STELLAR RESOURCES LIMITED

Rubicon MinTech Ventures Pty. Ltd.

EL 1/2004 RAMSAY RIVER

Partial Relinquishment Report

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SUBMITTED TO: Executive Chairman

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ABSTRACT

This Partial Relinquishment Report for EL1/2004 Ramsay River covers the period from 3 January 2004 to 2 January 2009.

The Ramsay River licence area contains historical occurrences of lead-silver-zinc, tin, gold and copper. Previous exploration in the area includes extensive stream sediment sampling, some soil and rock chip sampling, geological mapping and a range of geophysical surveys. This work has revealed numerous anomalies some of which have been tested by drilling. Many of these remain untested or inadequately drilled, the licence is considered prospective for the discovery of significant base metal mineralisation.

Fieldwork on the licence has focused in the north of the licence area around the old Magnet Mine, Butler's Road and Bett's Track. In Melbourne office, work has included the collection of existing regional geological, geochemical and geophysical data and map production. Modelling and definition of geophysical targets has been based on electromagnetic and aeromagnetic datasets.

No targets have been identified in the granite areas of the EL so it has been decided to relinquish the central granite portion of the licence.

Expenditure on EL1/2004 to date totals $457,254

TABLE OF CONTENTS

LIST OF FIGURES

1. INTRODUCTION

1.1. EXPLORATION RATIONALE & GEOLOGICAL SETTING

The licence covers the NE part of the Meredith Granite, which is recognised as having similar petrochemistry to the Heemskirk suite. The NE part of the Meredith Granite is considered to extend at shallow depth NE, under EL 1/2004, and that the porphyry dykes at Mt Bischoff are attributed to the presence of granite at shallow depth. The margins of the Meredith granite in this region are flanked by a series of major magnetic anomalies. The historic Magnet (Pb-Ag-Zn) Mine is on the northeast boundary of the EL, while the Mt Bischoff (Sn) and Cleveland (Sn-Cu) Mines lie within 3km. There are numerous small tin and base metal occurrences within the licence area. Base metal vein style mineralisation appears to be hosted by Precambrian and Cambrian volcanosedimentary sequences. Previous drilling by the Tasmanian Mines Department and Pasminco Limited has shown ultramafic rocks to be present in the area.

There is significant potential for base metal mineralization adjacent to the old Magnet Mine both at depth and along strike. The area is also highly prospective for skarn deposits similar to Bischoff and Cleveland and there is thought to be some potential for skarn hosted nickel sulphides of the Avebury style.

1.1.1. Geological Setting

The Ramsay River licence is focussed on a major magnetic anomaly flanking the northeastern corner of the Devonian Meredith Granite. Apart from the Meredith Granite, underlying lithologies comprise Neoproterozoic and Palaeozoic rocks of the Dundas Trough together with allochthonous Cambrian ultramafic bodies.

A block of Oonah Formation sediments surrounds the Mt Bischoff Mine and extends beneath Tertiary basalt to the east. The Neoproterozoic Oonah formation is composed of pale grey quartz sandstones, siltstones, shales, dolomites and minor lavas and volcanoclastics.

The Cleveland–Waratah Association, possibly Early Cambrian age, is largely composed of basalt lavas, basaltic volcaniclastics, siltstones and mudstones. The Cleveland mine sequence includes basalt, dolomite and chert units.

Mixed intermediate to mafic volcanics dominate the area to the west of Arthur Dam. These are high-magnesian andesites and low-titanium tholeiite basalts and were intersected in each of two diamond drill holes completed at Arthur Dam by Pasminco Exploration Limited (Pasminco) in 1997.

To the south of Arthur Dam boulder outcrops are a matrix-supported conglomerate with clasts of pyroxene-feldsparphyric, chloritic lava, volcaniclastics and red-brown sandstone. This area is termed the Betts Basin and is unique to the area. It is possible the lithologies are related to the high magnesian andesites in the area.

A serpentinised ridge of ultramafic rock lies to the east of the mafic volcanic units. It extends NNE from its southern contact with the Meredith Granite near Wilson River where previously alluvial deposits of osmiridium were worked. This ultramafic body is considered thrust emplaced. Drilling by the Tasmanian Mines Department at Arthur Dam (Brown 1986) intersected the ultramafic in drill hole AD1 over an interval of 60m from 95m. The ultramafic is coincident with the strong magnetic anomaly that surrounds this part of the Meredith Granite. The anomaly is believed related to the granite's metamorphic aureole.

Data from 3D geological modelling by a Tasmanian Government funded cooperative research project indicates the ultramafic body extends around the NE lobe of the Meredith Granite and then, extends southwards under shallow cover of Tertiary basalt to join with the Huskisson Ultramafic Complex. There is potential for skarns hosted by the ultramafics to lie within this significant aeromagnetic anomaly.

The historic Magnet Mine is located on the northern boundary of the Ramsay licence. It is a lode style base metal and silver deposit (0.64Mt @ 7.3%Zn, 7.3%Pb and 427 g/t Ag) hosted by a structurally emplaced mafic/ultramafic body known as the Magnet Dyke. The lower levels of the old mine (below 8 level) are within EL1/2004 while the postulated feeder structure trends southwest into the EL.

The northwest corner of the project area covers part of the Whyte River Complex of mafic and ultramafic rocks. This NE trending belt is generally low lying and tends to be covered by Quaternary alluvials as at the former Luina townsite. Silurian-Devonian Eldon Group shallow marine sandstones and siltstones are recognised in outcrop to the NE and south of Luina.

As there is little evidence of significant mineralisation in the granite it has been decided to relinquish this portion of EL 1/2004.

1.2. LICENCE

TENEMENT NUMBER: 1/2004

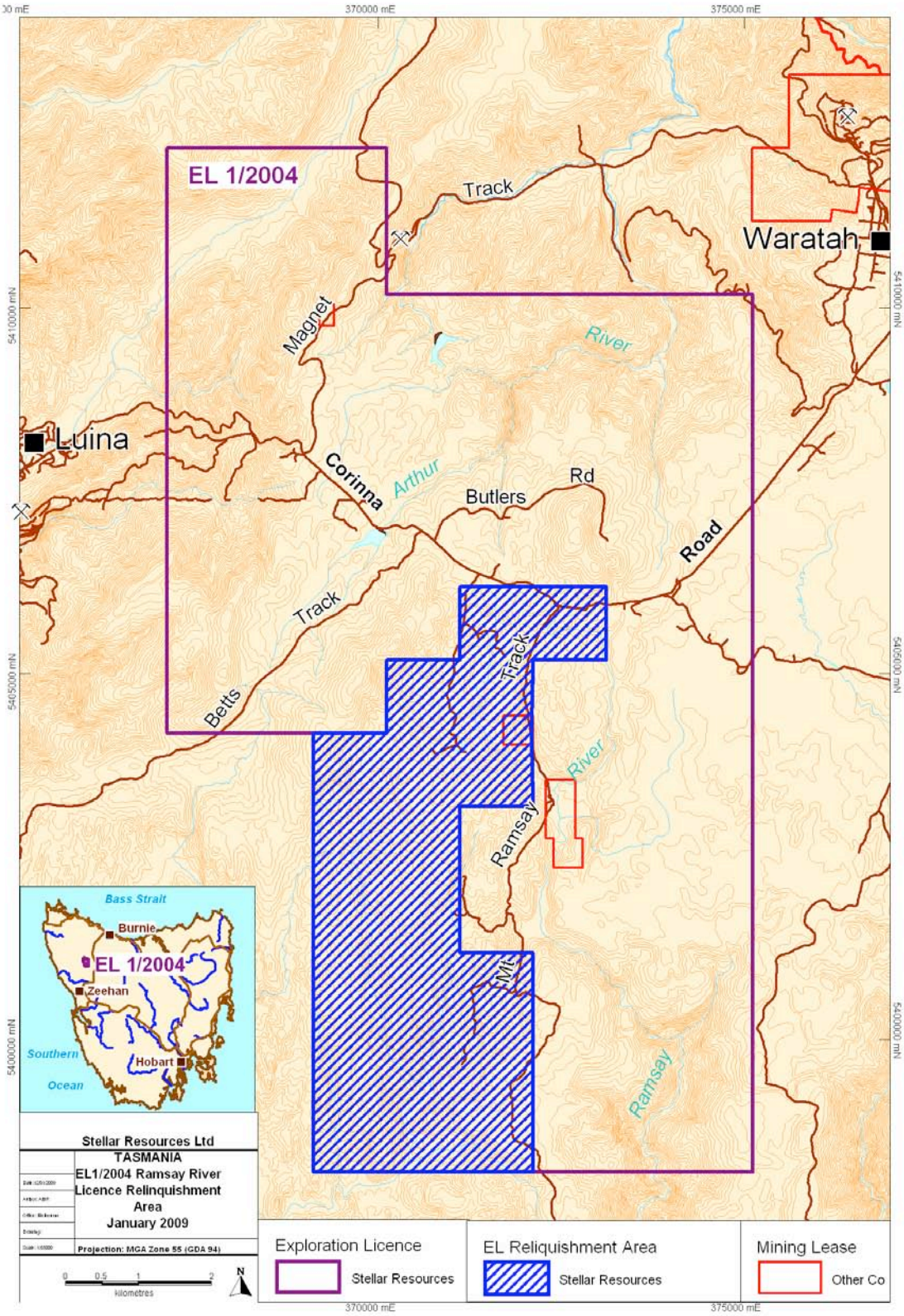
TENEMENT NAME: Ramsay River

TENEMENT LOCATION: Located 60km southwest of Burnie, with main road access from the Corinna Road approximately 10km west of the Murchison Highway (Figure 1). The licence covers 90km^2 from the Magnet Mine area west of Waratah township, south to within 3km of Mt Ramsay. Much of the EL area is Crown Land, covered by patches of rainforest and forestry, tea-tree scrub and button grass plains. Access is provided by the Corinna Road, numerous logging and old exploration tracks, and walking tracks. Much of the area is accessible only by foot.

REPORTING PERIOD: 3 January 2004 to 2 January 2009.

TENEMENT HOLDER: Rubicon MinTech Ventures Pty Ltd., a wholly owned subsidiary of Stellar Resources Ltd.

1.3. LOCATION OF LICENCE



• **Figure 1. EL1/2004, Location Map showing Relinquishment Area.**

1.4. LAND TENURE

SCHEDULE

LAND DISTRICT OF RUSSELL
VICINITY OF RAMSAY RIVER 8KM SW OF WARATAH
MUNICIPALITY OF WARATAH / WYNYARD
EXPLORATION LICENCE 1/2004 90km^2
RUBICON MIN TECH VENTURES PTY. LTD.

Commencing at the northwest corner at grid coordinates 367 000 mE 5 412 000 mN thence grid east to 370 000 mE grid south to 5 410 000 mN again grid east to 375 000 mE again grid south to 5 398 000 mN grid west to 369 000 mE grid north to 5 404 000 mN again grid west to 367 000 mE aforesaid thence again grid north to the point of commencement.

Coordinate datum - AGD66, AMG Zone 55.5.

EXCLUSIONS

(a) Any land owned or leased by the Commonwealth of Australia.

(b) Mining leases amounting to 70ha (more or less) which were applied for or in force prior to the date of application for this licence.

(c) Crown reservations or other land set apart or dedicated for any public purposes such as public reserves, municipal reserves or roadways unless such areas have been brought under the provisions of the *Mineral Resources Development Act* 1995.

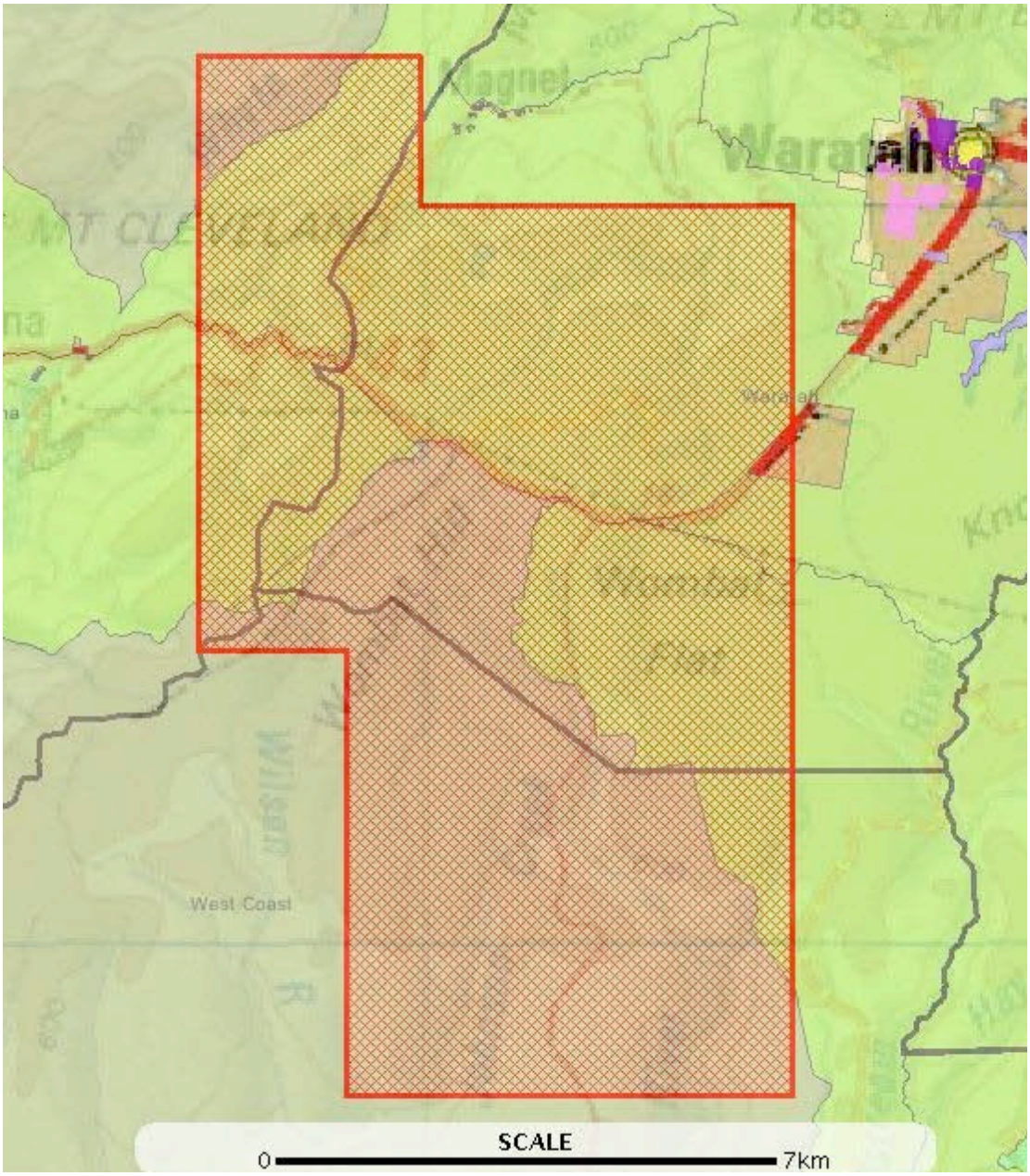
(d) Land declared as a fossicking area under the *Mineral Resources Development Act* 1995 as shown hereunder:

10ha Magnet Fossicking Area

(e) Areas of private land which either have been, or are in the process of being, purchased by the Crown under the Regional Forest Agreement - Private Forests Reserves Program and / or private land over which the landowners have agreed, or are in the process of agreeing, to place a covenant or management agreement for conservation purposes under the Regional Forest Agreement - Private Forests Reserves Program.

LAND TENURE

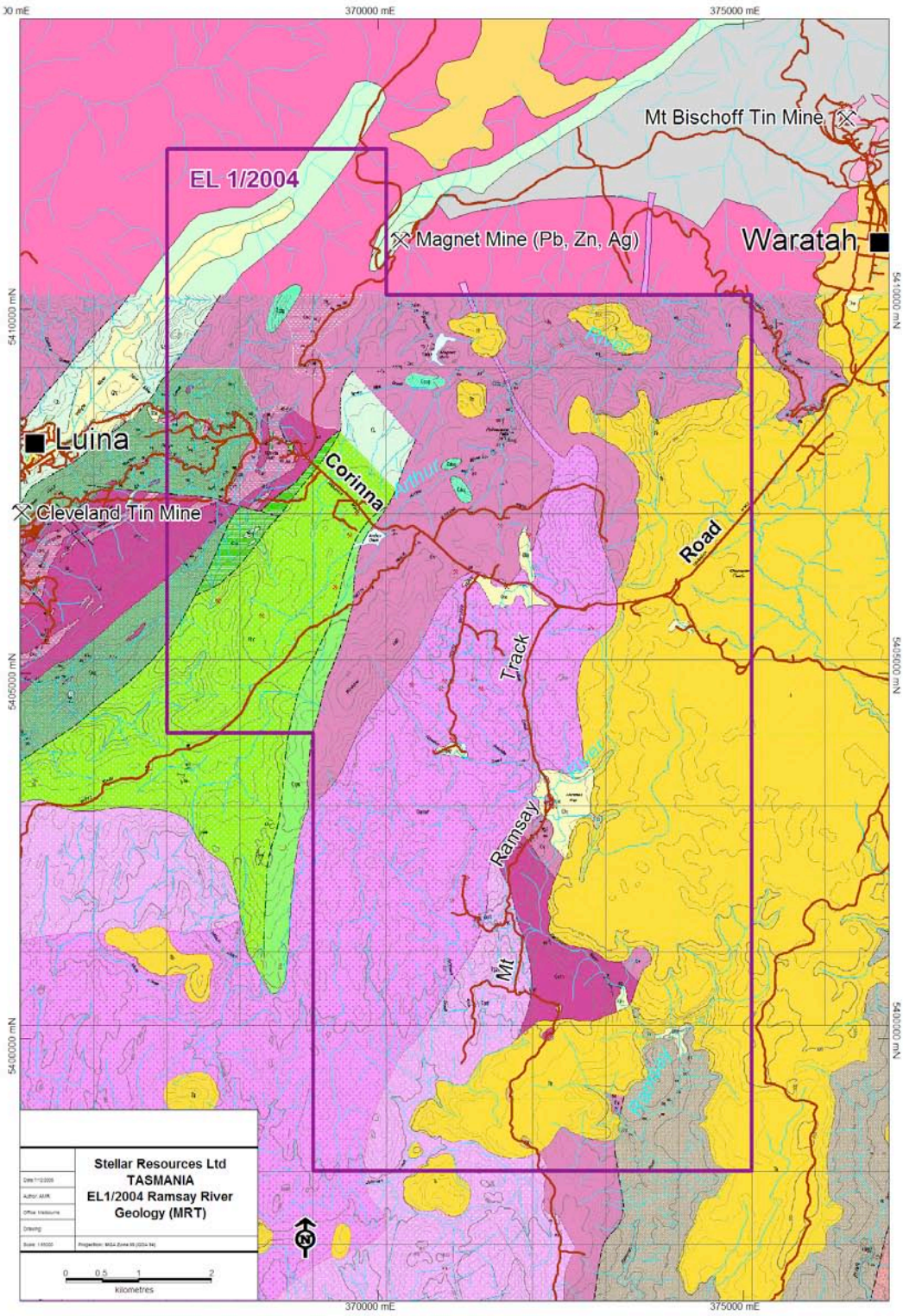
The area comprises: Private Property
Multiple Use State Forest
MDC Informal Reserve
Meredith Range Regional Reserve
Savage River Regional Reserve
(Figure 2)
The licence area contains areas, which are listed (including listed on an interim basis) on the Register of the National Estate kept under the *Australian Heritage Commission Act 1975*.



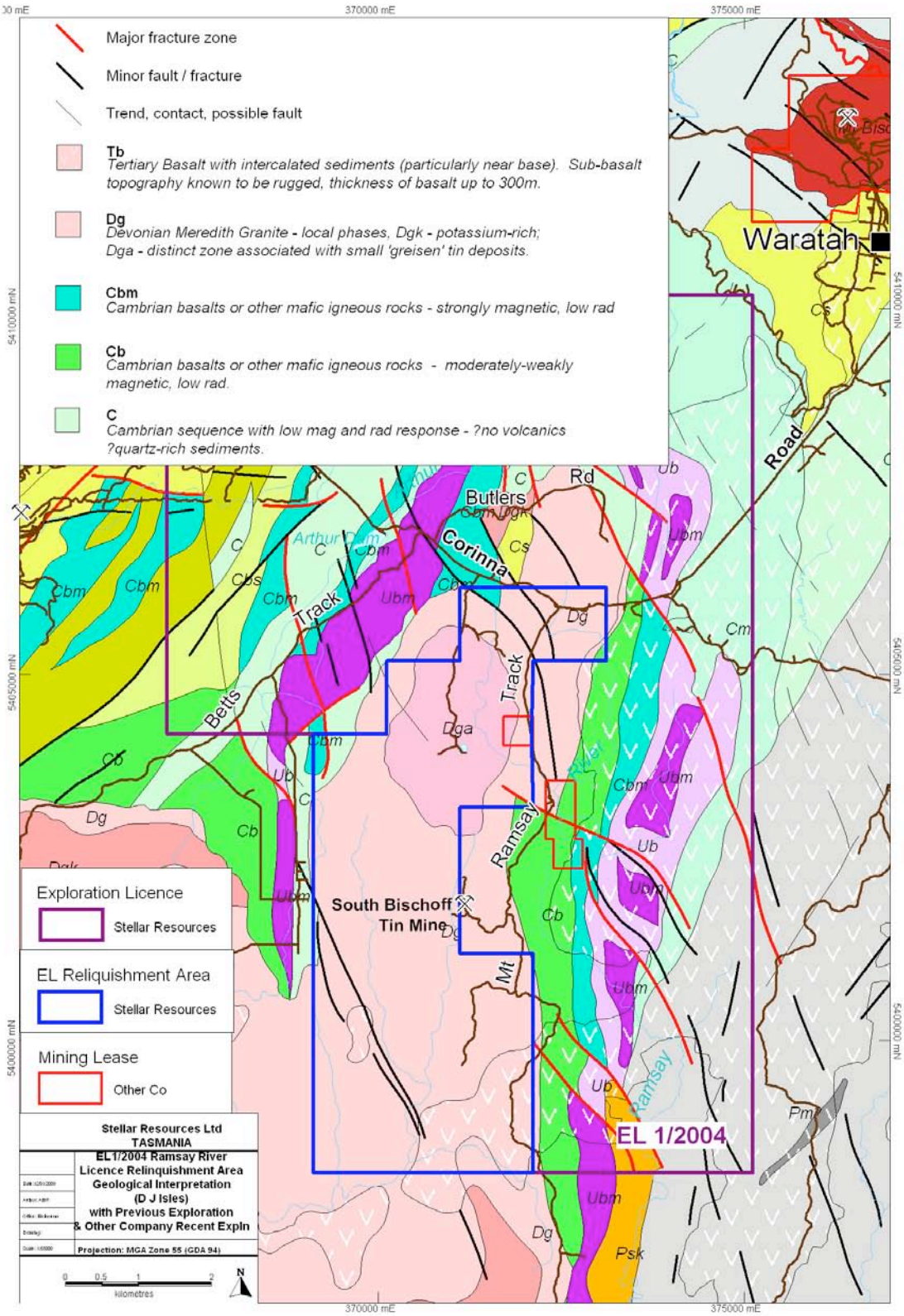
Public Land Classification

- State Reserves
- State Forests
- Public Reserves
- Regional Reserves

• **Figure 2. EL1/2004, Land Tenure Map.**



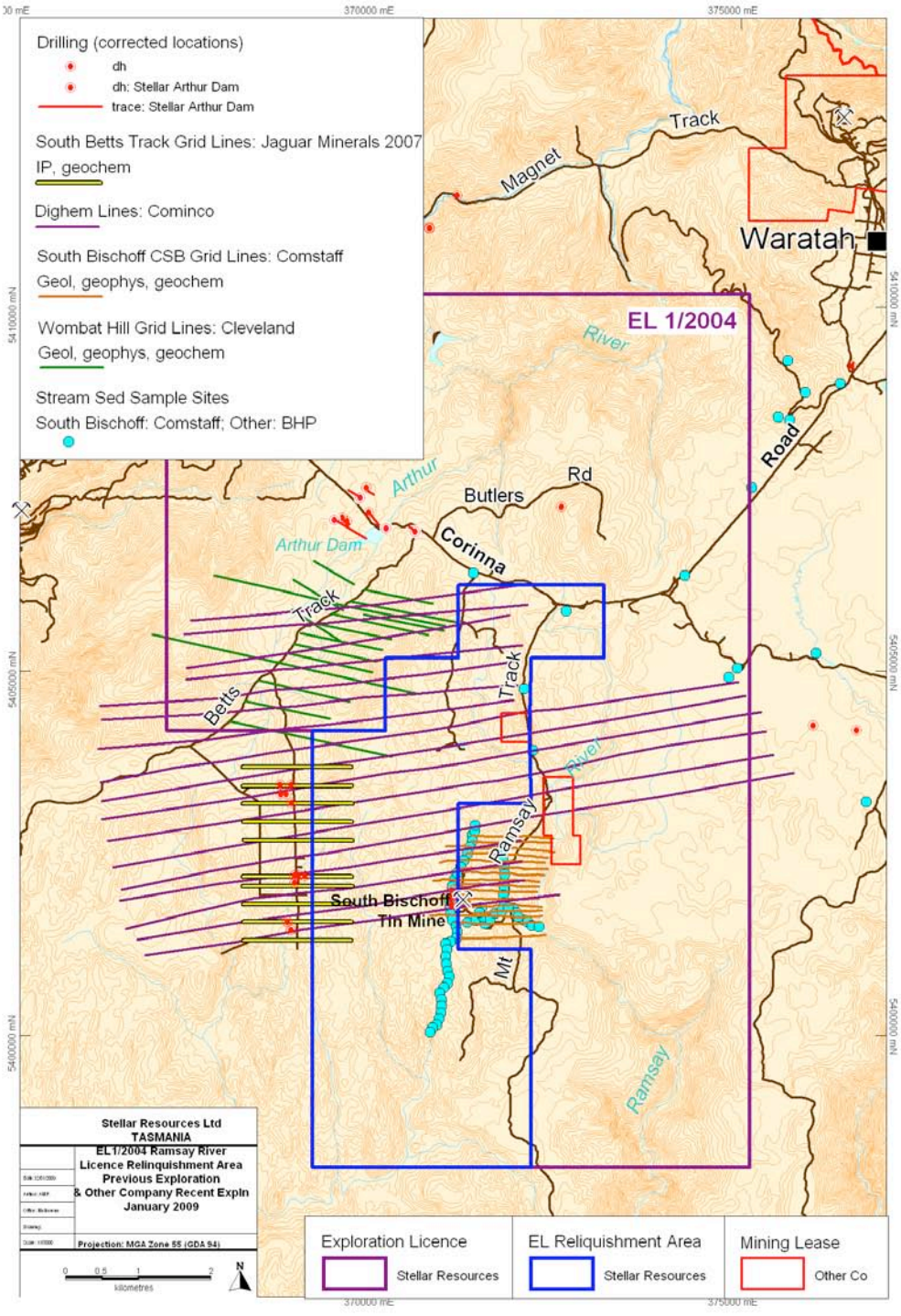
• **Figure 3. EL1/2004, MRT Geology Plan**



• **Figure 4. EL1/2004, Geology of Relinquishment Area**

2. REVIEW OF PREVIOUS WORK

MRT digital geology and geophysics datasets, DPIWE topographic data as well as data captured from open-file company reports have been reviewed and significant data summarised and tabulated in spreadsheet form. In particular information from reports of previous tenement holders has been captured from MRT open-file reports. The results of this work have been presented in the Annual Technical Reports for this licence. Figure 5 shows historic exploration grids over the relinquishment area.



• **Figure 5. EL1/2004, Historic exploration in Relinquishment Area**

3. EXPLORATION ON RELINQUISHMENT AREA

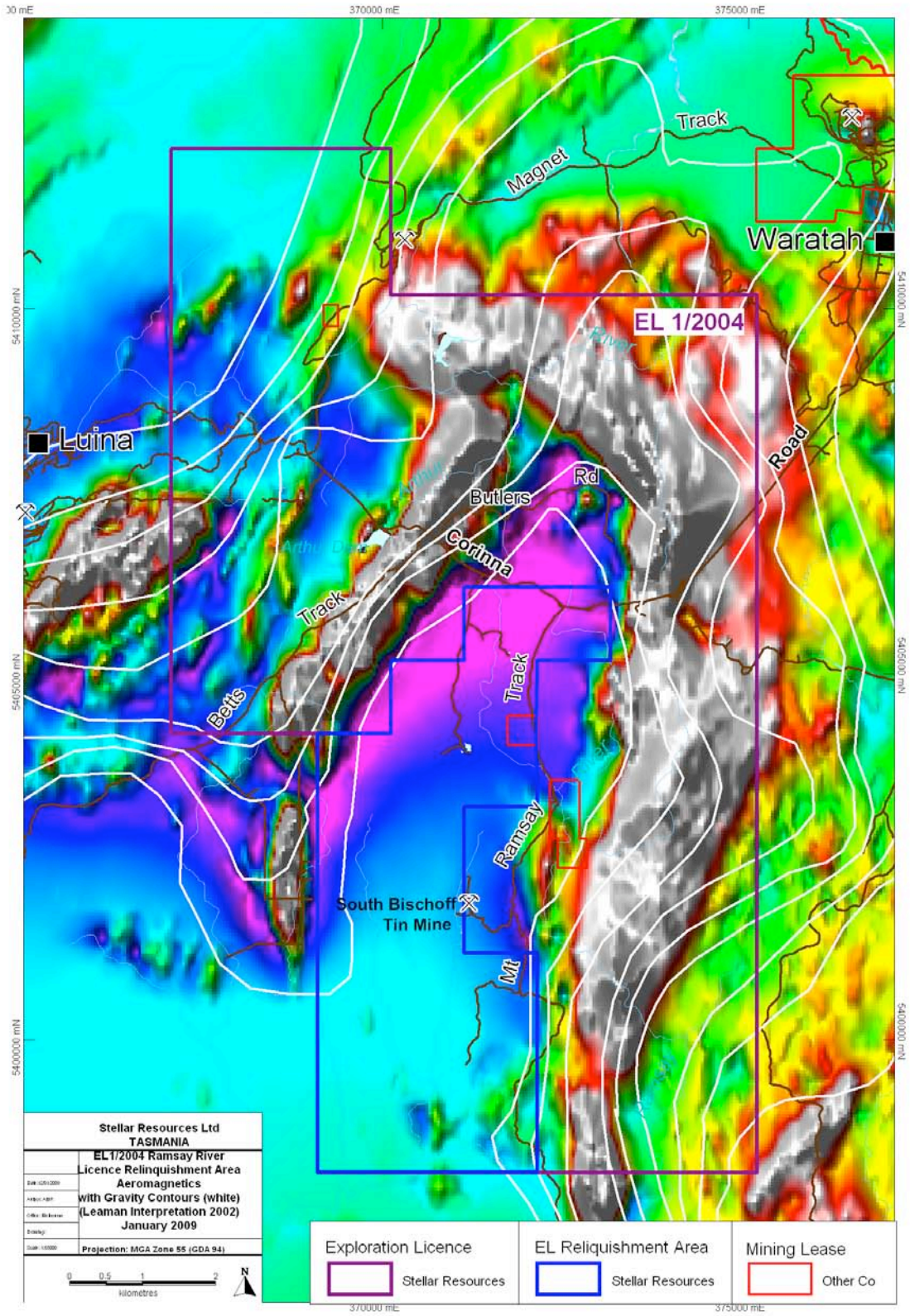
3.1. REGIONAL EXPLORATION ACTIVITIES

3.1.1. Data Acquisition, Mapping & Analysis

MRT digital geology and geophysics datasets, DPIWE topographic data as well as data captured from open-file company reports have been used to produce various maps at 1:25k, 1:10k and 1:5k scale. Exploration data from Aberfoyle, Cleveland Tin, Comstaff, Geopeko, MPI, MRT, Pasminco, Renison and RGC has been further digitised and captured from MRT open-file reports.

There has been extensive geological, geochemical and geophysical survey programme coverage since the 1960's. Tin has been the focus for much of the prior exploration in the northwest and central parts of the licence, with exploration for base metals at Arthur Dam and in the south. Generally only four elements (Sn, Cu, Zn, Pb) have been assayed in most areas. Untested base metal anomalies occur in areas of heavy tin exploration, some warranting further attention. Untested nickel assays of interest occur in ultramafic rock areas in the northwest, also warrant follow-up.

Results of this work, particularly the geophysics (see Figure 6), provide little encouragement to explore the Relinquishment Area of EL 1/2004.



• **Figure 6. EL1/2004, Magnetics & Gravity Contours showing Relinquishment Area.**

4. DISCUSSION

The results of historical exploration data research and re-interpretation together with the interpretation of the aeromagnetic survey data have identified 23 exploration targets in EL 1/2004. These are listed in the Annual Technical Reports. Most are related to aeromagnetic and/or EM anomalies. Stellar's work on some of these targets has down-rated them but others still warrant follow up.

None of the data collected indicates any potential for economic mineralisation within the Relinquishment Area of the EL.

5. CONCLUSIONS

The licence covers the northeast part of the Meredith Granite, which is considered to extend at shallow depth further northeast, and possibly source porphyry dykes and the skarn tin deposit at Mt Bischoff. The historic Magnet (Pb-Ag-Zn) Mine is on the northeast boundary of the EL while the Mt Bischoff (Sn) and Cleveland (Sn-Cu) Mines lie within 3km of the licence. There are numerous small tin and base metal occurrences within the licence area. Base metal mineralisation appears to be hosted by Precambrian and Cambrian volcanosedimentary sequences, all reported occurrences being vein-style.

As all of the areas of potential economic mineralisation and all of the exploration targets are located around the margin of the Meredith Granite outcrop area, not within it, it has been decided to relinquish the central granite area and concentrate activities on the granite margins.

6. ENVIRONMENT

There has been no substantive field activity in the relinquishment area, therefore no environmental impact to report and no rehabilitation work is required.

7. EXPENDITURE

Tenement	**EL 1/2004 Ramsay River**	
YEAR		
2005		AU$22,077
2006		AU$369,157
2007		AU$32,293
2008		AU$33,727
Total:		**AU$457,254**

8. REFERENCES

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Keywords

Location:	Waratah - Luina
Mineralisation environment:	Stockwork veins, skarns,
Minerals:	Galena, Sphalerite, Cassiterite, Arsenopyrite, Magnetite
Exploration methods:	Geochemistry, Aeromagnetics, Drilling
Mine/prospect name:	Magnet Mine, Betts track, Arthur Dam, Butlers Road
Stratigraphic name:	Oonah Formation, Cleveland-Waratah Association, Meredith Granite Whyte River Complex
Lithologic name:	Sandstone, shale, dolomite, basalt, volcanoclastic, breccia, granite
Geological Province:	Dundas Trough, Betts Basin
Geological age:	Neoproterozoic, Palaeozoic, Devonian, Tertiary