

## Expanded Tin Exploration Drilling Program and Advancement of the Heemskirk Tin Project

Stellar Resources Limited (ASX:SRZ, “Stellar” or the “Company”) is pleased to announce the expansion of its previously announced initial 2021 tin exploration drilling program to include an additional 2 holes targeting depth extensions of the Severn tin resource and that a review has recently been commenced of further infill drilling and recommencement of project development activities and studies to advance development of Stellar’s flagship Heemskirk Tin Project.

### Highlights:

#### ***Phase 1 Drilling Program Expanded***

- Two ~700m diamond drillholes with provision for wedging and daughter holes (total of ~1,900m) targeting depth extensions below the currently defined Severn tin resource have been added to the initial 2021 tin exploration drilling program previously announced by Stellar<sup>1</sup>. The Severn resource is largest of the Heemskirk Tin Project deposits and has been drilled to a depth of ~500m below surface. These holes target extension of the Severn deposit approximately 100m below the depth of the current resource limit at a depth of approximately 600m. Severn remains open at depth where it is hoped that mineralisation will continue and increase in grade towards the underlying granite contact, predicted to be >1,000m below the surface from geophysical surveys<sup>1</sup>.
- Phase 1 of Stellar’s 2021 tin exploration drilling program (total 9 holes for ~4,900m) now includes:
  - 7 diamond drillholes for a total of ~3,000m targeting depth extensions of 4 key historically mined silver-lead lodes in the highly mineralised Zeehan district located on Stellar’s Licences. These mines typically produced ore with silver grades between 20 to 100 Oz/t Ag from fissure veins ranging from a few cm up to 2.7m wide mined over lengths of up to 300m. This program targets depths below the historically mined silver-lead lodes at which transition to tin mineralisation can be expected to have occurred and which have never been drill tested<sup>1</sup>.
  - 2 diamond drillholes for a total of 1,900m targeting depth extensions below the Severn resource.
- Phase 1 drilling permit applications have been lodged and are expected to be in place by end April.
- A drilling tender invitation for Phase 1, with an optional Phase 2, will be issued on Monday. Drilling commencement in May has been requested however will be subject to rig availability.
- 5 \* \$50,000 applications for Tasmanian Government Exploration Drilling Grant Initiative (EDGI) co-funding grants are in the process of being completed and will soon be lodged for Phase 1 program holes.

#### ***Phase 2 Drilling Program Under Review***

- A Phase 2 drilling program is now being reviewed by Stellar including:
  - An Infill Drilling Program for the Severn and Queen Hill deposits required to upgrade a significant part of the Inferred Resource to an Indicated Resource to support a Pre Feasibility Study (PFS) / Bankable Feasibility Study (BFS) for the project. The Severn and Queen Hill deposits are the two

## Expanded Tin Exploration Drilling Program and Advancement of the Heemskirk Tin Project

---

largest Heemskirk Tin Project deposits with a combined total Mineral Resource of 5.33Mt @ 1.0% Sn, of which 2.12 Mt (40%) is Indicated and the balance is Inferred <sup>2</sup>.

- A further deep diamond drillhole is also being considered to target the main conduit of mineralising fluids into the Severn and Queen Hill deposits from the underlying interpreted granite.
- It is likely that the Phase 2 drilling program will need to be further revised as necessary to include any new areas of high-grade tin mineralisation identified in the Phase 1 drilling program.

### Advancement of Heemskirk Tin Project Development Activities to PFS/BFS Completion Under Review

- With the highest grade tin resource in Australia and second highest globally<sup>3</sup>, and a scoping study completed in late 2019 confirming attractive economics<sup>4</sup>, the Heemskirk Tin Project is well positioned to take advantage of increasing tin demand and global supply shortages which have caused tin prices to rally strongly this year (US\$27,250/t LME spot tin price on 25 March, having reached over US\$30,000/t recently<sup>5</sup>).
- In addition to the Phase 2 infill drilling, other project work streams and studies that are required to advance the Heemskirk Tin Project to PFS and BFS completion are also now being reviewed.
- Many of the Heemskirk Tin Project work streams / studies have already been completed to a PFS level and work towards completion of the Development Proposal and Environmental Management Plan is well progressed.

**Technical Director Gary Fietz commented;** *“The recently completed \$3.6m capital raising now places Stellar in a strong financial position to undertake exploration and infill drilling and studies and advance the Heemskirk Tin Project. The extended Phase 1 drilling program about to go out to Tasmanian based drilling companies for tender invitations is our first step. A review of the Phase 2 drilling and other work streams / studies required to advance the project to PFS and BFS completion has been commenced and we will provide further updates on this work when these reviews have been completed”.*

---

<sup>1</sup> SRZ Announcement 18 February 2021, Stellar to Restart Tin Exploration Drilling on Australia’s Highest Grade Undeveloped Tin Project

<sup>2</sup> SRZ Announcement 16 May 2019, Updated Heemskirk Resource Increases Indicated Category

<sup>3</sup> SRZ Announcement 19 November 2020, 2020 Annual General Meeting Presentation

<sup>4</sup> SRZ Announcement 1 October 2019, Heemskirk Tin Scoping Study Confirms Attractive Economics

<sup>5</sup> Tin prices sourced from westmetall.com

## Expanded Phase 1 Drilling - Severn Depth Extensions

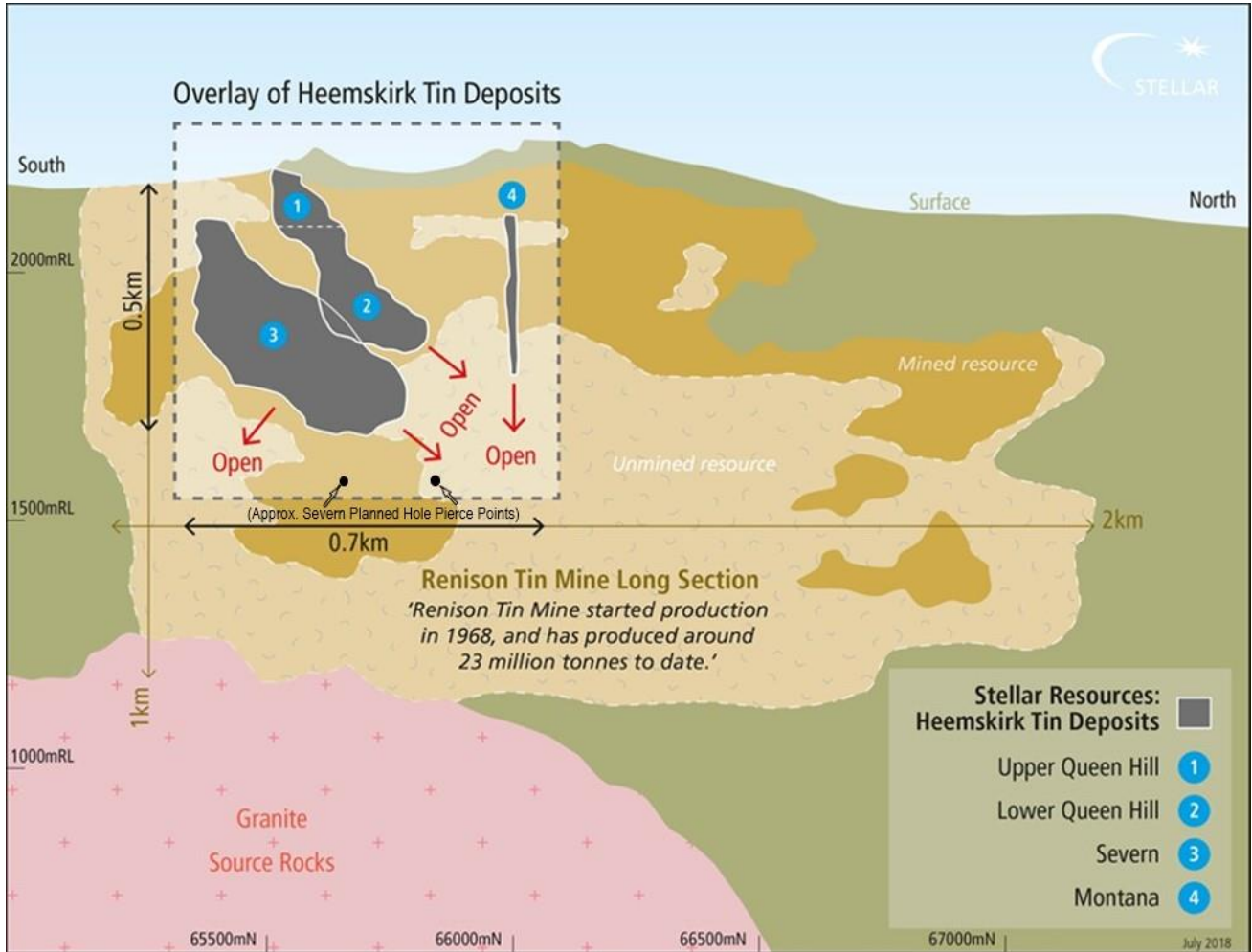
Two ~700m diamond drillholes with provision for wedging and daughter holes (total of ~1,900m) targeting depth extensions below the currently defined Severn tin resource have been added to the initial 2021 tin exploration drilling program previously announced by Stellar<sup>1</sup>. The Severn resource is largest of the Heemskirk Tin Project deposits and has been drilled to a depth of ~500m below surface. As shown in the figure below, these 2 holes target extension of the Severn deposit approximately 100m below the depth of the current resource limit at a depth of approximately 600m. Severn remains open at depth where it is hoped that mineralisation will continue and increase in grade towards the underlying granite contact, predicted to be >1,000m below the surface from geophysical surveys<sup>1</sup>.



Severn Long Section Showing Pierce Points of Planned Drillholes<sup>1</sup>

## Comparison with Renison Tin Mine

The Renison Tin Mine located 18km to the NE of Heemskirk has similar geology and ore genesis to the Heemskirk Tin deposits. Renison started with a 4.0Mt reserve and 5 year mine life in 1968 and has since increased the mine life to 50 years with at least another 15 years to go. The Heemskirk deposits contain ~20% of contained tin found at Renison to date<sup>1</sup>.



Comparison of Heemskirk and Renison Tin Deposits<sup>1</sup>

## Forward Looking Statements

*This report may include forward-looking statements. Forward-looking statements include but are not limited to statements concerning Stellar Resources Limited's planned activities and other statements that are not historical facts. When used in this report, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. In addition, summaries of Exploration Results and estimates of Mineral Resources and Ore Reserves could also be forward-looking statements. Although Stellar Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. The entity confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed. Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell Stellar Resources Limited securities.*

### For further details please contact:

Gary Fietz

Technical Director

Stellar Resources Limited

Tel: 0408 489 957

Email: [gary@widerange.net.au](mailto:gary@widerange.net.au)

**This announcement is authorised for release to the market by the Board of Directors of Stellar Resources Limited.**