a sealed road to the northwest of Zeehan.

While still at historically high levels, tin prices have not performed as strongly as expected during the financial year. This outcome along with continued weak equity markets for the junior resource sector has restricted funding and greatly slowed the pace of many projects. The Heemskirk Tin Project, however, stands out as one that has attracted new investment in a very difficult environment.

Finance

On 17 January 2014, Stellar Resources Limited placed 50 million fully paid ordinary shares at \$0.052 cents per share to Capetown S.A. raising \$2.6 million before costs. On 26 February 2014, at a General Meeting of shareholders agreed to issue to Capetown S.A., 25 million unlisted options at an exercise price of \$0.08 cents and exercisable within a period of three years, expiring on 26 February 2017 on the basis of one ordinary share per option. The placement to Capetown S.A. was followed by a partially underwritten non-renounceable rights issue by Capetown S.A. and M. Elsasser Vermögensverwaltung Wealth Management GmbH of one (1) share for every twelve (12) shares held at an issue price of \$0.052 cents per share and raised a further \$1.2 million before costs. Upon completion of the capital raisings and payment of transaction costs the Consolidated Entity had a cash balance of \$5.0 million in order to complete the project review.

Capetown S.A. is an investment vehicle for a Belgium based industrial family that has had several decades of experience in metal re-cycling, including development of Metallo-Chimique N.V., the world's eighth largest supplier of tin. Capetown S.A.'s investment in the Company was completed following the sale of the recycling business and after a review of tin projects around the world. The decision by Capetown S.A. to invest in the Consolidated Entity which demonstrates the quality of the Heemskirk Tin Project.

Operational Overview

The St Dizier deposit is a pipe-like body of magnetite tin mineralisation located at the western end of a 3 km east-west trending serpentinised Oonah Formation carbonate. The serpentinised carbonate forms a roof-pendant along the northern edge of the Heemskirk Granite. During the year to 30 June 2014, 46 historical diamond drill holes covering the St Dizier deposit were compiled into a 3D geological model and an Indicated and Inferred Mineral Resource of 2.26 million tonnes at 0.61% tin and 23% iron estimated.

Additional drilling in April 2014, showed potential for the mineralisation to extend to the west but closed-off the possibility immediately to the east. Metallurgical testing is currently in progress on a surface bulk sample taken from the centre of St Dizier near the collar of diamond drill hole ST06. ST06 confirmed the presence of high grade tin mineralisation near surface with 37 metres at 0.90% tin from 10.2 metres, 29 metres at 0.99% tin from 57 metres and 8 metres at 0.70% tin from 106 metres. This core will be used to confirm the test results from the bulk sample in the new financial year.

The Indicated Mineral Resource of 1.2 million tonnes at 0.69% tin and 23.7% iron provides an opportunity for an open pit mine. Work has commenced on a scoping study to determine the economics of such a mine with initial pit shells completed and geotechnical analysis underway.

Diamond drilling at Queen Hill has focused on extending the mineralisation at depth. All deposits remain open at depth and testing down plunge of the known mineralisation remains a priority during the optimisation phase of the project. A detailed review of the geology and structure of the Heemskirk deposits is currently underway.

Further metallurgical testing has commenced on large samples of the Severn core. The program will allow the acquisition of more reliable test results for each process and the testing of some new processes that showed early promise. In addition, the availability of concentrate samples will allow more accurate estimates of smelter treatment charges.

A desk-top study of flora and fauna and a site investigation of archeological features were completed at St Dizier with no significant threats to the project identified. In addition, a desk-top study of likely underground water regimes was completed at Heemskirk along with a study of geology at the preferred tailings dam site. Upon completion of rock characterisation studies, a Notice of Intent will be submitted to the Tasmanian Environmental Protection Authority to determine parameters for a Development Proposal and Environmental Management Plan for Heemskirk and St Dizier.

Review of Operations (cont'd)

Exploration Activity

The Consolidated Entity drilled BH01, a 75 metre vertical diamond drill hole into the Big H magnetic anomaly at the eastern end of the St Dizier skarn on EL 46/2003. Magnetite mineralisation with trace tin was intersected. No further drilling is planned at this stage.

ZG130 was drilled into the Golf Course target, 500 metres to the south of the Severn deposit on RL5/1997. The diamond drill hole intersected target host rocks with no significant tin mineralisation. A review of the geological structure at Golf Course is being undertaken.

Within the Ramsay licence (EL1/2004), 100km to the north of Zeehan, a tin in soil zone was defined over an area 250 metres by 250 metres within the greisenised northern edge of the Meredith Granite. Exploration is now focused on defining a low cost method of testing the zone.

Minimal activity on other licences occurred at a low level reflecting the limited availability of joint venture funding.

Risk Management

Stellar Resources Limited Board of Directors, with assistance from an external adviser, completed a risk register for the Consolidated Entity. All major risks are reviewed by the Managing Director and Board of Directors at each board meeting. In addition, the Board of Directors attends its operational site in Zeehan at least once a year, to review its risks parameters. In the year to 30 June 2014, the board visited the Heemskirk Tin Project in November 2013 and again in June 2014.

Funding is still considered to be the main risk for the Consolidated Entity. Throughout the financial year this risk was managed by capital raisings in January and March 2014 with close attention to cost management and control.

Financial Position

The net assets of the Consolidated Entity as at 30 June 2014 were \$19,538,650 (30 June 2013: \$16,405,805) represented by:

- cash of \$4,179,856 (30 June 2013 - \$2,184,520)
- investments in Renascor Resources Limited and UraniumSA Limited valued at \$124,950 (30 June 2013 - \$157,221)
- exploration expenditure \$15,282,431 (30 June 2013 - \$14,245,910)
- trade and other payables \$296,526 (30 June 2013 - \$464,972)

The Consolidated Entity had no external borrowings as at 30 June 2014.

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.

Subsequent Events

Other than stated, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

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.

Review of Operations (cont'd)

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's activities will continue to focus on the Heemskirk Tin Project in Tasmania. In the forthcoming year, the Consolidated Entity plans to attract funding partners to continue exploration around the known Mineral Resource ahead of in-fill drilling, metallurgical testing and various studies to support preparation of a Definitive Feasibility Study.

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 2014, and the number attended by Directors were:

Director	Number of meetings held	Number eligible to attend	Number of meetings attended
P G Harman	17	17	17
P G Blight	1	1	1
T H Whiting	17	17	17
M Elsasser	17	17	15
M Lopez de Letona	1	1	1
T J Burrowes	15	15	14
D J Isles	15	15	15

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
Peter G Blight	–	Managing Director (appointed 26 May 2014)
Thomas H Whiting	–	Non-executive Director
Markus Elsasser	–	Non-executive Director
Miguel Lopez de Letona	–	Non-executive Director (appointed 21 May 2014)
David J Isles	–	Non-executive Director (resigned 21 May 2014)
Thomas J Burrowes	–	Non-executive Director (resigned 26 May 2014)
Christina R Kemp	–	Company Secretary

(b) Directors' and Executives' Compensation

Remuneration Policy

The Board is responsible for determining and reviewing the remuneration of the Directors including the Managing Director 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 2014. 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.

	30 June 2014	30 June 2013	30 June 2012	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$
Revenue	101,879	155,726	166,539	148,552	96,870
Net profit/(loss) before tax	(1,137,279)	273,633	(1,991,911)	(986,468)	166,601
Net profit/(loss) after tax	(1,137,279)	273,633	(1,991,911)	(986,468)	166,601

	30 June 2014	30 June 2013	30 June 2012	30 June 2011	30 June 2010
	\$	\$	\$	\$	\$
Share price at start of year	\$0.05	\$0.07	\$0.14	\$0.05	\$0.05
Share price at end of year	\$0.04	\$0.05	\$0.07	\$0.14	\$0.05
Basic earnings per share (cents)	(0.4)	0.1	(1.3)	(1.0)	0.2
Diluted earnings per share	(0.4)	0.1	(1.3)	(1.0)	0.2

Remuneration Report (cont'd)

(d) Remuneration of Directors and Senior Management

2014	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	53,000	-	4,903	-	-	-	57,903
P G Blight (i)	170,060	-	24,273	-	-	-	194,333
T H Whiting	30,000	6,364	2,775	-	-	-	39,139
M Elsasser	28,951	-	-	-	-	-	28,951
M Lopez de Letona (ii)	2,731	-	-	-	-	-	2,731
T J Burrowes (iii)	24,000	-	2,220	-	-	-	26,220
D J Isles (iv)	24,000	-	2,220	-	-	-	26,220
Executive							
C R Kemp	125,070	-	-	-	-	-	125,070
	457,812	6,364	36,391	-	-	-	500,567

- (i) P G Blight appointed Managing Director on 26 May 2014.
(ii) M Lopez de Letona appointed Non-executive Director on 21 May 2014.
(iii) T J Burrowes resigned as Non-executive Director on 26 May 2014.
(iv) D J Isles resigned as Non-executive Director on 21 May 2014.

2013	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
M Elsasser	-	-	-	-	-	-	-
Executive							
P G Blight	195,000	-	25,000	-	-	-	220,000
C R Kemp	113,790	-	-	-	-	-	113,790
	458,790	38,182	38,500	-	-	-	535,472

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 for his services.

Remuneration Report (cont'd)

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

2014

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

2013

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

(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 Managing Director'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.

(g) Number of Options Held by Key Management Personnel

2014	Balance 1/07/13	Granted as compen- sation	Options exercised	Net change other	Balance 30/06/14	Total vested 30/06/14	Total exerc- isable 30/06/14	Total unexerc- isable 30/06/14
Directors								
P G Harman	1,000,000	-	-	(1,000,000)	-	-	-	-
P G Blight	1,000,000	-	-	(1,000,000)	-	-	-	-
T H Whiting	1,000,000	-	-	(1,000,000)	-	-	-	-
M Elsasser	-	-	-	-	-	-	-	-
M Lopez de Letona	-	-	-	-	-	-	-	-
T J Burrowes	1,000,000	-	-	(1,000,000)	-	-	-	-
D J Isles	1,000,000	-	-	(1,000,000)	-	-	-	-
Executives								
C R Kemp	250,000	-	-	(250,000)	-	-	-	-
	5,250,000	-	-	(5,250,000)	-	-	-	-

Remuneration Report (cont'd)

(g) Number of Options Held by Key Management Personnel (cont'd)

2013	Balance 1/07/12	Granted as compensation	Options exercised	Net change other	Balance 30/06/13	Total vested 30/06/13	Total exercisable 30/06/13	Total unexercisable 30/06/13
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	-
C R Kemp	250,000	-	-	-	250,000	250,000	250,000	-
	5,250,000	-	-	-	5,250,000	5,250,000	5,250,000	-

(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

2014	Balance 1/07/13	Received as compensation	Options exercised	Net change other	Balance 30/06/14
Directors					
P G Harman	1,181,263	-	-	98,441	1,279,704
P G Blight	1,887,384	-	-	157,291	2,044,675
T H Whiting	554,007	-	-	262,834	816,841
M Elsasser	5,717,666	-	-	-	5,717,666
M Lopez de Letona	-	-	-	-	-
T J Burrowes	1,412,965	-	-	96,154	1,509,119
D J Isles	115,048	-	-	9,588	124,636
Executives					
C R Kemp	74,917	-	-	6,244	81,161
	10,943,250	-	-	630,552	11,573,802

2013	Balance 1/07/12	Received as compensation	Options exercised	Net change other	Balance 30/06/13
Directors					
P G Harman	581,263	-	-	600,000	1,181,263
T J Burrowes	1,412,965	-	-	-	1,412,965
D J Isles	115,048	-	-	-	115,048
T H Whiting	554,007	-	-	-	554,007
M Elsasser	-	-	-	5,717,666	5,717,666
Executives					
P G Blight	1,656,904	-	-	230,480	1,887,384
C R Kemp	74,917	-	-	-	74,917
	4,395,104	-	-	6,548,146	10,943,250

Share Options

Shares under options

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
SRZAI	26/02/2014	26/02/2017	\$0.02	\$0.08	25,000,000	Vests at date of grant

Shares under option were issued in accordance with shareholder approval given on 26 February 2014 to Capetown S.A.. The options hold no voting or dividend rights, and are not transferable, except with the prior written approval of the Board. The value of options granted during the financial year is calculated as at grant date using a binomial pricing model.

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

Options expired during the financial year (2013: nil options expired).

Grant date	Date options expired	Exercise price	Number under option	Value of options at expiry date
26/11/2010	30/11/2013	\$0.20	3,000,000	nil
26/11/2010	26/11/2013	\$0.20	3,125,000	nil

Options cancelled

During the financial year, there were no cancelled options (2013: nil options cancelled).

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 executives 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: 1,279,704
Option holding: nil
Directorships of other listed companies since 1 July 2011:
Predictive Discovery Limited (February 2008 – Current)
Callabonna Resources Limited (Nov 2009 – Current)

Managing Director

Peter G Blight
BSc (Hons) (Adelaide),
MSc (USA)
Appointed Chief Executive
Officer 5 February 2008
Appointed Managing Director
26 May 2014

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 the Heemskirk Tin Project.

Shareholding: 2,044,675
Option holding: nil

Mr Blight did not hold any other listed company directorships in the preceding three years.

Information on Directors and Executives (cont'd)

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: 816,841
 Option holding: nil

Directorships of other listed companies since 1 July 2011:
 Mineral Deposits Limited (January 2012 – Current)

Director

Markus Elsasser
 BA (admin) PhD (Cologne, Germany)
 Appointed 14 June 2013

Dr Elsasser is a German financier and investor in the minerals resources industry. He is head of the Elsasser family office 'M. Elsasser & Cie AG 1971' in Dusseldorf, Germany. Dr Elsasser has previously been Director of Finance for Dow Chemical Company in Germany. He has extensive general management experience with former appointments as Managing Director in Australia and Singapore in the chemical and food industries.

Shareholding: 5,717,666
 Option holding: nil

Directorships of other listed companies since 1 July 2011:
 Impact Minerals Limited (August 2012 – Current)
 Artic Gold AB (September 2011 – May 2014)
 Kopy Goldfields AB (January 2012 – Current)
 Stellar Diamonds Plc* (November 2012 – Current)

Director

Miguel Lopez de Letona
 BA (admin) (Brussels, Belgium)
 Appointed 21 May 2014

Mr Lopez de Letona is an experienced Belgium based investment advisor and private investor in the natural resources industry across mining, oil and gas, as well as other sectors. For more than a decade, he was responsible for sourcing, structuring, negotiating and managing private equity investments for international clients. Prior to his investment advisory activities in Europe and South America, Mr Lopez de Letona was a management consultant and banker with leading financial institutions.

Shareholding: nil
 Option holding: nil

Mr Lopez de Letona did not hold any other listed company directorships in the preceding three years.

Director

Thomas J Burrowes
 BEc (Hons) MBA (Melb)
 Appointed 19 April 2004
 Resigned 20 April 2004
 Re-appointed 10 December 2004
 Resigned 26 May 2014

Mr Burrowes has extensive experience in all facets of Australian exploration and mining over the past 25 years. After an initial career in funds management, he has held numerous directorships in ASX listed exploration and mining companies.

Shareholding: 1,509,119
 Option holding: nil

Directorships of other listed companies since 1 July 2011:
 Rimfire Pacific Mining NL (December 2010 – Current)

Information on Directors and Executives (cont'd)

Director

David J Isles
 BSc (Hons) PhD SEG ASEG
 AIG
 Appointed 19 April 2004
 Resigned 21 May 2014

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: 124,636
 Option holding: nil

Directorships of other listed companies since 1 July 2011:
 Mineral Deposits Limited (December 2002 – Current)

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: 81,161
 Option holding: nil

Ms Kemp did not hold any other listed company directorships in the preceding three years.

* Stellar Diamonds Plc listed in United Kingdom is not related to the Company.

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;

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 2014 has been received and can be found on page 51 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 27th day of August, 2014.

On behalf of the Directors



P.G Blight
Managing Director
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 ("**2010 Amendments**") to the revised (second) edition of the Corporate Governance Principles and Recommendations. The 2010 Amendments came into force on 1 January 2011 and the reporting requirement for each of them first applied to Australian listed companies with a 30 June balance date in relation to the financial year ended 30 June 2012.

On 27 March 2014 the Council released the third edition of its Corporate Governance Principles and Recommendations. This new edition takes effect for an entity's first full financial year commencing on or after 1 July 2014. The Company will be required to report on its compliance with the Corporate Governance Principles and Recommendations (third edition) in its annual report for the financial year ending 30 June 2015.

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 2013/14 year and comply with the Council's Corporate Governance Principles and Recommendations with 2010 Amendments.

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 from the start of the reporting period until 26 May 2014, upon which he was appointed as Managing Director of the Company, and a member of the Board.

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, Dr Tom Whiting and Dr Markus Elsasser were non-executive Directors of the Company during the whole of the reporting period. Mr Tom Burrowes was a non-executive Director of the Company from the start of the reporting period until 26 May 2014, and Dr David Isles was a non-executive Director of the Company from the start of the reporting period until 21 May 2014. Mr Miguel Lopez de Letona was a non-executive Director of the Company from 21 May 2014 until the end of the reporting period.

Board Composition and Performance

From the start of the reporting period until May 2014, the Board had five non-executive Directors (Mr P Harman, Mr T Burrowes, Dr D Isles, Dr T Whiting, and Dr M Elsasser), three of whom (Dr D Isles, Mr T Burrowes and Mr P Harman) were considered by the Board to be independent. From the end of May 2014 until the end of the reporting period, the Board had four non-executive Directors (Mr P Harman, Dr T Whiting, Dr M Elsasser and Mr M Lopez de Letona) and one executive Director (Mr P Blight). Of the four non-executive Directors in office as at the end of the reporting period four are considered to be independent (Mr P Harman, Dr T Whiting, Dr M Elsasser and Mr M Lopez de Letona).

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, was completed before the end of the reporting period.

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 2014, 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 Chairman of ASX listed Callabonna Resources 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: 4 years.

Peter G Blight – Managing Director

Mr Blight has been involved in the exploration, mining and finance industries for the past 31 years. Prior to joining Stellar Resources, he was Director of Research at Russian aluminium producer UC Rusal where he was responsible for market analysis and business development in China and India. He has 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.

He is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Company Directors.

Period of office: 1 month.

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 Mineral Deposits 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: 3 years.

Markus Elsasser – Non-Executive Director

Dr Elsasser has a degree and PhD in Business Administration from Cologne University, Germany. Dr Elsasser is a German financier and investor in the minerals resources industry. He is head of the Elsasser family office 'M. Elsasser & Cie AG 1971' in Dusseldorf, Germany. Dr Elsasser has previously been Director of Finance for Dow Chemical Company in Germany. He has extensive general management experience with former appointments as Managing Director in Australia and Singapore in the chemical and food industries.

Currently, Dr Elsasser is a non-executive Director of ASX listed Impact Minerals Limited and non-executive Director of Kopy Goldfields AB (listed in Sweden). He is also a non-executive Director of Stellar Diamonds Plc listed in United Kingdom. (Stellar Diamonds Plc is not related to the Company).

Period of office: 1 year.

Miguel Lopez de Letona – Non-Executive Director

Mr Lopez de Letona is a Belgian based investment advisor and investor who has sourced, structured, negotiated and managed private equity investments in the natural resource industry for the past decade. Prior to his involvement in private equity, Mr Lopez de Letona was a management consultant and banker with leading financial institutions.

Period of office: 1 month.

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;
- Boardroom Radio broadcasts by the Managing Director;
- Regular investor presentations by the Managing Director; 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 Managing Director 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 Managing Director (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 Managing Director 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 (OHS&E) is an agenda item included in the Managing Director's report which is tabled 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 Managing Director (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 adopted a Risk Policy in July 2013. The policy is set out below and is available on the Company's website www.stellarresources.com.au.

Risk Policy

The Company recognises that there are many inherent risks involved in its activities that can impact on many aspects of its business. Some of these are beyond its direct control and require risk mitigation while others are directly within the Company's control and require operational and management procedures to address them. The major areas of risk have been identified as follows:

- **Operational:** could impact on the technical execution of a project and personal safety;
- **Community:** including environmental and community impacts caused by operations which could affect the Company's licence to operate;
- **Metal price and exchange rate variations:** could impact on the economic viability of Company's operations;
- **Market and financing:** could impact on the Company's ability to raise capital and debt to finance its development and mining activities; and
- **Governance risks:** relate to the effective, transparent and legal management of the Company's affairs.

The Company acknowledges the scope of its activities will change when it moves from exploration to mining and marketing and the potential risks will change in nature and severity.

Stellar's Policy

Stellar recognises that it is impossible to identify every risk that may impact on its business. Nevertheless, it is the Company's policy to maintain an awareness of risk and be proactive in its mitigation. Stellar seeks to meet these objectives by:

- potential risks be identified and classified for potential impact on the business;
- identified risks be held in a Risk Register that is the responsibility of the Board;
- the Managing Director, in consultation with the Board, will develop remedial and operational plans and actions for the management of each identified risk;
- the Risk Register will be reviewed at least twice per year and where required be modified by the Board; and
- the Board and management be constantly aware of the changing environment and the changing scope of the Company's activities and respond accordingly.

Auditor

During 2014, the Company undertook requests for tender for an external auditor as part of its business cycle. Following competitive tenders, the Company continues to engage its current external auditor. 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 Managing Director 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, 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 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 or other senior executive (such as the Managing Director) 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 www.stellarresources.com.au.

Vision

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 Managing Director of the Company are responsible for monitoring and ensuring this policy is implemented. In addition, the Board and Managing Director 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 2014, the Company had the following employee workforce profile:

	Female	Female %	Male	Male %
Board of Directors	0	0	5	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 2.4

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 of the Company 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 Managing Director shall review this matter.

	Note	30 June 2014 \$	30 June 2013 \$
Revenue	2	101,879	155,726
Other income	3	841,112	979,950
Administration expenditure		(1,068,063)	(438,099)
Depreciation and amortisation expenses	3	(16,273)	(5,575)
Impairment of available-for-sale investments	3	(42,771)	(278,235)
Fair value loss on financial assets	3	-	(22,500)
Exploration expenditure and other costs written off	11	(953,163)	(117,634)
Profit/(loss) before tax		(1,137,279)	273,633
Income tax expense	5	-	-
Profit/(loss) for the year		<u>(1,137,279)</u>	<u>273,633</u>
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Net gain on available-for-sale financial assets taken to equity		<u>3,000</u>	<u>-</u>
Other comprehensive income for the year, net of income tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(1,134,279)</u>	<u>273,633</u>
Earnings per share			
Basic (cents per share)	17	(0.4)	0.1
Diluted (cents per share)	17	(0.4)	0.1

Notes to the financial statements are included on pages 25 to 49.

	Note	30 June 2014 \$	30 June 2013 \$
Assets			
Current assets			
Cash and cash equivalents	6	4,179,856	2,184,520
Trade and other receivables	7	133,608	137,518
Other	8	38,293	32,364
Other financial assets	9	124,950	157,221
Total current assets		4,476,707	2,511,623
Non-current assets			
Property, plant and equipment	10	133,443	145,117
Exploration expenditure	11	15,282,431	14,245,910
Total non-current assets		15,415,874	14,391,027
Total assets		19,892,581	16,902,650
Liabilities			
Current liabilities			
Trade and other payables	12	296,526	464,972
Provisions	13	23,726	375
Total current liabilities		320,252	465,347
Non-current liabilities			
Provisions	13	33,679	31,498
Total non-current liabilities		33,679	31,498
Total liabilities		353,931	496,845
Net assets		19,538,650	16,405,805
Equity			
Capital and reserves			
Issued Capital	14	34,372,833	30,603,135
Reserves	15	1,837,672	1,337,246
Accumulated losses	16	(16,671,855)	(15,534,576)
Total equity		19,538,650	16,405,805

Notes to the financial statements are included on pages 25 to 49.

	Note	Issued capital	Employee equity-settled benefits reserve	Option valuation reserve	Investments revaluation reserve	Accumulated losses	Total equity
		\$	\$	\$	\$	\$	\$
Balance at 1 July 2012		30,603,135	1,337,246	-	-	(15,808,209)	16,132,172
Profit for the year	16	-	-	-	-	273,633	273,633
Total comprehensive income for the year		-	-	-	-	273,633	273,633
Balance at 30 June 2013		30,603,135	1,337,246	-	-	(15,534,576)	16,405,805
Balance at 1 July 2013		30,603,135	1,337,246	-	-	(15,534,576)	16,405,805
Gain on available-for-sale financial assets		-	-	-	3,000	-	3,000
Other comprehensive income for the year, net of income tax		-	-	-	3,000	-	3,000
Loss for the year	16	-	-	-	-	(1,137,279)	(1,137,279)
Total comprehensive income for the year		-	-	-	3,000	(1,137,279)	(1,134,279)
Vesting of options under share purchase agreement		-	-	497,426	-	-	497,426
Issue of share capital		3,797,943	-	-	-	-	3,797,943
Cost of share issues		(28,245)	-	-	-	-	(28,245)
Balance at 30 June 2014		34,372,833	1,337,246	497,426	3,000	(16,671,855)	19,538,650

Notes to the financial statements are included on pages 25 to 49.

	Note	30 June 2014 \$	30 June 2013 \$
Cash flows from operating activities			
GST receipts from ATO		184,856	271,584
Payments to suppliers and employees		(868,155)	(279,942)
Net cash used in operating activities	23	(683,299)	(8,358)
Cash flows from investing activities			
Interest received		84,276	172,949
Research & development concessional tax refund from ATO		833,612	690,550
Payments for exploration expenditure		(2,010,352)	(3,876,551)
Proceeds from sale of exploration tenement		-	350,000
Payments for property, plant and equipment		(4,599)	(6,869)
Security deposit payments		(4,000)	(16,628)
Proceeds from security deposit		10,000	-
Net cash used in investing activities		(1,091,063)	(2,686,549)
Cash flows from financing activities			
Proceeds from share issues		3,797,943	-
Payment of share issue costs		(28,245)	-
Net cash generated by financing activities		3,769,698	-
Net increase/(decrease) in cash and cash equivalents		1,995,336	(2,694,907)
Cash and cash equivalents at beginning of financial year		2,184,520	4,879,427
Cash and cash equivalents at the end of the financial year	6	4,179,856	2,184,520

Notes to the financial statements are included on pages 25 to 49.

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 27 August 2014.

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 that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values 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 2014, the Group incurred a net loss of \$1,137,279, had net cash outflows from operating activities of \$683,299, payments for exploration activities of \$2,010,352 and had an accumulated loss of \$16,671,855 as at 30 June 2014. 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 2014, the Group had cash assets of \$4,179,856, net working capital of \$4,031,505, as well as investments in UraniumSA Limited of \$54,435 and Renascor Resources Limited of \$55,500 which could be sold if required. The Group also has unlisted options in Renascor Resources 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 2015. 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 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.

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

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

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, and the relevant amending standards	1 January 2017
AASB 1031 Materiality (2013)	1 January 2014
AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities	1 January 2014
AASB 2013-3 Amendments to AASB 135 – Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
AASB 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
AASB 2013-5 Amendments to Australian Accounting Standards – Investment Entities	1 January 2014
AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments	1 January 2014
INT 21 Levies	1 January 2014
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.	
AASB 2014-1 'Amendments to Australian Accounting Standards'	1 July 2014
- Part A: 'Annual Improvements 2010–2012 and 2011–2013 Cycles'	
- Part B: 'Defined Benefit Plans: Employee Contributions (Amendments to AASB 119)'	
- Part C: 'Materiality'	
AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016
IFRS 15 'Revenue from Contracts with Customers'	1 January 2017
IFRS 9 Financial Instruments	1 January 2018

The potential effect of the revised Standards/Interpretations on the Group's financial statements has not yet been determined.

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) Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Government assistance which does not have conditions attached specifically relating to the operating activities of the entity is recognised in accordance with the accounting policies above.

(d) 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.

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

(e) 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.

(f) 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.

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 profit or loss 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 profit or loss 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 or loss in the individual entities.

(g) 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

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

(h) 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 profit or loss 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 profit or loss.

(i) 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 profit or loss and is not reversed in subsequent periods.

(j) 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.

(k) 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.

(l) 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 profit or loss 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.

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

(m) 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.

(n) 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.

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 profit or loss.

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 profit or loss 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 profit or loss. 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.

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

(n) Financial Assets (cont'd)

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 profit or loss. The net gain or loss recognised in profit or loss 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.

(o) 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.

(p) Investments in Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

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

The requirements of AASB 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

(q) Interests in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

	30 June 2014 \$	30 June 2013 \$
2. REVENUE		
Operating activities		
Interest received – bank deposits	91,879	154,862
Other revenue	10,000	864
Total revenue	101,879	155,726

3. LOSS FOR THE YEAR

Loss for the year includes the following significant items:-

Research and development concessional tax refunds (i)	833,612	690,550
Fair value gain on financial assets – options	7,500	-
Gain on disposal of exploration tenement	-	289,400
Depreciation – buildings, plant and equipment	(16,273)	(5,575)
Exploration expenditure and other costs written off	(953,163)	(117,634)
Equity-settled share based payments	(497,426)	-
Impairment of available-for-sale investments – shares	(42,771)	(278,235)
Fair value loss on financial assets – options	-	(22,500)

(i) Research and development concessional tax refund received for the financial period 2013 \$833,612.

4. SEGMENT INFORMATION

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

2014	Corporate \$	Iron Ore \$	Tin/Nickel \$	Uranium \$	Copper/Gold \$	Total \$
Revenue						
Interest income	91,879	-	-	-	-	91,879
Research and development concessional tax refund	833,612	-	-	-	-	833,612
Other income	7,500	-	-	-	10,000	17,500
Expenses						
Other expenses	(1,068,063)	-	-	-	-	(1,068,063)
Depreciation and amortisation	(15,023)	-	(1,250)	-	-	(16,273)
Exploration expenditure and other costs recouped/ (written off)	-	(700,274)	(154,449)	(30,123)	(68,317)	(953,163)
Impairment of available-for-sale investments	(42,771)	-	-	-	-	(42,771)
Loss before tax	(192,866)	(700,274)	(155,699)	(30,123)	(58,317)	(1,137,279)
Current assets	4,476,707	-	-	-	-	4,476,707
Exploration expenditure	-	-	14,912,308	-	370,123	15,282,431
Property, plant and equipment	3,552	-	125,292	-	-	128,844
Additions to property, plant and equipment	4,599	-	-	-	-	4,599
	8,151	-	125,292	-	-	133,443
Current and non-current liabilities	(353,931)	-	-	-	-	(353,931)
Net assets	4,130,927	-	15,037,600	-	370,123	19,538,650

4. SEGMENT INFORMATION (cont'd)

2013	Corporate \$	Iron Ore \$	Tin/Nickel \$	Uranium \$	Copper/Gold \$	Total \$
Revenue						
Interest income	154,862	-	-	-	-	154,862
Research and development concessional tax refund	690,550	-	-	-	-	690,550
Other income	-	-	864	-	289,400	290,264
Expenses						
Other expenses	(738,834)	-	-	-	-	(738,834)
Depreciation and amortisation	(4,325)	-	(1,250)	-	-	(5,575)
Exploration expenditure and other costs recouped/ (written off)	-	(8,507)	28,172	(24,950)	(112,349)	(117,634)
Profit/(loss) before tax	102,253	(8,507)	27,786	(24,950)	177,051	273,633
Current assets	2,511,623	-	-	-	-	2,511,623
Exploration expenditure	-	631,931	13,255,479	-	358,500	14,245,910
Property, plant and equipment	11,706	-	126,542	-	-	138,248
Additions to property, plant and equipment	6,869	-	-	-	-	6,869
	18,575	-	126,542	-	-	145,117
Current and non-current liabilities	(496,845)	-	-	-	-	(496,845)
Net assets	2,033,353	631,931	13,382,021	-	358,500	16,405,805

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 characteristics. Various corporate and investing activities have been allocated to a corporate operating segment of the Group.

30 June 2014 \$	30 June 2013 \$
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5. INCOME TAX

(a) Income Tax Recognised in the Statement of Profit or Loss

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	(1,137,279)	273,633
Income tax expense/(benefit) calculated at 30%	(341,184)	82,090

	30 June 2014 \$	30 June 2013 \$
5. INCOME TAX (cont'd)		
Non-deductible expenses	149,745	1,374
Under provision in previous year	554,499	244,876
Effect of income that is exempt from taxation	(250,084)	(207,165)
Effect of deductible items not expensed in determining profit	(269,360)	(924,875)
Tax losses and tax offsets not recognised as deferred tax assets	156,384	803,700
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

The following deferred tax assets have not been brought to account as assets:

Tax losses – revenue	6,144,046	5,987,662
Tax losses – capital	794,123	794,123
Capitalised exploration costs	(4,584,729)	(4,273,773)
Total tax benefit	2,353,440	2,508,012

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.

6. CASH AND CASH EQUIVALENTS

Cash at bank	139,856	69,522
Term deposits	4,040,000	2,114,998
	4,179,856	2,184,520

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 equivalents	4,179,856	2,184,520
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7. TRADE AND OTHER RECEIVABLES

Interest receivable	20,310	11,627
Other debtors	2,464	950
GST receivable	24,286	41,313
Tenement security deposit	86,548	83,628
	133,608	137,518

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

	30 June 2014 \$	30 June 2013 \$
8. OTHER ASSETS		
Prepaid insurance premium	22,641	22,353
Other	15,652	10,011
	<u>38,293</u>	<u>32,364</u>

9. OTHER FINANCIAL ASSETS

Shares and options in listed investments	3,328,883	3,328,883
Accumulated impairment	(3,203,933)	(3,171,662)
	<u>124,950</u>	<u>157,221</u>
Available-for-sale investments carried at fair value:		
Shares in listed companies	<u>109,935</u>	<u>149,706</u>
Financial assets carried at fair value through profit or loss (FVTPL):		
Options in listed companies	<u>15,015</u>	<u>7,515</u>

	2014		2013	
	Value \$	Number	Value \$	Number
Other financial assets comprise of the following:				
UraniumSA Limited - shares	54,435	3,888,238	97,206	3,888,238
Renascor Resources Limited - shares	55,500	1,500,000	52,500	1,500,000
Renascor Resources Limited - options	15,015	1,500,000	7,515	1,500,000
	<u>124,950</u>	<u>6,888,238</u>	<u>157,221</u>	<u>6,888,238</u>

Shares in UraniumSA Limited are held by Hiltaba Gold Pty Ltd (a wholly owned subsidiary of Stellar). At 30 June 2014, the investments in UraniumSA were restated to fair value. A revaluation decrement of \$42,771 in relation to the available-for-sale shares in UraniumSA was recognised in the consolidated statement of profit and loss in the current reporting period.

At 30 June 2014, the investments in Renascor Resources were restated to fair value. A revaluation increment of \$3,000 in relation to the available-for-sale shares in Renascor Resources was recognised in the statement of comprehensive income in the current reporting period. The fair value of options held in Renascor Resources increased by \$7,500. The fair value increment on options was recognised in the consolidated statement of profit or loss.

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings \$	Motor vehicles \$	Office furniture & equipment \$	Computer equipment \$	Total \$
Gross carrying amount					
Balance at 1 July 2012	176,669	57,056	26,211	65,519	325,455
Additions	-	-	-	6,869	6,869
Disposals	-	-	(10,045)	(33,945)	(43,990)
Balance at 1 July 2013	176,669	57,056	16,166	38,443	288,334
Additions	-	-	-	4,599	4,599
Disposals	-	-	(4,311)	(15,756)	(20,067)
Balance at 30 June 2014	176,669	57,056	11,855	27,286	272,866
Accumulated depreciation					
Balance at 1 July 2012	(38,997)	(57,056)	(21,685)	(63,894)	(181,632)
Depreciation expense	(1,346)	-	(1,867)	(2,362)	(5,575)
Disposals	-	-	10,045	33,945	43,990
Balance at 1 July 2013	(40,343)	(57,056)	(13,507)	(32,311)	(143,217)
Depreciation expense	(11,034)	-	(1,724)	(3,515)	(16,273)
Disposals	-	-	4,311	15,756	20,067
Balance at 30 June 2014	(51,377)	(57,056)	(10,920)	(20,070)	(139,423)
Net book value					
As at 30 June 2013	136,326	-	2,659	6,132	145,117
As at 30 June 2014	125,292	-	935	7,216	133,443

30 June 2014	30 June 2013
\$	\$

11. EXPLORATION EXPENDITURE

(a) Carrying Values

Balance at the beginning of the period	14,245,910	10,849,787
Expenditure incurred during the period	2,009,486	3,589,855
Expenditure and other costs written off during the period	(953,163)	(117,634)
Cost of exploration expenditure associated with tenements disposed	-	(60,600)
Expenditure recoupment during the period	(19,802)	(15,498)
Exploration expenditure at the end of the period	15,282,431	14,245,910

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

(b) Joint Venture Interest

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

- Cowell Project
- Pirie Basin Project
- Uranium exploration farm-out
- Uranium exploration farm-out

The Group's share of assets employed in the joint ventures are:

Non-current Assets

Exploration expenditure	-	-
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12. TRADE AND OTHER PAYABLES

	30 June 2014 \$	30 June 2013 \$
Other creditors and accruals	296,526	464,972

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

13. PROVISIONS

Employee benefits – annual leave	23,726	375
Employee benefits – long service leave	33,679	31,498
	<u>57,405</u>	<u>31,873</u>
Current	23,726	375
Non-current	33,679	31,498
	<u>57,405</u>	<u>31,873</u>

	Annual leave	Long service leave
Balance at 1 July 2013	375	31,498
Additional provisions recognised	48,145	2,181
Payments made	(24,794)	-
Provision at 30 June 2014	<u>23,726</u>	<u>33,679</u>

	30 June 2014 \$	30 June 2013 \$
– Aggregate employee benefits liability	57,405	31,873

14. ISSUED CAPITAL

(a) Issued Capital

300,227,775 fully paid ordinary shares (2013: 223,447,547)	34,372,833	30,603,135
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	2014 No.	2014 \$	2013 No.	2013 \$
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(b) Movements in Shares on Issue

At the beginning of the reporting period	223,447,547	30,603,135	223,447,547	30,603,135
Issue of shares:				
(i) placement to Capetown S.A.	50,000,000	2,600,000	-	-
(ii) placement to Citicorp Nominees Pty Ltd	3,742,933	-	-	-
(iii) 1 for 12 non-renounceable rights offer	23,037,295	1,197,943	-	-
Share issue costs	-	(28,245)	-	-
At the end of the reporting period	<u>300,227,775</u>	<u>34,372,833</u>	<u>223,447,547</u>	<u>30,603,135</u>

14. ISSUED CAPITAL (cont'd)

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 17 January 2014, Stellar Resources Limited announced that it had placed 50,000,000 fully paid ordinary shares to Capetown S.A., a private family owned company based in Luxembourg at a price of \$0.052 cents per share raising \$2.6 million before costs. Under the terms of the subscription agreement with Capetown S.A., the Company had, subject to shareholder approval being sought at General Meeting of shareholders, announced on 24 January 2014 to be held on 26 February 2014 also agreed to issue to Capetown S.A., 25,000,000 unlisted options at an exercise price of \$0.08 cents and exercisable within a period of three years from date of issue on the basis of 1 (one) ordinary share per option.
- (ii) On 21 January 2014, the Company announced that it had placed 3,000,000 fully paid ordinary shares to Citicorp Nominees Pty Ltd, as commission payable at a rate of 6% of the \$2.6 million funds received and 6% of the 50,000,000 ordinary shares issued on 17 January 2014. On 3 April 2014, the Company issued a further 742,933 fully paid ordinary shares to Citicorp Nominees Pty Ltd, being 6% of 12,382,221 fully paid ordinary shares to Capetown S.A., as issued under 1 for 12 non-renounceable entitlement offer announced on 21 February 2014.
- (iii) On 21 February 2014, the Company announced a partially underwritten 1 for 12 non-renounceable entitlement offer at \$0.052 per share to raise \$1.2 million before issue costs. On 31 March 2014, the Company issued 19,338,709 ordinary shares under the 1 for 12 non-renounceable entitlement offer. On 3 April 2014, the Company issued a further 3,698,586 ordinary shares as completion under the 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 2014, no options were issued to Directors, executives or employees during or since the end of the financial year.

At 30 June 2014, the Company had on issue the following options to acquire shares in the Company:

Nos.	Class
25,000,000 (i)	Unlisted Vested Placement Options expiring 26 February 2017

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
Placement options (i)	25,000,000	26/02/2014	26/02/2017	8 cents	\$497,426
(i) In accordance with shareholder approval given on 26 February 2014 to Capetown S.A., the Company issued unlisted options, each option entitles Capetown S.A. to subscribe for 1 (one) ordinary share upon exercise of the option.					

Fair Value of Share Options Granted in the Year

The weighted average fair value of the share options granted during the financial year is \$0.02c per share option (2013: nil). Options were priced using a binomial option pricing model. Expected volatility is based on the historical share price volatility over the past 1 year.

Option Series

Inputs into the model	Placement options
Grant date share price	6 cents
Exercise price	8 cents
Standard volatility	67.45%
Option life	3.00 years
Dividend yield	nil
Risk-free interest rate	2.92%

14. ISSUED CAPITAL (cont'd)

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

	2014		2013	
	Number of options	Weighted average exercise prices	Number of options	Weighted average exercise prices
Balance at the beginning of the financial year	6,125,000	20 cents	6,125,000	20 cents
Granted during the financial year	25,000,000	8 cents	-	-
Forfeited during the financial year	-	-	-	-
Exercised during the financial year (i)	-	-	-	-
Expired during the financial year	(6,125,000)	-	-	-
Balance at end of the financial year (ii)	25,000,000	8 cents	6,125,000	20 cents
Exercisable at the end of the financial year	25,000,000	8 cents	6,125,000	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 8 cents and a weighted average remaining contractual life of 972 days (2013: 151 days).

15. RESERVES

(a) Employee Equity-settled Benefits Reserve

	30 June 2014 \$	30 June 2013 \$
Balance at the beginning of the financial year	1,337,246	1,337,246
Share-based payment	-	-
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.

(b) Investments Revaluation Reserve

Balance at the beginning of the financial year	-	-
Net gain arising on revaluation of available-for-sale financial assets	3,000	-
Balance at the end of the financial year	3,000	-

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 profit or loss when those assets have been disposed of or are determined to be impaired.

(c) Option Valuation Reserve

Balance at the beginning of the financial year	-	-
Movement(s)	497,426	-
Balance at the end of the financial year	497,426	-

The option valuation reserve arises on the grant of share options to Capetown S.A.. Amounts are transferred out of the reserve and into issued capital when the options are exercised. Further information about share-based payments to Capetown S.A. is made in Note 14 to the financial statements.

	30 June 2014 \$	30 June 2013 \$
16. ACCUMULATED LOSSES		
Accumulated losses at the beginning of the year	(15,534,576)	(15,808,209)
Profit/(loss) for the year	(1,137,279)	273,633
Accumulated losses at the end of the financial year	(16,671,855)	(15,534,576)

	30 June 2014 cents per share	30 June 2013 cents per share
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17. EARNINGS PER SHARE

Basic earnings per share	(0.4)	0.1
Diluted earnings per share	(0.4)	0.1

	30 June 2014 \$	30 June 2013 \$
(a) Reconciliation of earnings to net profit/(loss):-		
Net profit/(loss)	(1,137,279)	273,633
Earnings used in the calculation of basic and diluted EPS	(1,137,279)	273,633
(b) Weighted average number of ordinary shares outstanding during the period used in calculation of basic and diluted EPS	253,120,632	223,447,547

The options on issue throughout 2013 and 2014 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
Peter G Blight	–	Managing Director (appointed 26 May 2014)
Thomas H Whiting	–	Non-executive Director
Markus Elsasser	–	Non-executive Director
Miguel Lopez de Letona	–	Non-executive Director (appointed 21 May 2014)
Thomas J Burrowes	–	Non-executive Director (resigned 26 May 2014)
David J Isles	–	Non-executive Director (resigned 21 May 2014)
Christina R Kemp	–	Company Secretary

(b) Directors' and Executives' Compensation

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

Short-term employees benefits	464,176	496,972
Post-employment benefits	36,391	38,500
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payment	-	-
	500,567	535,472

The Company has taken advantage of the relief provided under AASB 2008-4 Amendments to Australian Accounting Standards – KMP disclosures by disclosing entities and has transferred the detailed remuneration disclosures to the Directors' Report. The relevant information can be found in the remuneration report on pages 5 to 8.

19. REMUNERATION OF AUDITORS

	30 June 2014 \$	30 June 2013 \$
Remuneration for audit or review of the financial reports of the Company	39,330	38,000
Preparation of tax return and other non-audit services	14,963	18,585
	<u>54,293</u>	<u>56,585</u>

The auditor of the Group is Deloitte Touche Tohmatsu.

20. COMMITMENTS FOR EXPENDITURE

Exploration Commitments	2,485,259	1,423,317
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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	2,485,259	1,423,317
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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 2014 No.	30 June 2013 No.
Ordinary shares	11,573,802	10,943,250

Information on Directors and executives shares and option holdings is disclosed in the Directors' Report. The relevant information can be found in the remuneration report on pages 5 to 8. 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 2014, 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 \$64,155 (2013: \$74,542) in relation to these services to 30 June 2014.

22. SUBSIDIARIES

	Country of incorporation	Percent owned (%)	
		2014	2013
Company:			
Stellar Resources Limited	Australia	-	-
Subsidiaries of Stellar Resources Limited:			
Balrhone 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 (i)	Australia	-	100%
Columbus Metals Limited (ii)	Australia	100%	100%
Tarcoola Iron Pty Ltd	Australia	100%	100%

(i) Hillment Pty Ltd was de-registered on 6 November 2013.

(ii) 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.

30 June 2014	30 June 2013
\$	\$

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

Statement of Comprehensive Income

Revenue	91,879	155,726
Other income	833,612	690,550
	<hr/>	<hr/>
Administration expenditure	(1,678,810)	(436,950)
Depreciation and amortisation expenses	(16,273)	(5,575)
Exploration expenditure recouped	24,480	7,900
(Impairment)/reversal of loans to subsidiaries	(342,259)	(155,495)
	<hr/>	<hr/>
Profit/(loss) before tax	(1,087,371)	256,156
Income tax expense	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	(1,087,371)	256,156

	30 June 2014 \$	30 June 2013 \$
22. SUBSIDIARIES (cont'd)		
Statement of Financial Position		
Current assets		
Cash and cash equivalents	4,179,856	2,184,520
Trade and other receivables	131,608	135,518
Other	38,293	32,364
Total current assets	4,349,757	2,352,402
Non-current assets		
Property, plant and equipment	133,443	145,117
Exploration expenditure	12,390,441	11,339,283
Total non-current assets	12,523,884	11,484,400
Total assets	16,873,641	13,836,802
Current liabilities		
Trade and other payables	296,526	464,972
Provisions	23,726	375
Total current liabilities	320,252	465,347
Non-current liabilities		
Provisions	33,679	31,498
Total non-current liabilities	33,679	31,498
Total liabilities	353,931	496,845
Net assets	16,519,710	13,339,957
Equity		
Issued Capital	34,372,833	30,603,135
Reserves	1,834,672	1,337,246
Accumulated losses	(19,687,795)	(18,600,424)
Total equity	16,519,710	13,339,957
Accumulated Losses		
Accumulated losses as at beginning of the financial year	(18,600,424)	(18,856,580)
Net profit/(loss)	(1,087,371)	256,156
Accumulated losses as at end of the financial year	(19,687,795)	(18,600,424)

(a) Joint Venture Interest Acquired

No joint venture interests were acquired during the period.

(b) Subsidiaries Acquired

No subsidiaries were acquired during the period.

(c) Subsidiaries De-registered

On 6 November 2013, Hillment Pty Ltd was de-registered during the period.

30 June 2014	30 June 2013
\$	\$

23. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with profit/(loss) after income tax:-

Profit/(loss) for the year:	(1,137,279)	273,633
Depreciation of property, plant and equipment	16,273	5,575
Interest income received	(91,879)	(154,862)
Research & development concessional tax refund	(833,612)	(690,550)
Other income	(10,000)	-
Exploration expenditure and other costs written off	953,163	117,634
Gain on disposal of exploration tenements	-	(289,400)
Fair value loss on available-for-sale financial assets and impairment	42,771	300,735
Fair value gain on financial assets at FVTPL	(7,500)	-
Expense recognised in respect of equity-settled share-based payments	497,426	-
Movements in working capital:		
(Increase)/decrease in receivables	3,910	(11,334)
(Increase)/decrease in other assets	(5,929)	40,365
Decrease in other financial assets	32,271	300,735
Increase/(decrease) in payables	(168,446)	67,238
Increase/(decrease) in employee entitlements	25,532	31,873
Net cash from operating activities	(683,299)	(8,358)

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 2014, 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 2014	30 June 2013
\$	\$

24. FINANCIAL INSTRUMENTS (cont'd)

(d) Categories of Financial Instruments

Financial assets:

Fair value through profit or loss (FVTPL):

Derivative instruments (i)	15,015	7,515
Other receivables	133,608	137,518
Cash and cash equivalents	4,179,856	2,184,520
Available-for-sale financial assets (ii)	109,935	149,706

Financial liabilities:

Other payables and accruals	296,526	464,972
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(i) Derivative instruments include unlisted options in Renascor Resources Limited.

(ii) Available-for-sale financial assets include shares in UraniumSA Limited and Renascor Resources 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.

(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 2014 would have been affected as the equity instruments classified as available-for-sale would have increased/decreased further by \$2,722 (2013: net profit for the year would have increased/decreased by \$7,485).

24. FINANCIAL INSTRUMENTS (cont'd)

(j) Equity Price Sensitivity (cont'd)

- Investment revaluation reserve would have increased/decreased by \$2,775 at 30 June 2014 (2013: investment revaluation reserve would have increased/decreased by \$nil).

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.

	Weighted average effective interest rate %	Less than 1 month \$	1-3 months \$	3 months to 1 year \$	1-5 years \$	5+ years \$
2014						
Financial assets						
Non-interest bearing		54,060	-	-	-	-
Interest bearing	0.6	-	-	79,548	-	-
Financial liabilities						
Non-interest bearing	-	296,526	-	-	-	-
2013						
Financial assets						
Non-interest bearing	-	60,890	-	-	-	-
Interest bearing	1.4	-	-	76,628	-	-
Financial liabilities						
Non-interest bearing	-	464,972	-	-	-	-

24. FINANCIAL INSTRUMENTS (cont'd)

(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	109,935	-	-
Derivative financial assets	-	15,015	-
Total	109,935	15,015	-

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

30 June 2014	30 June 2013
\$	\$

25. PARENT ENTITY DISCLOSURES

(a) Financial Position

Assets

Current assets	4,334,826	2,337,391
Non-current assets	8,151	18,575
Total assets	4,342,977	2,355,966

Liabilities

Current liabilities	320,252	465,347
Non-current liabilities	33,679	31,498
Total liabilities	353,931	496,845

Equity

Issued capital	34,372,833	30,603,135
Accumulated losses	(32,218,459)	(30,081,260)
Reserves		
- Equity settled employee benefits	1,337,246	1,337,246
- Equity settled option valuation	497,426	-
Total equity	3,989,046	1,859,121

(b) Financial Performance

Loss for the year	(2,137,198)	(2,841,901)
Other comprehensive income	-	-
Total comprehensive income	(2,137,198)	(2,841,901)

30 June 2014	30 June 2013
\$	\$

25. PARENT ENTITY DISCLOSURES (cont'd)

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

Guarantee provided under the deed of cross guarantee	12,984,201	11,919,135
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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

Plant and equipment

Not longer than 1 year	-	-
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	-	-

26. EVENTS AFTER THE REPORTING DATE

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 2014 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. 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.
3. 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 27th day of August, 2014.

On behalf of the Directors



Peter G Blight
Managing Director
Melbourne

27 August 2014

The Board of Directors
Stellar Resources Limited
Level 17, 530 Collins Street
MELBOURNE VIC 3000

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 2014, 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



Ian Sanders
Partner
Chartered Accountants

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, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other 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 21 to 50.

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.

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

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 5 to 8 of the directors' report for the year ended 30 June 2014. 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 2014, complies with section 300A of the *Corporations Act 2001*.



DELOITTE TOUCHE TOHMATSU



Ian Sanders
Partner
Chartered Accountants
Melbourne, 27 August 2014

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 300,227,775 ordinary shares fully paid as at 21 August 2014 of which all are listed on the Australian Stock Exchange. In addition, the Company has on issue 25,000,000 unlisted options to acquire shares at an exercise of 8 cents per share at any time up to 26 February 2017.

(a) Distribution of Shareholder Numbers

Size of holding	Number of shareholders	Units	%	Number of optionholders	Units	%
1 – 1,000	227	76,731	0.03	-	-	-
1,001 – 5,000	412	1,168,974	0.39	-	-	-
5,001 – 10,000	212	1,676,039	0.56	-	-	-
10,001 – 100,000	720	26,653,830	8.88	-	-	-
100,001 and over	242	270,652,201	90.14	1	25,000,000	100.00
	1,813	300,227,775	100.00	1	25,000,000	100.00

There were 901 shareholders who held less than a marketable parcel (3,490,066 shares).

(b) Substantial Shareholder as at 21 August 2014

Name	Number of Shares Held	%
1 J P Morgan Nominees Australia Limited	76,533,670	25.49
2 Capetown SA	62,382,221	20.78
3 Merrill Lynch (Australia) Nominees Pty Limited	36,137,425	12.04
	175,053,316	58.31

(c) 20 Largest Shareholders – Ordinary Shares

Name	Number of Shares Held	%
1 J P Morgan Nominees Australia Limited	76,533,670	25.49
2 Capetown SA	62,382,221	20.78
3 Merrill Lynch (Australia) Nominees Pty Limited	36,137,425	12.04
4 HSBC Custody Nominees (Australia) Limited	6,248,516	2.08
5 Citicop Nominees Pty Limited	4,259,133	1.42
6 Mr Angus W Johnson & Mrs Lindy Johnson <The Dena Super Fund A/C>	3,129,167	1.04
7 Fountain Oaks Pty Ltd <Limbs Family Super Fund A/C>	2,245,000	0.75
8 UBS Wealth Management Australia Nominees Pty Ltd	2,174,675	0.72
9 Mr Michael A Whiting & Mrs Tracey A Whiting <Whiting Family S/F A/C>	2,138,009	0.71
10 L J Thomson Pty Ltd	2,100,000	0.70
11 Mrs Susan Marie Whiting	2,000,000	0.66
12 Octifil Pty Ltd	1,821,716	0.61
13 Foresight Pty Ltd	1,800,000	0.60
14 Mrs Xiaoqiong Chen	1,792,033	0.60
15 Providence Gold And Minerals Pty Ltd	1,262,821	0.42
16 Mr Stephen Cansdell Hirst	1,250,000	0.42
17 Mr Richard De Burgh Fell & Mrs Karen Patricia Fell	1,100,000	0.37
18 Bond Street Custodians Limited <GRIPIC - PH0240 A/C>	1,086,518	0.36
19 Toad Facilities Pty Ltd <JP Nettleton/Toad S/F A/C>	1,070,417	0.36
20 Carojon Pty Ltd <Imbruglia S/F A/C>	1,000,000	0.33
20 P & H Scott Investments Pty Ltd <Scott Super Fund A/C>	1,000,000	0.33
20 Mr Alnis Ernst Vedig & Mrs Rasma Vedig <Vedig Super Fund A/C>	1,000,000	0.33
	213,531,321	71.12

(d) Largest Optionholders

Name	Number of Options Held	%
Capetown S.A.	25,000,000	100.00
	<u>25,000,000</u>	<u>100.00</u>

(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

- 25,000,000 options are on issue to Capetown S.A.. These options are exercisable up to 26 February 2017 at an exercisable price of 8 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		20/12/2013	Relinquished, pending NSW DPI sign off
Exploration Licence EL5355 - Tarcoola, South Australia 1,183 km ²	100	Tarcoola Iron Pty Ltd	30/07/2013	29/07/2015	Formerly EL4167
Exploration Licence EL4882 - Kingoonya, South Australia 73 km ²	100	Hiltaba Gold Pty Ltd	27/11/2011	26/11/2014	
Exploration Licence EL4573 - Stony Top Hill, South Australia 149 km ²	100	Hiltaba Gold Pty Ltd	07/10/2010	06/10/2014	
Exploration Licence EL5125 - Cleanskin Swamp, South Australia 216 km ²	100	Hiltaba Gold Pty Ltd	19/04/2012	18/04/2016	
Exploration Licence EL5126 - Long Creek, South Australia 233 km ²	100	Hiltaba Gold Pty Ltd	19/04/2012	18/04/2016	
Exploration Licence EL4389 - Hicks Hill, South Australia 29 km ²	100	Tarcoola Iron Pty Ltd	09/12/2009	08/12/2014	
Exploration Licence EL5307 - Cowell, South Australia (JV with Renaissance Uranium Limited earning 75% interest) 840 km ²	100	Hiltaba Gold Pty Ltd	07/11/2007	06/11/2014	
Exploration Licence Application EL426 - Midgee, South Australia (JV with UraniumSA Limited earning 73% in uranium interest) 134 km ²	100	Hiltaba Gold Pty Ltd	24/03/2014	23/06/2016	Subsequent licence application pending
Exploration Licence EL46/2003 - Heemskirk, Tasmania 142 km ²	100	Rubicon Min Tech Ventures Pty Ltd	03/02/2005	10/02/2015	
Exploration Licence EL1/2004 - Ramsay River, Tasmania 42 km ²	100	Rubicon Min Tech Ventures Pty Ltd	03/02/2005	10/02/2015	
Exploration Licence EL40/2010 – Heazlewood Hill, Tasmania 20 km ²	100	Rubicon Min Tech Ventures Pty Ltd	02/06/2011	01/06/2016	
Retention Licence RL5/1997 - Zeehan, Tasmania 6 km ²	100	Columbus Metals Limited	20/06/1998	20/06/2015	

DIRECTORS

Phillip G Harman (Non-executive Chairman)
Peter G Blight (Managing Director)
Thomas H Whiting (Non-executive)
Markus Elsasser (Non-executive)
Miguel Lopez de Letona (Non-executive)

COMPANY SECRETARY

Christina R Kemp

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

Register of unlisted options held at this address

LEGAL ADVISORS

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Komesaroff Legal
Level 40, 140 William Street
Melbourne VIC 3000

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

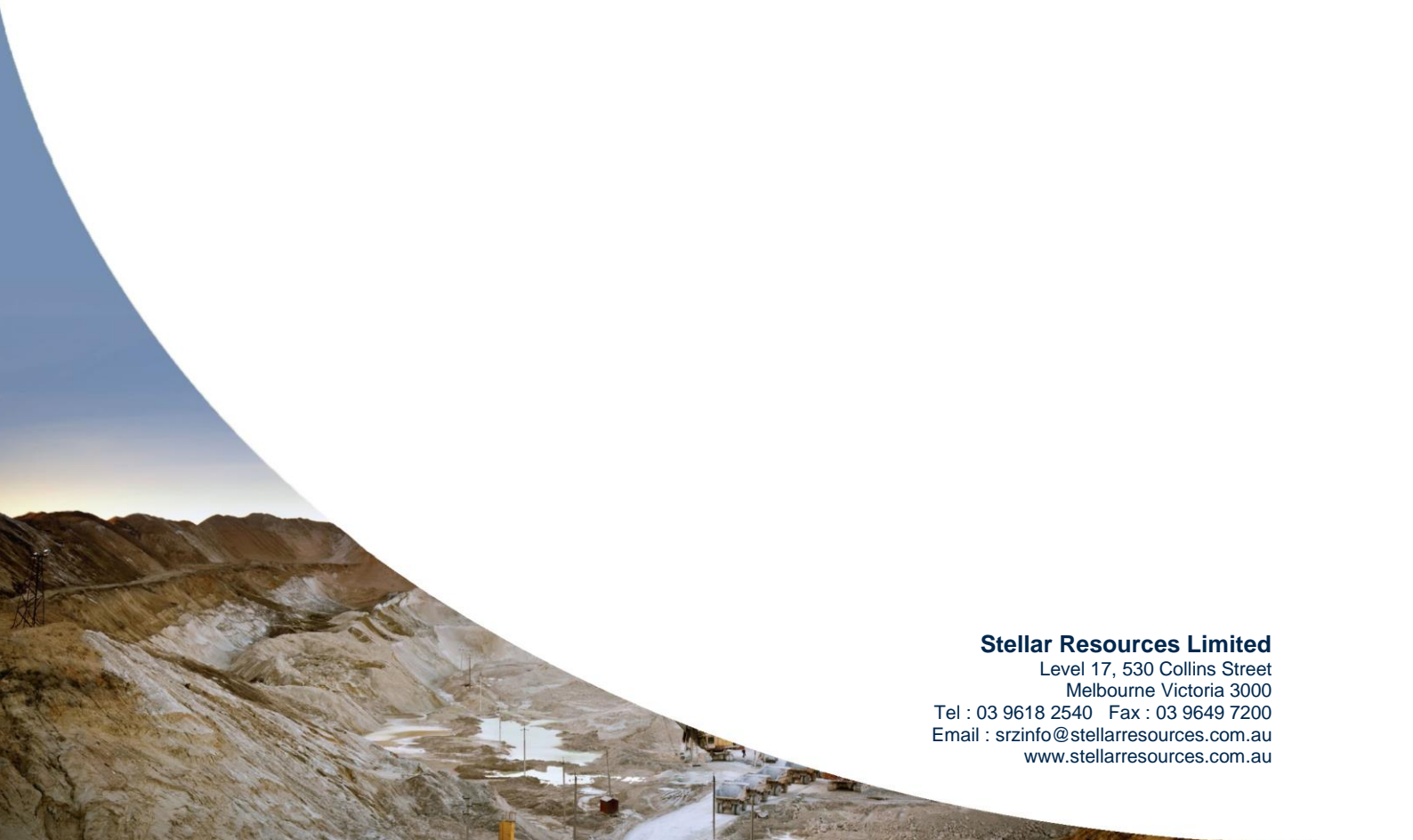
Australian Securities Exchange
Level 45, South Tower, Rialto
525 Collins Street
Melbourne VIC 3000

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



Stellar Resources Limited

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