
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 30, 2016 (September 28, 2016)

STELLAR ACQUISITION III INC.
(Exact name of registrant as specified in its charter)

Republic of Marshall Islands
(State or other jurisdiction of
incorporation or organization)

001-37862
(Commission File Number)

N/A
(I.R.S. Employer
Identification Number)

90 Kifissias Avenue, Maroussi Athens, Greece
(Address of principal executive offices)

15125
(Zip Code)

Registrant's telephone number, including area code: **+30 210 876-4858**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation to the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events

Over-Allotment Closing

As previously reported on a Current Report on Form 8-K of Stellar Acquisition III Inc. (the “Company”), on August 24, 2016, the Company consummated its initial public offering (“IPO”) of 6,500,000 units (“Units”), each Unit consisting of one share of common stock, \$0.0001 par value per share (“Common Stock”), and one warrant (“Warrant”) to purchase one share of Common Stock, pursuant to the registration statement on Form S-1 (File No. 333- 212377). The Units were sold at an offering price of \$10.00 per Unit, generating gross proceeds of \$65,000,000. The underwriters of the IPO were granted an option to purchase up to an additional 975,000 Units to cover over-allotments, if any (“Over-Allotment Units”). The underwriters exercised the option in part and, on September 28, 2016, the underwriters purchased 400,610 Over-Allotment Units, which were sold at an offering price of \$10.00 per Unit, generating gross proceeds of \$4,006,100.

As previously reported on a Current Report on Form 8-K of the Company, on August 24, 2016, simultaneously with the consummation of the IPO, the Company completed a private placement (the “Private Placement”) of an aggregate of 7,650,000 warrants (the “Placement Warrants”), at a price of \$0.50 per Placement Warrant, to Dominion Investments Inc. and Firmus Investments Inc. (the “Sponsors”), each of which purchased 3,825,000 Placement Warrants, generating gross proceeds of \$3,825,000. On September 28, 2016, simultaneously with the sale of the Over-Allotment Units, the Company consummated the private sale of an additional 320,488 Placement Warrants to the Sponsors, each of which purchased 160,244 Placement Warrants, generating gross proceeds of \$160,244.

In connection with the partial over-allotment exercise, certain of the Company’s initial shareholders forfeited an aggregate of 166,758 shares of Common Stock.

A total of \$70,386,222 of the net proceeds from the sale of Units in the IPO (including the Over-Allotment Units) and the private placements on August 24, 2016 and September 28, 2016, respectively, were placed in a trust account established for the benefit of the Company’s public shareholders. The Company’s unaudited pro forma balance sheet as of September 28, 2016, reflecting receipt of the proceeds from the sale of the Over-Allotment Units and related private placement is included as Exhibit 99.1 to this Current Report on Form 8-K.

Separate Trading of Common Stock, Units and Warrants

On September 28, 2016, the Company announced that the holders of Units may elect to separately trade the securities included in the Units commencing on October 10, 2015. Each Unit consists of one share of Common Stock and one Warrant. Those Units not separated will continue to trade on the Nasdaq Capital Market under the symbol “STLRU” and each of the underlying shares of Common Stock and Warrants are expected to trade on the Nasdaq Capital Market under the symbols “STLR” and “STLRW,” respectively. Holders of Units will need to have their brokers contact Continental Stock Transfer & Trust Company, the Company’s transfer agent, in order to separate the Units into shares of Common Stock and Warrants.

A copy of the Press Release issued by the Company announcing the consummation of the sale of the Over-Allotment Units and the separate trading of the securities underlying the Units is attached hereto as Exhibit 99.2.

Item 9.01 Financial Statements and Exhibits

Exhibit Number	Description
99.1	Pro Forma Balance Sheet
99.2	Press Release, dated September 28, 2016

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 30, 2016

STELLAR ACQUISITION III INC.

By: /s/ Prokopios (Akis) Tsirigakis

Name: Prokopios (Akis) Tsirigakis

Title: co-Chief Executive Officer

PRO FORMA BALANCE SHEET

	<u>August 24, 2016</u>	<u>Pro Forma Adjustments (unaudited)</u>		<u>As Adjusted (unaudited)</u>
Assets				
Current assets				
Cash	674,633	80,122	c	674,633
		(80,122)	b	
Total current assets	<u>674,633</u>	<u>-</u>		<u>674,633</u>
Cash held in Trust Account	66,300,000	4,006,100	a	70,386,222
		80,122	c	
Total Assets	<u>66,974,633</u>	<u>4,086,222</u>		<u>71,060,855</u>
Liabilities and Shareholders' Equity				
Current liabilities:				
Accrued liabilities	33,307	-		33,307
Total current liabilities	<u>33,307</u>	<u>-</u>		<u>33,307</u>
Deferred Underwriting Fees	1,625,000	100,153	d	1,725,153
Total liabilities	<u>1,658,307</u>	<u>100,153</u>		<u>1,758,460</u>
Common stock subject to possible redemption: 5,913,365 and 6,304,156 shares, actual and as adjusted (at a redemption value of approximately \$10.20)	60,316,325	3,986,070	g	64,302,395
Shareholders' Equity		-		-
Preferred shares, \$0.0001 par value, 10,000,000 shares authorized, no shares issued and outstanding	-	-		-
Shares of common stock, \$0.0001 par value, 200,000,000 shares authorized, 2,856,796 shares issued and outstanding and 2,706,021 as adjusted (excluding 5,913,365 and 6,304,156 shares, actual and as adjusted shares subject to redemption)	286	40	a	271
		1	e	
		(17)	f	
		(39)	g	
Additional paid-in capital	5,001,287	4,006,060	a	5,001,302
		(80,122)	b	
		160,244	c	
		(100,153)	d	
		(61,640)	e	
		61,639	e	
		17	f	
		(3,986,031)	g	
Accumulated deficit	<u>(1,572)</u>	<u>-</u>		<u>(1,572)</u>
Total shareholders' equity	<u>5,000,001</u>	<u>-</u>		<u>5,000,001</u>
Total liabilities and shareholders' equity	<u>66,974,633</u>	<u>4,086,222</u>		<u>71,060,855</u>

See accompanying note to pro forma balance sheet

STELLAR ACQUISITION III INC.
NOTE TO PRO FORMA BALANCE SHEET
(unaudited)

NOTE 1 - CLOSING OF OVERALLOTMENT OPTION, ADDITIONAL PRIVATE PLACEMENT AND FORFEITED SHARES

The accompanying unaudited Pro Forma Balance Sheet presents the Balance Sheet of the Company as of August 24, 2016, adjusted for the closing of the underwriters' overallotment option and related transactions which occurred on September 28, 2016 as described below.

On September 28, the Company consummated the closing of the sale of 400,610 additional Units upon receiving notice of the underwriters' election to partially exercise their overallotment option ("Overallotment Units"), generating an additional gross proceeds of approximately \$4.1 million and incurred additional offering cost of approximately \$80,000 in underwriting fees and 6,164 shares of common stock issued to the underwriters as additional compensation. Simultaneously with the exercise of the overallotment, the Company consummated the Private Placement of an additional 320,488 Private Placement Warrants to the Sponsor, generating gross proceeds of approximately \$160,000. Additional underwriting fees of approximately \$100,000 were deferred until the completion of the Company's initial business combination. Pro forma adjustments to reflect the exercise of the underwriters' overallotment option are as follows:

Pro forma entry

a.	Cash held in Trust Account	4,006,100	
	Common stock		40
	Additional paid-in capital		4,006,060
	<i>To record sale of 400,610 Overallotment Units at \$10.00 per Unit</i>		
b.	Additional paid-in capital	80,122	
	Cash		80,122
	<i>To record payment of 2% of cash underwriting fee on overallotment option</i>		
c.	Cash	80,122	
	Cash held in trust account	80,122	
	Additional paid-in capital		160,244
	<i>To record sale of 320,488 Private Placement Warrants at \$0.50 per warrant</i>		
d.	Additional paid-in capital	100,153	
	Deferred underwriting fees		100,153
	<i>To record the liability for deferred underwriting fees on overallotment option</i>		
e.	Additional paid-in capital	61,640	
	Additional paid-in capital		61,639
	Common stock		1
	<i>To record the issuance of 6,164 shares to the underwriters part of the underwriting compensation.</i>		
f.	Common stock	17	
	Additional paid-in capital		17
	<i>To record the forfeiture of 166,758 sponsor shares for the unexercised portion of the overallotment</i>		
g.	Additional paid-in capital	3,986,031	
	Common stock	39	
	Common stock subject to possible redemption		3,986,070
	<i>To restore total equity above \$5,000,001</i>		



**Stellar Acquisition III Inc.
Announces Closing of Partial Over-Allotment Exercise
in Connection with Its Initial Public Offering**

ATHENS, GREECE September 28, 2016 — Stellar Acquisition III Inc. (NASDAQ: STLRU) (the "Company" or "Stellar") announced today that it has consummated the sale of an additional 400,610 units pursuant to the partial exercise of the underwriters' over-allotment option in connection with the Company's initial public offering. The additional units were sold at \$10.00 per unit, generating additional gross proceeds of \$4,006,100 to the Company and bringing the total gross proceeds of the initial public offering to approximately \$69 million.

Of the proceeds received from the consummation of the over-allotment option exercise of units and a simultaneous private placement of warrants to Dominion Investments Inc. and Firmus Investments Inc., the Company's sponsors, \$4,086,222 was placed in trust, increasing the amount in trust from \$66,300,000 to a total of \$70,386,222 (or \$10.20 per unit sold in the public offering). A pro forma balance sheet of the Company as of September 28, 2016 reflecting receipt of the proceeds upon consummation of the partial exercise of the over-allotment option and the private placement will be included as an exhibit to a Current Report on Form 8-K to be filed by the Company with the Securities and Exchange Commission.

A registration statement relating to these units and the underlying securities has been declared effective by the Securities and Exchange Commission on August 18, 2016. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Maxim Group LLC served as sole book-running manager for the offering. Chardan Capital Markets, LLC and EarlyBirdCapital, Inc. served as co-managers for the offering.

The offering was made only by means of a prospectus. Copies of the prospectus related to this offering may be obtained from Maxim Group LLC, 405 Lexington Ave., New York, NY 10174, Attn: Prospectus Department or by Tel: (800) 724-0761. The registration statement can also be accessed through the website of the Securities and Exchange Commission (the "SEC") at www.sec.gov.

About Stellar

Stellar is a blank check company, also commonly referred to as a Special Purpose Acquisition Company (commonly known as 'SPAC'), formed for the purpose of entering into a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses or entities. The Company's efforts to identify a target business will not be limited to a particular industry or geographic region, although it intends to focus efforts on seeking a business combination with a company or companies in the international oil and gas logistics, land and maritime oil and gas transportation, terminal and energy storage industries.

Stellar completed its IPO on August 24, 2016. Our units trade on the NASDAQ Capital Market under the symbol "STLRU". The common stock and warrants comprising the Units will begin separate trading on October 10, 2016. We will have 12 months from the closing of our IPO to consummate our initial business combination, however, we may extend the period of time to consummate a business combination up to three times, each by an additional three months.

Forward-Looking Statements

This press release contains statements that constitute "forward-looking statements," including with respect to the initial public offering and the anticipated use of the net proceeds. No assurance can be given that the offering discussed above will be completed on the terms described, or at all, or that the net proceeds of the offering will be used as indicated. Forward-looking statements are subject to numerous conditions, many of which are beyond the control of the Company, including those set forth in the Risk Factors section of the Company's registration statement and final prospectus for the Company's offering to be filed with the Securities and Exchange Commission ("SEC"). Copies will be available on the SEC's website, www.sec.gov. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

Source: Stellar Acquisition III Inc.

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