

25 July 2008

## Heemskirk Tin Project Transaction

---

### HIGHLIGHTS

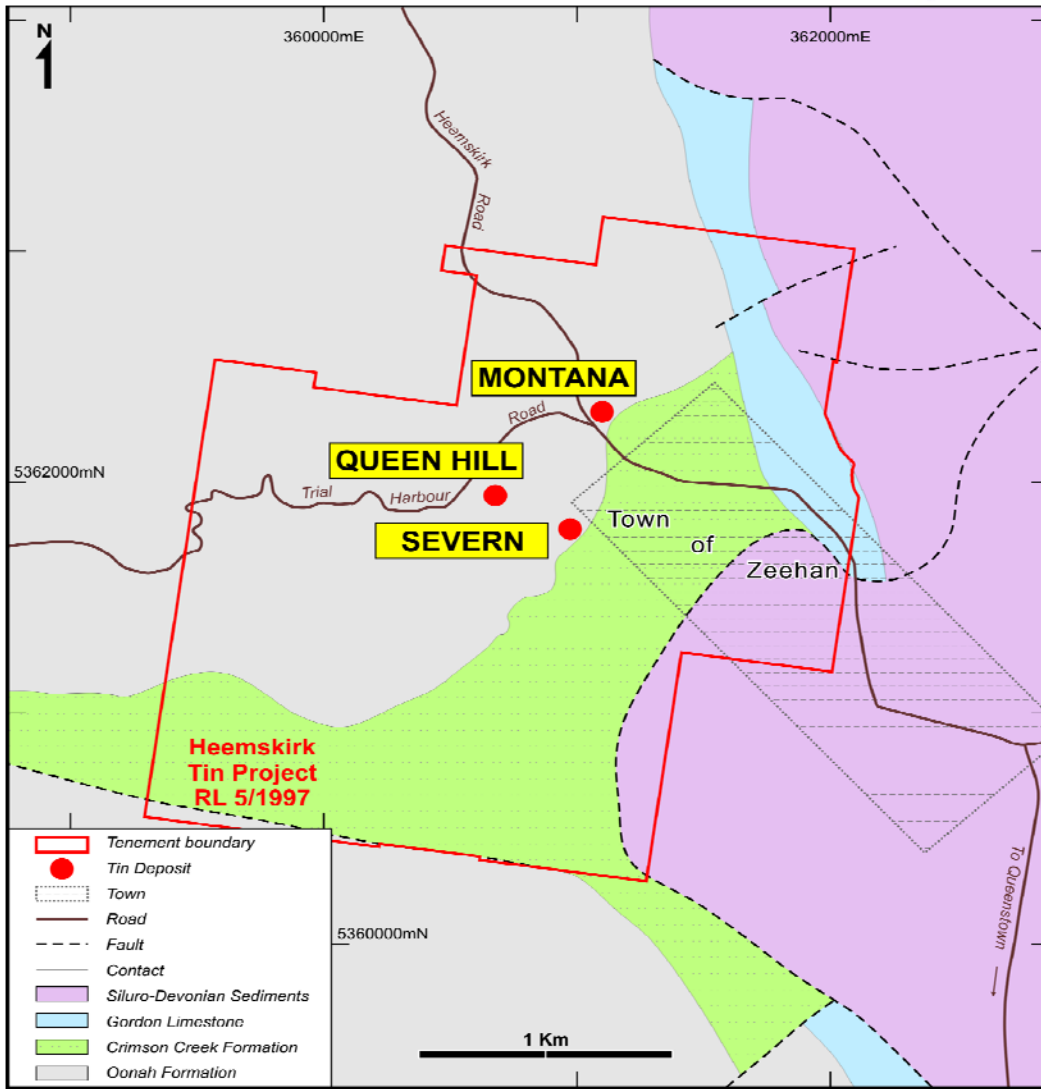
- Stellar Resources Limited ("Stellar") and Gippsland Limited ("Gippsland") are pleased to announce that Agreement has been reached to merge their respective Joint Venture interests in the Tasmanian Heemskirk Tin project (formerly known as the Zeehan Tin project) into Stellar's subsidiary Columbus Metals Limited ("Columbus"). As previously announced by Stellar, the IPO of Columbus - as a focused tin development company - is progressing.
- The Agreement is conditional upon Columbus raising a minimum of A\$10 million (≈UK£4.8M) and being admitted to the official list of the ASX on or before 31 December 2008 or such later date as may be agreed.
- The Agreement prescribes that Gippsland will be issued with 15 million A\$0.25 (≈UK£0.12) fully paid ordinary shares or the same number of fully paid ordinary shares that Stellar (ASX: SRZ) will hold in Columbus at the time of its admission to the official list, if that number is greater than 15 million. Upon listing, Columbus will also invite a nominee from Gippsland (ASX/LSE: GIP, DB: GIX) to join the board of Columbus as a non-executive director.

Mr Burrowes, Chairman of Stellar Resources said "Stellar is very pleased to join with Gippsland to consolidate the project ownership 100% into Columbus Metals so as to optimise its development and timing, which we view as a valuable benefit for all shareholders. We welcome the involvement by Gippsland - itself involved in tin through the development of the 44.5 million tonne Abu Dabbab tantalum-tin project in Egypt - in the creation of a leading Australian tin development company. Columbus will hold Australia's largest high grade undeveloped tin resources in Australia and has plans to move these aggressively towards development. It is an exciting time for tin where the demand outlook is excellent and the price is forecast to continue climbing beyond the current near record levels".

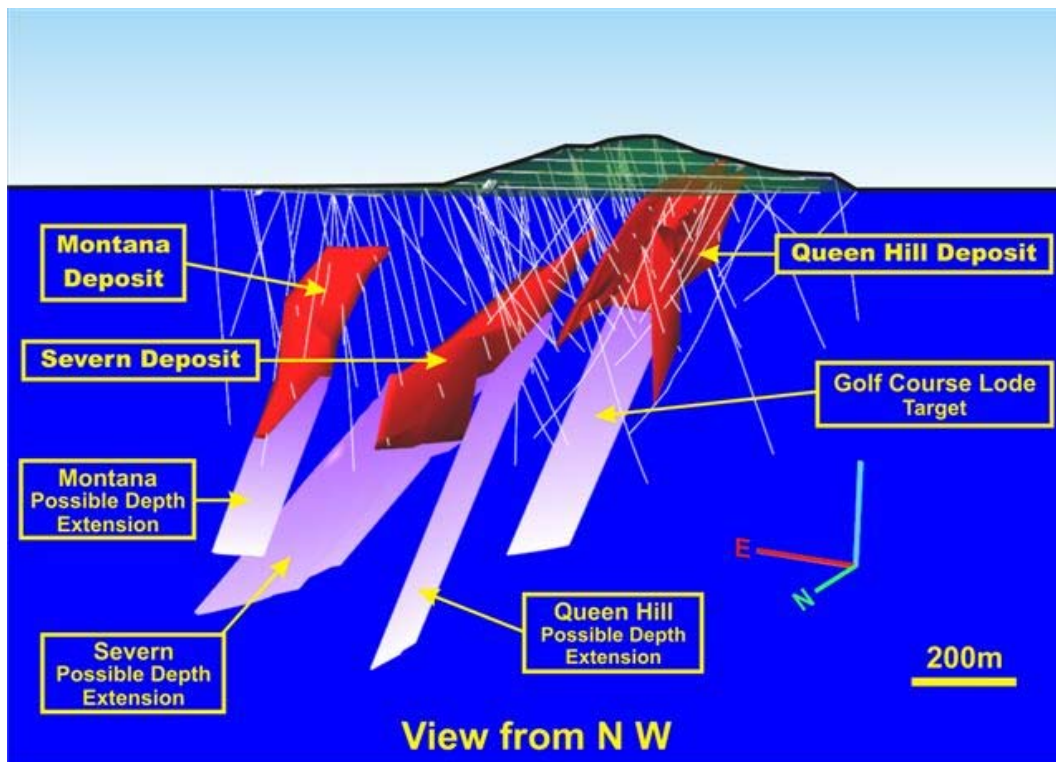
Mr Telford, Executive Chairman of Gippsland Limited commented "Gippsland has long recognised the significant value in the project however not being the operator the company was unable to instigate the work programmes it would have preferred. We welcome the vigour of a new, focused company in moving this excellent project forward in the present buoyant environment for tin. This will benefit our shareholders by giving Gippsland a market value for this asset".

### ABOUT THE HEEMSKIRK TIN PROJECT

The Heemskirk Tin Project comprises the drill identified Severn, Queen Hill and Montana tin resources within the 6km<sup>2</sup> Retention Licence 5/1997, located adjacent to the mining town of Zeehan in northwest Tasmania. As such, the Heemskirk resources lie within the world renowned Western Tasmanian tin province which hosts such famous tin mines as Renison, Mt Bischoff and Cleveland. RL 5/1997 is presently owned 60% by Stellar and 40% by Gippsland.



Location Plan of the Heemskirk Tin Deposits at Zeehan



Heemskirk Tin Deposits - 3D Model showing existing resources & resource potential

Stellar is well progressed in the preparation of a Prospectus for the IPO of Columbus Metals Limited, which will be a focused tin development company with a pro-active program designed to upgrade Heemskirk resources to a modern JORC compliant status and to increase the size of the known tin resources at Zeehan and St Dizier within Stellar's EL 46/2003.

Columbus will be managed by a team of skilled professionals with extensive industry experience and a proven track record in both the tin industry and project development in Tasmania. Columbus is aiming to identify reserves sufficient to develop a large scale tin mining operation with a mine life in excess of 10 years, by:

- Undertaking drilling and technical studies necessary for converting the high-grade zones of its Heemskirk Tin deposits into mineable resources;
- Completing feasibility studies and permitting processes required for the rapid advancement of these tin deposits towards early production.

RJ (Jack) Telford  
Executive Chairman  
Gippsland Limited  
[www.gippslandltd.com](http://www.gippslandltd.com)

For further information please contact:

Jack Telford  
Gippsland Limited  
T: +61 8 9340 6000  
E: [jtelford@gippslandltd.com](mailto:jtelford@gippslandltd.com)

Tom Burrowes  
Stellar Resources Limited  
T: +61 3 9909 7618  
E: [Tom.Burrowes@stellarresources.com.au](mailto:Tom.Burrowes@stellarresources.com.au)

Alexandra Carse  
Fox-Davies Capital Ltd  
T: +44 20 7936 5200  
E: [alexandra.carse@fdcap.com](mailto:alexandra.carse@fdcap.com)

Richard Hail  
Fox-Davies Capital Ltd  
T: +44 20 7936 5200  
E: [richard.hail@fdcap.com](mailto:richard.hail@fdcap.com)

Nandita Sahgal  
Seymour Pierce Limited  
T: +44 20 7107 8000  
E: [nanditasahgal@seymourpierce.com](mailto:nanditasahgal@seymourpierce.com)

John Gilbert  
Fox-Davies Capital Ltd  
T: +44 20 7936 5200  
E: [john.gilbert@fdcap.com](mailto:john.gilbert@fdcap.com)

Jane Stacey  
Investor Relations  
M: +44 20 79292 6606 / +44 972 292 3306  
E: [jane@conduitpr.com](mailto:jane@conduitpr.com)

Matthew Thomas  
Seymour Pierce Limited  
T: +44 20 7107 8000  
E: [matthewthomas@seymourpierce.com](mailto:matthewthomas@seymourpierce.com)