



STELLAR RESOURCES LIMITED
Rubicon Min Tech Ventures Pty Ltd

EL 46/2003 HEEMSKIRK

**ANNUAL REPORT FOR THE PERIOD
10 JANUARY 2013 – 9 JANUARY 2014**

Compiled by/Author: R.K. Hazeldene & A.M. Rigg

DATE: January 2014

DISTRIBUTION:

**Mineral Resources Tasmania, a Division of the
Department of Infrastructure, Energy and Resources - Hobart
Stellar Resources Ltd - Melbourne**

**Stellar Resources Limited
(ACN 108 758 961)
Level 17, 530 Collins Street,
Melbourne,
Victoria, 3000.**

ABSTRACT

This Annual Report for EL 46/2003, Heemskirk, covers the period from 10 January 2013 to 9 January 2014.

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 2013 Resource Consultant Tim Callaghan completed computer modelling of the St Dizier Tin Deposit and used it to produce a JORC 2012 compliant resource estimate.

Work will continue during 2014 with costeaning, bulk sampling and drilling proposed to define the deposit and gain samples for metallurgical testing. The existing geochemical grid will also be extended to cover three magnetic anomalies adjacent to the St Dizier Skarn.

Total expenditure on EL46/2003 during 2013 totalled \$139,589

TABLE OF CONTENTS

ABSTRACT	1
1. INTRODUCTION.....	3
1.1. EXPLORATION RATIONALE & GEOLOGICAL SETTING.....	3
1.1.1. Geological Setting.....	3
1.2. LICENCE.....	4
1.3. LOCATION OF LICENCE	5
1.4. LAND TENURE.....	6
2. REVIEW OF PREVIOUS WORK	9
3. EXPLORATION COMPLETED DURING THE REPORTING PERIOD	10
3.1. EXPLORATION ACTIVITIES.....	10
4. DISCUSSION OF RESULTS	12
4.1. RECOMMENDATIONS.....	12
5. ENVIRONMENT.....	14
6. EXPENDITURE.....	15
Keywords.....	17

List of Figures

· Figure 1. EL46/2003, Location Map with Main Prospects	5
· Figure 2. EL46/2003, Public Land Classification	7
· Figure 3. EL46/2003, Geology (MRT).....	8
· Figure 4. EL46/2003, St Dizier-Central-Big H Skarn Zone, Simplified Geology, Geophysics & Historical Geochemistry Site.....	11
· Figure 5. EL46/2003, St Dizier Deposit, Long Section (Callaghan, 2013).....	13
· Figure 6. EL46/2003, St Dizier Deposit, Central Lode, 345,150E Cross Section (Callaghan, 2013)	13

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. A 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 2013 to 9 January 2014.

Licence date: 10 February 2013 to 9 February 2014.

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

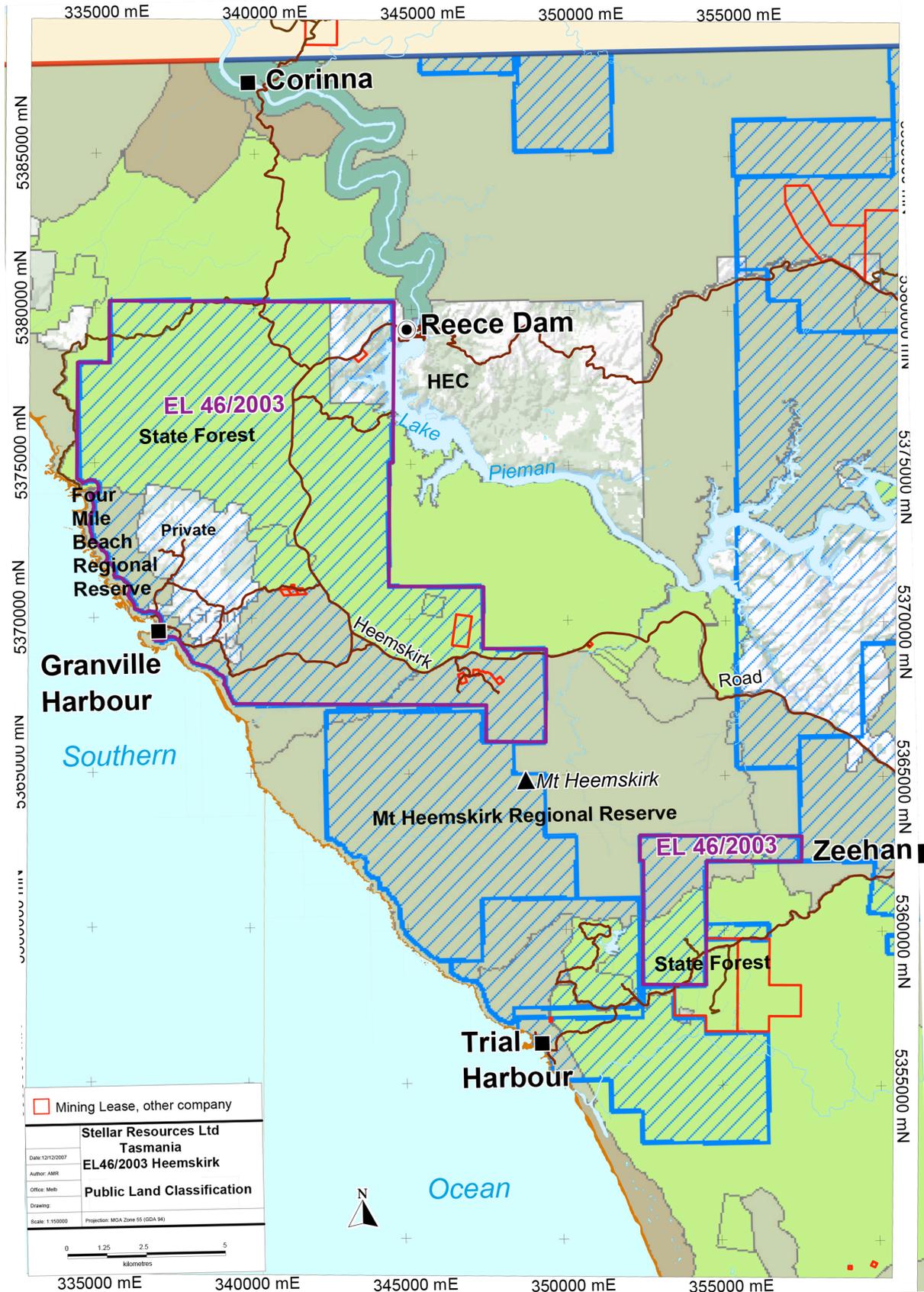
- (a) Any land owned or leased by the Commonwealth of Australia.
- (b) Mining Leases amounting to 79ha (more or less) which were applied for or in force prior to the date of application for this licence.
- c) Areas of private land which either have been, or are in the process of being, purchased by the 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

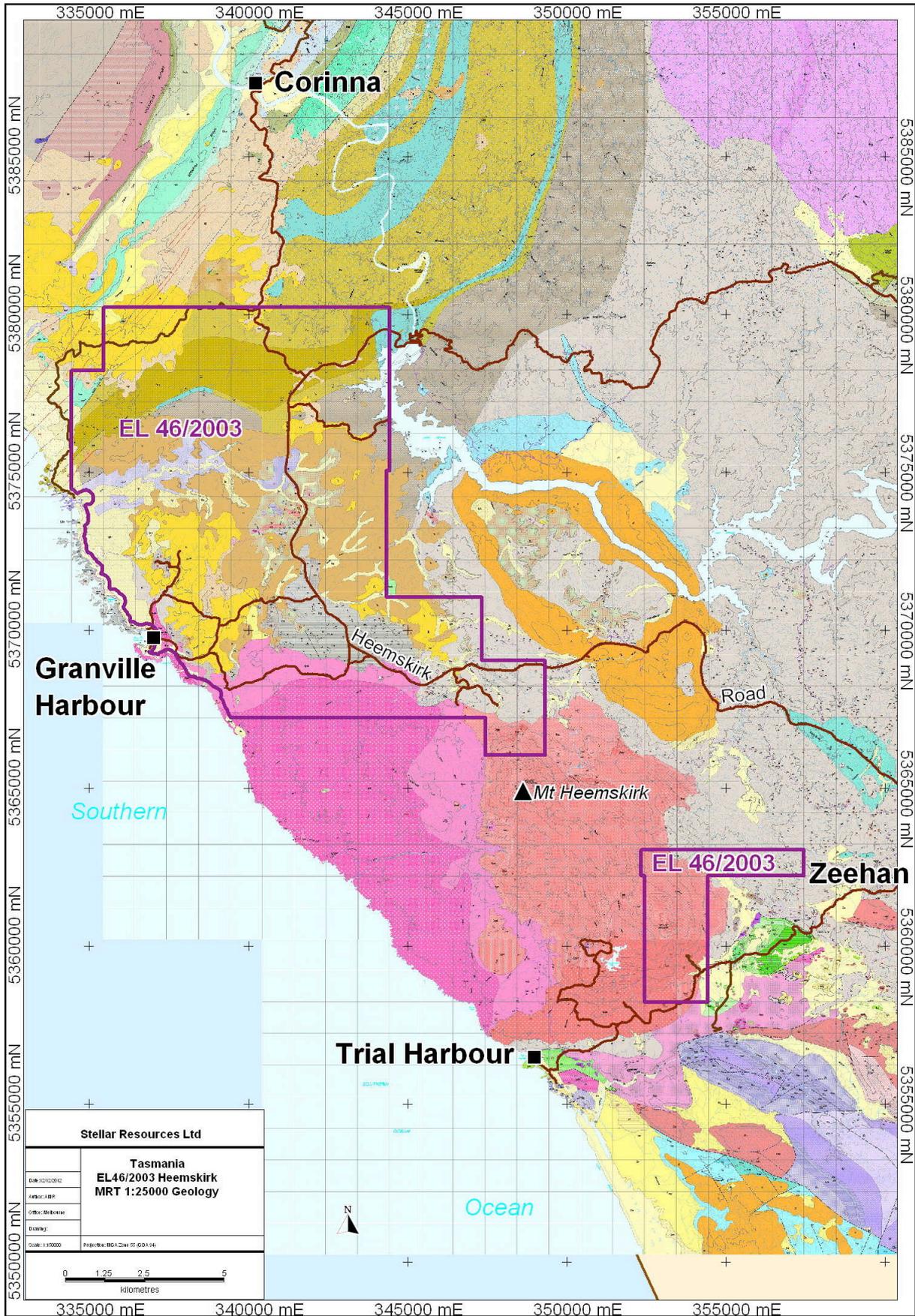
The area comprises:

- Private Property
- Crown land
- Multiple Use State Forest
- Mount Heemskirk Regional Reserve
- Four Mile Beach 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, Public Land Classification



• Figure 3. 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", ANZECO, Geophoto Resources, Goldfields/RGC, Geopeko, New Holland Mining, Outokumpu, Goldstream Mining and Titan Resources) from MRT open-file reports has been completed.

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, 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.

2012: Capture of remaining MRT open-file data.

2013: Database development and resource modelling of St Dizier deposit.

3. EXPLORATION COMPLETED DURING THE REPORTING PERIOD

3.1. EXPLORATION ACTIVITIES

Updated mapping of geological, geochemical and geophysical data was done for the St Dizier-Central-Big H skarn zone.

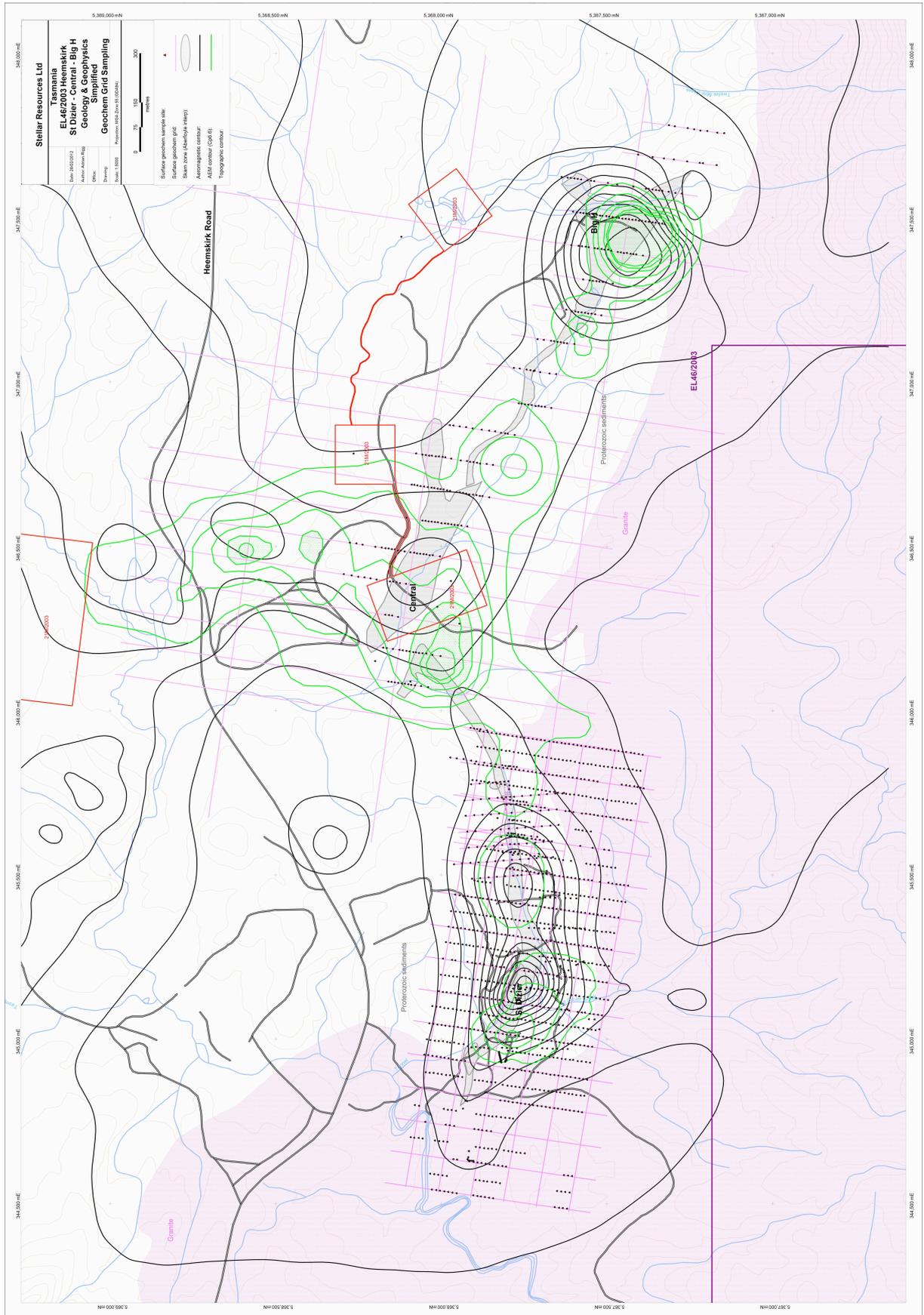
Consultant geologist T. Callaghan created a computer database for the St Dizier Deposit and has computer modelled the mineralisation. A JORC 2012 compliant resource estimate of the deposit has been completed and is pending release.

The resource estimation is based mainly on historic diamond drilling including 43 holes for 7,309m with Stellar drilling 3 confirmatory holes for 317m in 2006. All the historical data was loaded into an access database and validated against historic sections and plans. The data was collated by reputable mining companies and is considered to be of high industry standards. Most drill collars were surveyed by licensed surveyors and down hole surveys were included in the longer drillholes completed by Goldfields.

Mineralised domains were modelled with Surpac^(TM) software from historic cross sections using a 0.1% Sn boundary and a minimum width of 3m. Internal dilution was kept to a minimum of 3m with some allowances for continuity. Domains were split into a Western Lode, a Central Lode, comprising a northern and southern lens, and an Eastern Lode.

Drillhole data was composited on 1m intervals. Univariate statistical analysis was completed on all domains. Variogram modelling was completed on the well-drilled Central Lode only.

Block modelled resource estimation was calculated using an Inverse Distance Squared algorithm. The resource is reported in accordance with the 2012 edition of the JORC Code above a block cutoff of 0.3% Sn



• **Figure 4. EL46/2003, St Dizier-Central-Big H Skarn Zone, Simplified Geology, Geophysics & Historical Geochemistry Site**

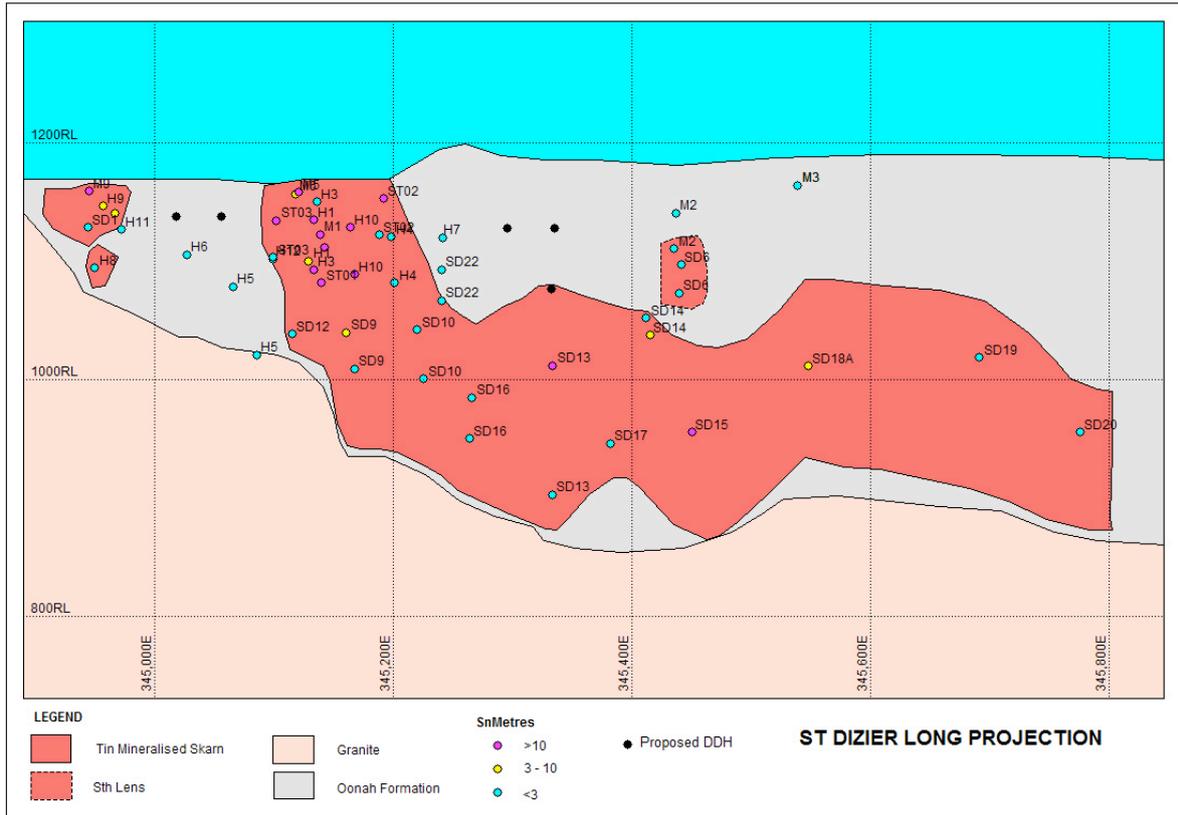
4. DISCUSSION OF RESULTS

The St Dizier Central Lode resource is amenable to open cut mining and may form a satellite deposit for Stellar's Heemskirk Tin Project based in Zeehan. Historic metallurgical testwork suggests the cassiterite mineralisation in the Central and Western Lodes is amenable to conventional metallurgical processes including magnetic separation, sulphide floatation and gravity concentration. The mixed cassiterite-schoenfliesite mineralisation to the east is metallurgically difficult and requires more technical studies and drilling.

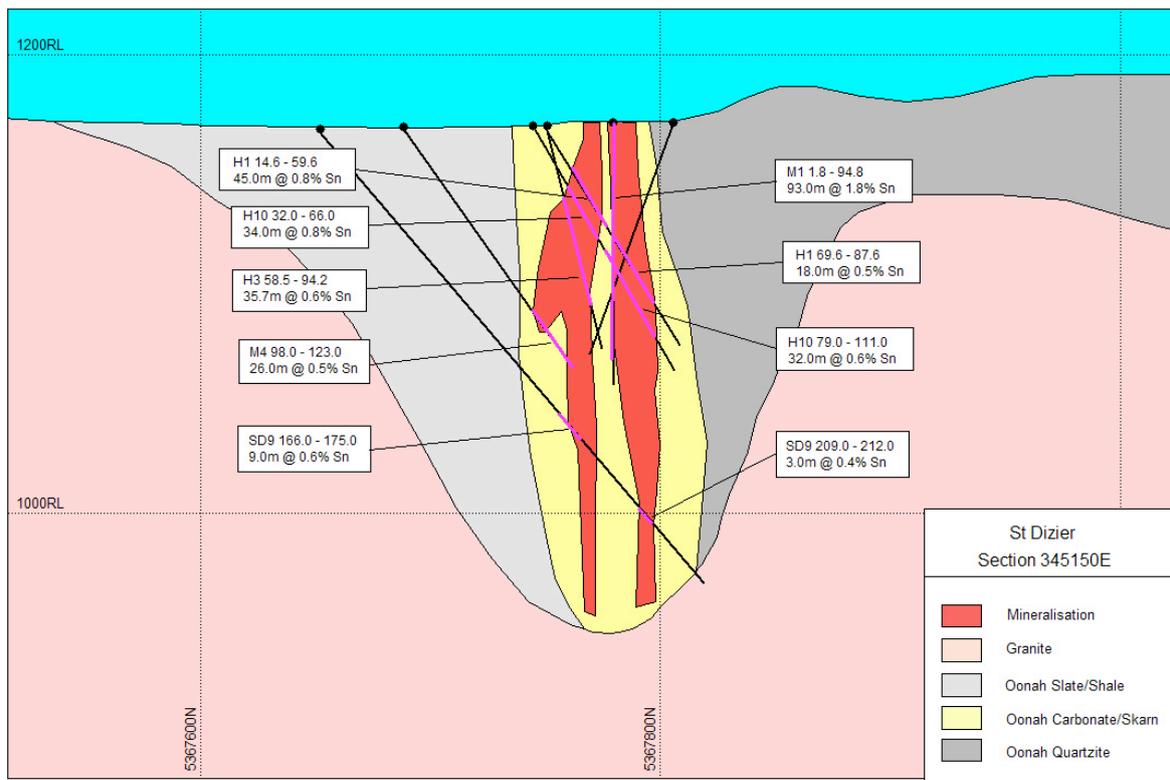
4.1. RECOMMENDATIONS

Focus 2014 activities at EL 46/2003 on the St Dizier Deposit by:

- Costean and bulk sample the outcropping Central Lens at St Dizier for metallurgical testwork
- Drilling the St Dizier Deposit for metallurgical samples and to increase the resource
- Update and refine the computer model and resource estimate with new data
- Metallurgical testing of St Dizier mineralisation (bulk sample & drill core)
- Extend geochemical coverage over magnetic anomalies adjacent to the St Dizier Skarn.



• Figure 5. EL46/2003, St Dizier Deposit, Long Section (Callaghan, 2013)



• Figure 6. EL46/2003, St Dizier Deposit, Central Lode, 345,150E Cross Section (Callaghan, 2013)

5. ENVIRONMENT

The Alpine Prospect site has been completely rehabilitated with the restoration of the southern and northern drill tracks.

6. EXPENDITURE

Transaction Report				
Printed At: 13/01/2014 16:30:57		Rubicon Limited		Base Currency: AUD Page: 1
Job No	Job Details	Department		
Tran. Date		Doc Ref - Description	Posting Ref	Amount
Job Code: 6501	EL 46/2003 Heemskirk	D1		
	1053	Technical	Total	\$14,094.05
Phase Total	105	STAFF COSTS		\$14,094.05
	1061	Professional Technical	Total	\$7,644.75
Phase Total	106	CONTRACT PERSONNEL		\$7,644.75
	1072	Geoscientist	Total	\$33,550.00
	1074	Other	Total	\$712.50
Phase Total	107	CONSULTANT PERSONNEL		\$34,262.50
	1251	Vehicle Costs All	Total	\$2,838.65
	1255	Equipment Hire	Total	\$800.00
Phase Total	125	SUPPORT COSTS		\$3,638.65
	1501	Purchase Costs / Stamp Duties	Total	\$0.00
	1503	Pegging Application Forms	Total	\$1,653.00
	1505	Rents/ Other Utilities	Total	\$14,947.44
Phase Total	150	TENEMENT COSTS		\$16,600.44
	1551	Meals and Accommodation	Total	\$265.50
	1552	Airfares	Total	\$891.50
Phase Total	155	TRAVEL		\$1,157.00
	1601	Rehabilitation	Total	\$3,367.50
Phase Total	160	REHABILITATION		\$3,367.50
	1651	Administration	Total	\$58,824.00
Phase Total	165	OVERHEADS		\$58,824.00
Job Total : 6501				\$139,588.89

7. REFERENCES

- Effler, M. 1982. Explanatory Report of the Geological Map of the Northern Mt Heemskirk Granite/Granville Harbour. CRA Exploration Proprietary Limited, Geopeko Limited. MRT Open File Report.
- Hazeldene, R.K. 2008 EL 46/2003, Heemskirk, Annual Report for the Period 10 January 2007 – 9 January 2008.
- Hazeldene, R.K. 2009 EL 46/2003, Heemskirk, Annual Report for the Period 10 January 2008 – 9 January 2009.
- Hazeldene, R.K. 2010 EL 46/2003, Heemskirk, Annual Report for the Period 10 January 2009 – 9 January 2010.
& Rigg, A.R.
- Hazeldene, R.K. 2011 EL 46/2003, Heemskirk, Annual Report for the Period 10 January 2010 – 9 January 2011.
& Rigg, A.R.
- Hazeldene, R.K. 2012 EL 46/2003, Heemskirk, Annual Report for the Period 10 January 2011 – 9 January 2012.
& Rigg, A.R.
- Hazeldene, R.K. 2013 EL 46/2003, Heemskirk, Annual Report for the Period 10 January 2012 – 9 January 2013.
& Rigg, A.R.
- Heithersay, P.S. 1983. Progress Report EL 1/77, Tasmania. Granville East Prospect, “11000” Prospect, Big Rocky Creek Prospect. Geopeko Limited, a division of Peko-Wallsend Operations Limited, CRA Exploration Proprietary Limited. MRT Open File Report.
- Heithersay, P.S., 1982. Progress Report EL 1/77, Granville East Prospect, Gourlay’s Sumpton, J.D.H. Creek Prospect. Geopeko Limited, a division of Peko-Wallsend Operations Limited, CRA Exploration Proprietary Limited. MRT Open File Report.
- Leaman, D. E. 1988. EL 28/87 Granville Harbour - Regional Geophysical Review for New Holland Mining NL. MRT Open File Report.
- Leaman, D. E., 2003. A Geophysical Model of the Major Tasmanian Granitoids. MRT, Richardson, R.G. Tasmanian Geological Survey Record 2003/11.
- Mineral Resources Tasmania. 2003. Mineral exploration opportunities in Tasmania. A summary of opportunities for mineral exploration and mineral resource development in Tasmania. February 2003.
- Parkinson, R. G. 1993. Zeehan No.2. EL 34/88. Report on Exploration in Relinquished Areas for the Period 9/12/88 to 9/11 93. CRA Exploration Pty Limited. November 1993. MRT Open File Report.
- Rombouts, M.J. 1983. Annual Report Exploration Licence 47/71, Queen Hill, Tasmania for 12 Months to December 21, 1983. Aberfoyle Exploration Proprietary Limited, Gippsland Oil and Minerals NL. MRT Open File Report.
- Weir, M. 2004. Avebury’s potential shapes up. Resource Stocks pp70-71 February/March 2004. Published by Aspermont Ltd, Leederville, Western Australia.
- Young, C.H. 1980. Progress Report Queen Hill Joint Venture EL 47/71 Tasmania November 17, 1980. Aberfoyle Exploration Proprietary Limited, Gippsland Minerals NL. MRT Open File Report.

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