



STELLAR RESOURCES LIMITED
Rubicon Min Tech Ventures Pty Ltd

EL 46/2003 HEEMSKIRK

**ANNUAL REPORT FOR THE PERIOD
10 JANUARY 2012 – 9 JANUARY 2013**

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Stellar Resources Ltd - Melbourne**

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ABSTRACT

This Annual Report for EL 46/2003, Heemskirk, covers the period from 10 January 2012 to 9 January 2013.

The Heemskirk licence area contains historical occurrences of copper, tin and gold. Previous exploration in the area includes extensive stream sediment sampling, especially in the central and southern areas, geological mapping and a range of geophysical surveys, which have revealed numerous anomalies. Some of these anomalies have been drill tested and some remain untested or inadequately drilled, the licence area is prospective for the discovery of base metal mineralisation.

With Stellar Resources' focus on the Heemskirk Tin Project at Zeehan the tin prospects on EL 46/2003 have assumed more significance. In particular the St Dizier Prospect has become a priority target due to its potential as an alternative source of ore for a Zeehan processing plant.

During 2012 Stellar commenced environmental baseline studies of surface waters at St Dizier and Resource Consultant Tim Callaghan has commenced computer modelling of the St Dizier Deposit.

This work will continue during 2013 with drilling proposed to define the deposit and gain samples for metallurgical testing.

Total expenditure on EL46/2003 during 2012 totalled \$40,033.

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1. INTRODUCTION

1.1. EXPLORATION RATIONALE & GEOLOGICAL SETTING

The licence covers the southern end of the Arthur Lineament and the northern and eastern contacts and aureole of the Heemskirk Granite. The northern granite aureole hosts the St Dizier magnetite-tin Skarn Deposit and several other small skarns and is considered prospective for other similar deposits. In the southeast the aureole also hosts the Avebury Nickel Deposit. The Heemskirk Granite itself also hosts several small greisen deposits, some of which are in the EL.

In the north the EL covers the southern end of the Arthur lineament, including the Bowry Formation. The Bowry Formation hosts scattered stratiform magnetite-pyrite-chalcopyrite-gold mineralisation. At Alpine significant copper mineralisation has been delineated and similar mineralisation has also been found at Gourlay's Creek. The recent VTEM survey has identified other targets, which warrant follow up exploration.

The licence is considered highly prospective for magnetite-pyrite-chalcopyrite-gold mineralisation in the north, for magnetite-tin skarn deposits in the aureole of the Heemskirk Granite and for tin greisen deposits in the granite in the southwest.

With Stellar's focus on the Heemskirk Tin Project at Zeehan the tin prospects in EL 46/2006 have assumed more importance as a potential source of mill feed for the proposed tin treatment plant at Zeehan.

1.1.1. Geological Setting

EL46/2003 covers part of the Meso-proterozoic rocks of the Zeehan-Waratah belt (mainly Oonah and Crimson Creek Formations) including the southern end of the Arthur Lineament Metamorphic Complex and the Dundas Trough. The Devonian Heemskirk Granite, a fractionated biotite granite - muscovite granite, intrudes these rocks. The interaction of this granite with reactive host rocks is the source of skarns and is thought to be the source of most of the base metal mineralisation in the Zeehan area.

The Proterozoic Oonah Formation rocks are mainly quartzite and shale but there are also some carbonate rich beds. All of these rocks have been regionally metamorphosed with some adjacent to the granite being affected by contact metamorphism. There are some Cambrian sedimentary and ultramafic rocks southeast of the licence, which have also been affected by the granite. These host the Avebury Nickel Deposit.

North of the Heemskirk Granite the Proterozoic rocks have a northwest trend, paralleling the Heemskirk Anticlinorium. To the west, where visible, a sequence of Palaeozoic rocks form the north trending Duck Creek-Healy Creek Synclinal Zone but most of this portion of the tenement is obscured by Tertiary basalts and alluvial deposits. Jurassic dolerites of the Eureka Cone Sheet also cover a portion of the Proterozoic rocks along the northeast edge of the tenement.

1.2. LICENCE

Tenement number: 46/2003

Tenement name: Heemskirk

Tenement location: The licence consists of two blocks, following the 2008 relinquishment of the central part of the licence (Figure 1). The northern block (129.5km²) is centred 24 km northwest of Zeehan with main road access from the Heemskirk Road, which passes centrally through the block. The southern block (12.5km²) is centred 7km west of Zeehan with access from the Trial Harbour Rd in the south of the block. Most of the EL area is Crown Land with approx. 5% being private agricultural land.

The crown land is covered by areas of nothofagus and eucalyptus rainforest, dry eucalyptus forest, scrub, heathland and button grass plain. Access is provided by the Heemskirk Road from Zeehan, the Trial Harbour Road, the Granville Harbour Road, the Corinna Road to Waratah in the north, and old bush tracks. Areas of the licence are only accessible by foot.

Reporting period: 10 January 2012 to 9 January 2013.

Tenement holder: Rubicon Min Tech Ventures Pty Ltd., a wholly owned subsidiary of Stellar Resources Ltd.

1.3. LOCATION OF LICENCE



• Figure 1. EL46/2003, Location Map with Main Prospects

1.4. LAND TENURE

SCHEDULE

LAND DISTRICT: MONTAGU
VICINITY: HEEMSKIRK RIVER (centred 24km NW, and 7km W of ZEEHAN)
MUNICIPALITY: WEST COAST
TENEMENT: EXPLORATION LICENCE 46/2003 142km²
HOLDER: RUBICON MIN TECH VENTURES PTY. LTD.

Northern block:

Commencing at a northwest corner at grid coordinates 335 000 metres E 5 380 000 metres N, thence grid east to 344 000 metres E, grid south to 5 375 000 metres N, again grid east to 345 000 metres E, again grid south to 5 373 000 metres N, again grid east to 347 000 metres E, again grid south to 5 371 000 metres N, again grid east to 349 000 metres E, again grid south to 5 369 000 metres N, again grid east to 349 000 metres E, again grid south to 5 366 000 metres N, again grid west to 347 000 metres E, again grid north to 5 367 000 metres N, again grid west to 339 000 metres E, to a point 200 metres inland from the high water mark on the West Coast of Tasmania, thence in a general north-westerly direction 200 metres inland from, and parallel to, that high water mark to 334 000 metres E, again grid north to 5 378 000 metres N, again grid east to 335 000 metres E aforesaid, thence again grid north to the point of commencement.

Southern block:

Commencing at a northwest corner at grid coordinates 352 000 metres E 5 363 000 metres N, thence grid east to 357 000 metres E, grid south to 5 362 000 metres N, again grid west to 354 000 metres E, again grid south to 5 358 000 metres N, again grid west to 352 000 metres E, thence again grid north to the point of commencement.

Coordinate datum - AGD66, AMG Zone 55.

EXCLUSIONS

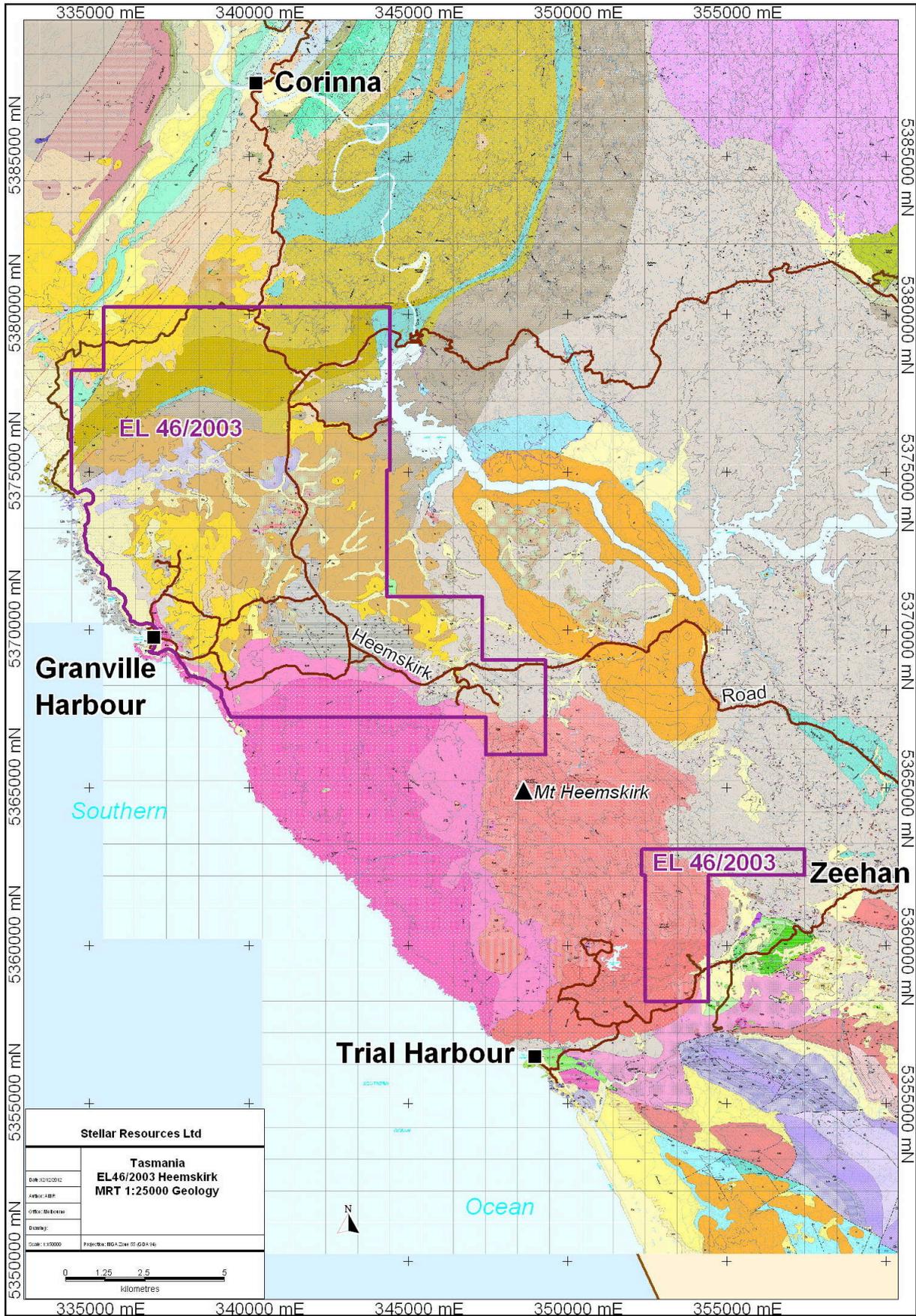
- (a) Any land owned or leased by the Commonwealth of Australia.
- (b) Mining Leases amounting to 79ha (more or less) which were applied for or in force prior to the date of application for this licence.
- (c) Areas of private land which either have been, or are in the process of being, purchased by 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
- Crown land
- Multiple Use State Forest
- Mount Heemskirk Regional Reserve
- MDC Informal Reserves
- HEC Land

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*.



• Figure 2. EL46/2003, Geology (MRT)

2. REVIEW OF PREVIOUS WORK

Stellar Resources Exploration Work:

2005 - 2010: MRT digital geology and geophysics datasets, DPIWE topographic data as well as data captured from open-file company reports were reviewed. The capture of information from previous tenement holders (CRAE, Aberfoyle, Cominco, Placer, Minops, Pickands Mather, ACI, "Consolidated Syndicate", ANZECCO, Geophoto Resources, Goldfields/RGC, Geopeko, New Holland Mining, Outokumpu, Goldstream Mining and Titan Resources) from MRT open-file reports has largely been completed. Goldfields Agnew Grid soil geochemistry in the southern block of the licence remains to be captured.

2006: Drilling: 1 DD hole at East Granville
16 DD holes at the Alpine Prospect

2007: Drilling: 3 DD holes at Alpine Prospect
7 RC holes at North Gourlay's Ck. Prospect
3 DD holes at St. Dizier Prospect
1 DD hole at Devises Prospect

Geophysics: Aeromagnetics survey over area north of 5399800mN GDA94, in northern part of EL.

2008: Geophysics: VTEM Survey over Bowry Formation/Gourlay's Ck area in northwest of EL.

2009: Partial relinquishment of portion of Licence deemed unprospective.

2010: Geophysics: Re-interpretation of Geophysical data
Ground magnetic survey of Gourlay's Ck south targets.

2011: Drilling: Two DD holes at Gourlay's Ck south targets.

3. EXPLORATION COMPLETED DURING THE REPORTING PERIOD

3.1. EXPLORATION ACTIVITIES

Some further historic surface geochemical assay data was captured for the St Dizier grid area, and follow-up maps produced. Refer to Figure 3. No other mapping or analysis work was done.

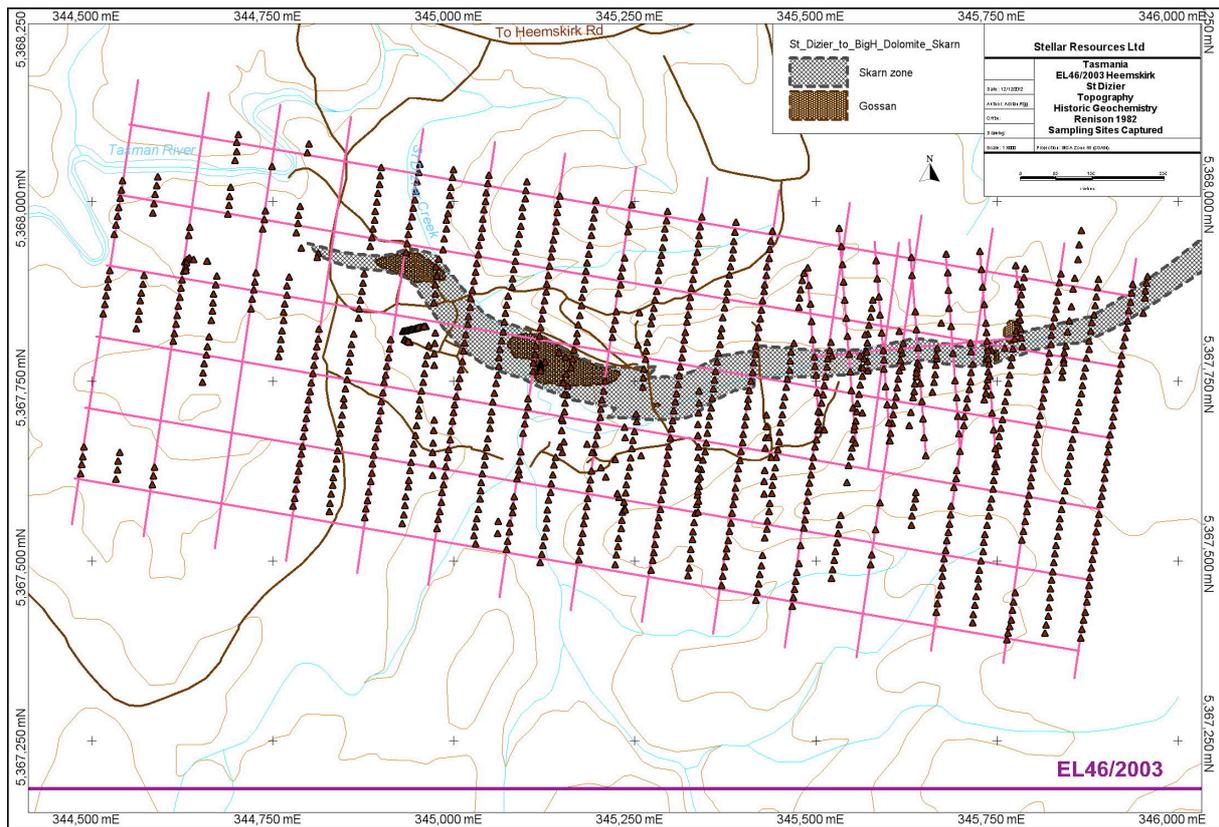
Consultant geologist T. Callaghan commenced reviewing the historic drilling data from the St Dizier Prospect and creating a computer database for the prospect preparatory to computer modelling. It is anticipated that modelling will be completed by mid 2013 with resultant drilling to commence in late in 2013.

Environmental consultants J. Meidecke and water consultant D. Ray have commenced baseline water studies of St Dizier Creek.

4. DISCUSSION OF RESULTS

The water quality data from St Dizier Creek show very low levels of contamination, despite the known historical mining activity. There was slightly elevated sulphate when first sampled and conductivity does show some elevation, which may be associated with historical mining activity.

The water is very soft with low levels of calcium and magnesium. All metal data analysed show low concentrations with most at or below the laboratory detection limit.



• Figure 3. EL46/2003, St Dizier Prospect, Historic Geochemistry

4.1. RECOMMENDATIONS

Focus future activities at EL 46/2003 on the St Dizier Deposit by:

- Constructing a 3D computer model of St Dizier Deposit to assist in drill design
- Drilling the St Dizier Deposit for metallurgical samples and to increase the resource
- Metallurgical testing of St Dizier mineralisation
- Resource modelling of the St Dizier mineralisation

5. ENVIRONMENT

During the 2012 / 2013 summer period the Alpine Prospect will be completely rehabilitated with the restoration of the southern and northern drill tracks. Quotations have been called for this work.

Environmental consultants J. Meidecke and water consultant D. Ray have commenced baseline water studies of St Dizier Creek, which flows through the St Dizier Prospect.

6. EXPENDITURE

Transaction Report				
Rubicon Limited				Page: 1
Printed At: 14/01/2013 14:17:19				
Job No	Job Details	Department		
Tran. Date		Doc Ref - Description	Posting Ref	Amount
Job Code: 6501	EL 46/2003 Heemskirk	D1		
	1053	Technical	Total	AU\$6,551.59
Phase Total	105	STAFF COSTS		AU\$6,551.59
	1061	Professional Technical	Total	AU\$6,812.50
Phase Total	106	CONTRACT PERSONNEL		AU\$6,812.50
	1072	Geoscientist	Total	AU\$3,200.00
Phase Total	107	CONSULTANT PERSONNEL		AU\$3,200.00
	1151	Site Preparation	Total	AU\$0.00
Phase Total	115	DRILLING		AU\$0.00
	1505	Rents/ Other Utilities	Total	AU\$6,345.82
Phase Total	150	TENEMENT COSTS		AU\$6,345.82
	1601	Rehabilitation	Total	AU\$2,210.00
Phase Total	160	REHABILITATION		AU\$2,210.00
	1651	Administration	Total	AU\$14,913.00
Phase Total	165	OVERHEADS		AU\$14,913.00
Job Total : 6501	Class RUB			AU\$40,032.91

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Keywords

Location: Heemskirk
Mineralisation environment: Skarns, Greisens
Minerals: Chalcopyrite, Gold, Cassiterite, Arsenopyrite, Magnetite
Exploration methods: Historic Research, Aeromagnetics, Geochemistry, Drilling
Mine/prospect name: Gourlay's Creek
Stratigraphic name: Oonah Formation, Crimson Creek Formation,
Arthur Metamorphic Complex, Bowry Formation, Heemskirk Granite
Lithologic name: sandstone, quartzite, phyllite, schist, granite, massive sulphides, quartz
Geological Province: Dundas Trough, Arthur Lineament
Geological age: Lower Neoproterozoic, Palaeozoic