FIRST 2 DRILLHOLES AT HEEMSKIRK INTERSECT SIGNIFICANT ZONES OF ALTERATION AND MINERALISATION

Stellar Resources Limited (ASX:SRZ, "Stellar" or the "Company) is pleased to announce that the first two holes of the nine hole Phase 1 diamond drilling (DD) program at the Company's flagship Heemskirk Tin Project have been completed. Both holes have intersected zones of alteration and mineralisation near, and in the case of the Severn hole, well beyond their planned target depths with assays pending.

Highlights

Severn Drillhole ZS140 Intersects Wide Zones of Alteration and Mineralisation at Depth

- First DD hole ZS140 completed to a depth of 889m intersected wide zones of alteration and mineralisation commencing from approximately 50m below the Severn Tin Resource at a vertical depth from surface of approximately 600m (see Figures 1-4). The primarily pyrite (iron sulphide) mineralisation and alteration observed is typically associated with tin (cassiterite) mineralisation.
- The presence of Tin (Sn) has been confirmed by anomalous Sn results from a handheld XRF instrument used to guide drill hole logging.
- The hole was extended from the planned depth of 750m to 889m due to the continuation of significant alteration and mineralisation well beyond the depth expected.
- Severn is the largest of the 4 deposits comprising the Heemskirk Tin Project, the highest grade undeveloped tin resource in Australia[1] and remains open at depth.

Montana Drillhole ZM141A Intersects Silver-Lead-Zinc Fissure Lodes

- Second DD hole ZM141A completed to a depth of 534m intersected zones of alteration and mineralisation in several fissure vein lodes commencing from approximately 75m below the historically significant Montana No. 1 silver-lead-zinc mine which was mined from surface to ~250m on 6 lodes (see Figure 6-7).
- Galena (lead) and sphalerite (zinc) within the fissure vein lodes have been visually observed in logging including the fissure vein lode from 421.6m to 424.2m (2.6m down-hole width) as shown in Figure 6.
- The presence of lead, zinc, silver, copper and tin have been confirmed by anomalous results from a handheld XRF instrument.
- The hole was extended from the planned depth of 500m to 534m due to additional siderite-sulphide veining observed proximal to planned end of hole depth.
- Both the Severn and Montana holes are currently being logged, cut and sampled for analysis with results expected by late-October.

***Executive Director Gary Fietz commented**; "We are excited to announce that the first two holes targeting depth extensions of the Severn tin deposit and the historic Montana silver-lead-zinc mine have been completed with both holes successfully intersecting zones of visual alteration and mineralisation. The drilling program has been designed to extend mineralisation at our Heemskirk Project and we are pleased that both systems appear to show continuity at depth. Drilling is well underway on the 3rd hole at Oonah and the 4th hole at Severn will be commenced shortly. We look forward to updating the market on our progress as the assay results become available"*

Figure 1 – Severn Drillhole ZS140, Typical example (697.3m to 706.6m) of zone of mineralisation and alteration containing tin

Figure 2- Severn Drillhole ZS140, Typical example (732.1m to 732.5m) of sulphide mineralisation containing tin

Figure 3 - Severn Drillhole ZS140, Typical example (775.7m – 780.4m) of sulphide mineralisation containing tin

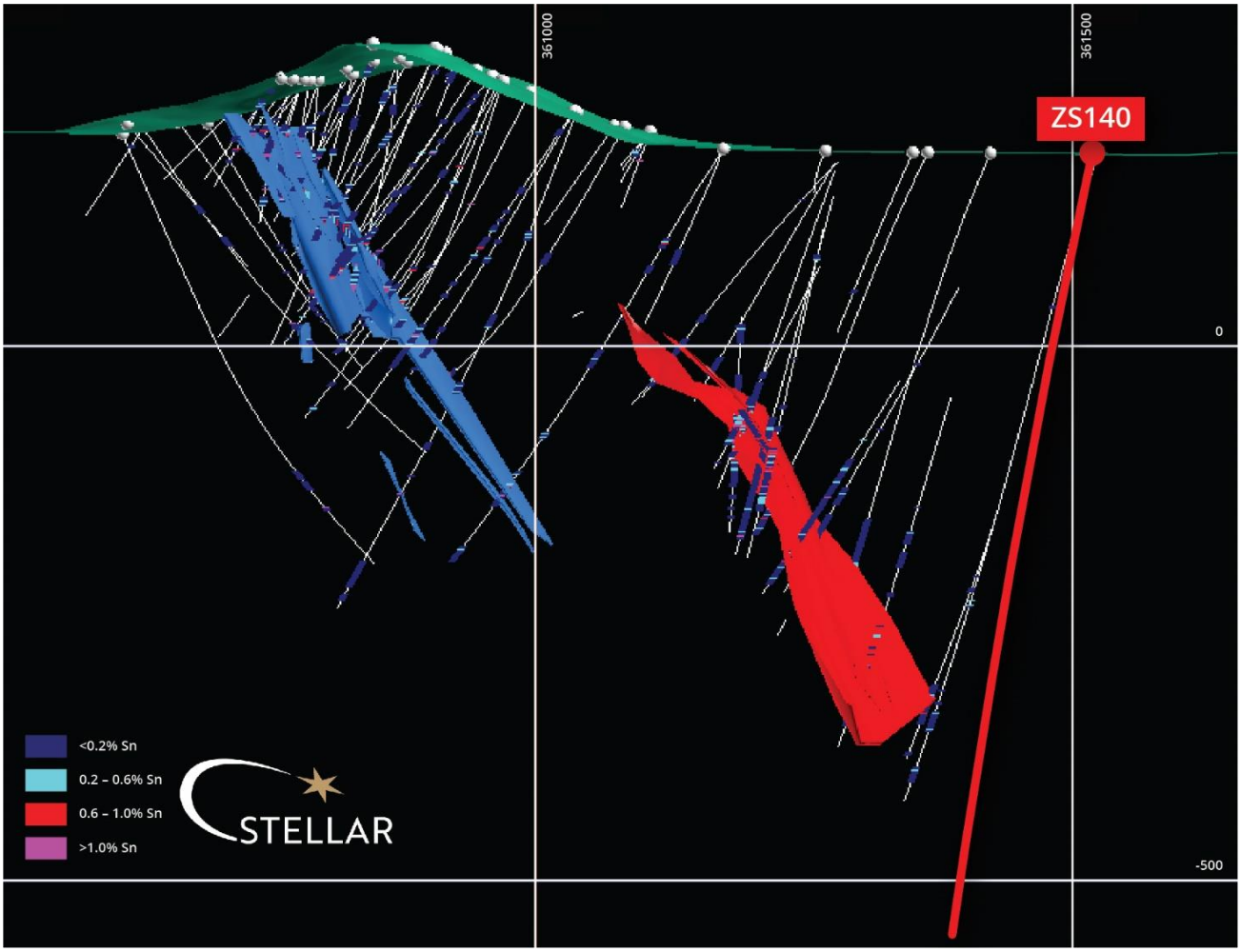

Figure 4 - Severn West-East Cross Section (looking north) showing DD hole ZS140 (red), historical drilling, Severn Resource (red) and Queen Hill Resource (blue).

Figure 5 – Montana No. 1 Drillhole ZM141A, 411.2m – 411.3m – Spectacular galena and sphalerite mineralisation containing, lead, zinc, silver, copper and tin

Figure 6 - Montana No. 1 Drillhole ZM141A, Fissure Vein from 421.6m to 424.2m with visual sulphide galena and sphalerite mineralisation containing, lead, zinc, silver, copper and tin

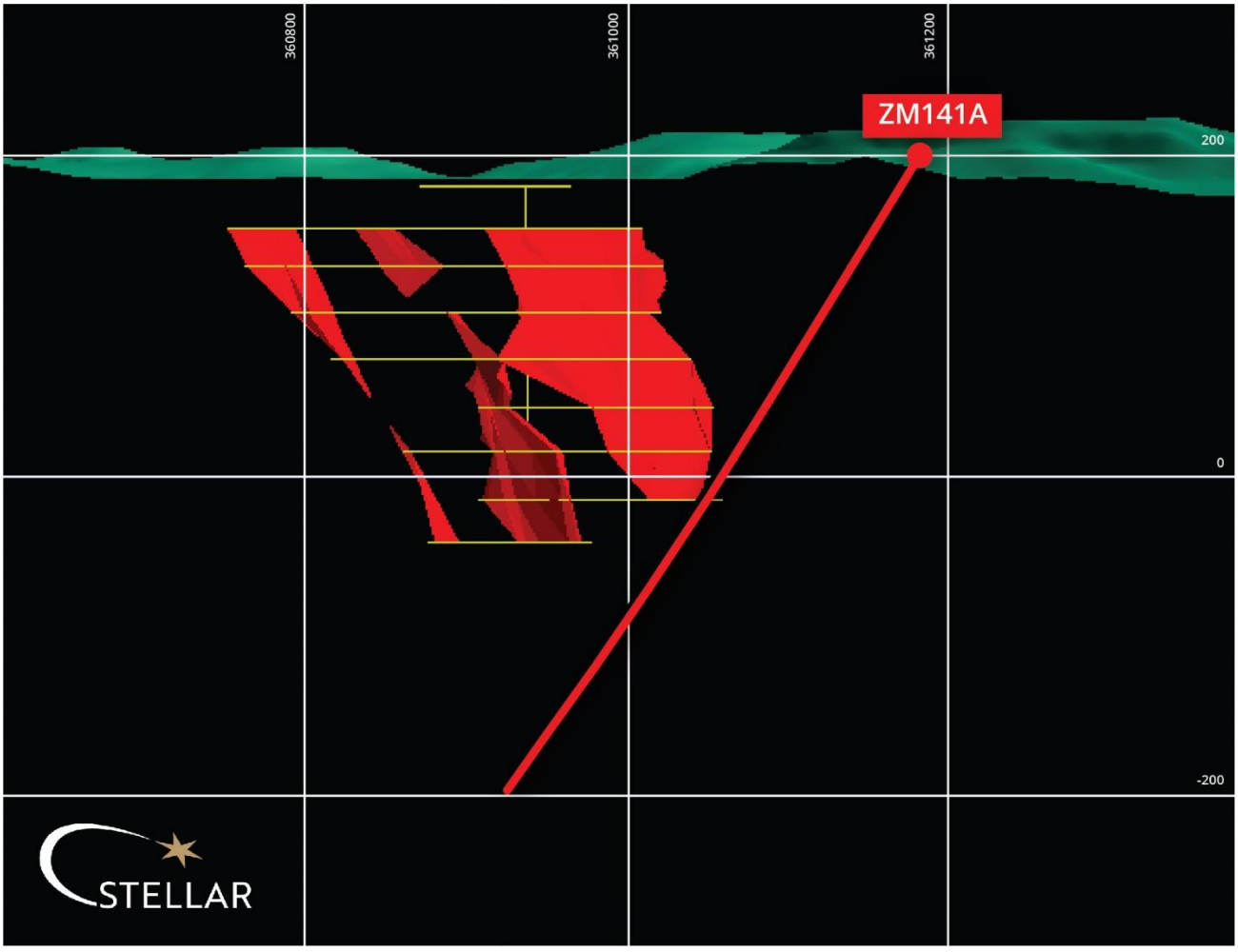

Figure 7 - Montana No. 1 West-East Cross Section (looking North) showing ZM141A and Historic Mining

Discussion - Phase 1 Drilling Program [2 3]

The Phase 1 drilling program underway includes a total of 9 holes (for 4,900m) targeting new areas of high-grade tin mineralisation, both below the Severn tin resource and below historically significant silver-lead-zinc mines. A plan showing the locations of completed, in progress and planned Phase 1 holes is shown in Figure 8 and collar locations are provided in Appendix 1.

Two rigs have been contracted to complete the program. The first rig is now installing PVC casing in completed hole ZS140. The rig will then set up on the second Severn hole ZS143 to be collared ~150m south of ZS140 which targets depth extensions ~100m below the Severn tin resource limit at a depth of >600m from surface.

Wedging and a daughter hole (3rd Severn hole) is planned on completion of the ZS143 parent hole targeting a further intersection of the Severn tin deposit. It was not possible to wedge from ZS140 due to poor ground conditions in the hole at the depth the wedge was required to be set.

ZS140 is however being lined with PVC casing to enable a downhole EM survey to be undertaken from the hole in future to investigate the extent of Severn and Montana sulphide alteration and associated tin mineralization in the vicinity of the hole.

The second rig commenced drilling Oonah hole ZO142 on 13th August and is currently at a depth of 237m with a planned EOH depth of ~400m. This hole targets depth extensions of the silver-lead-zinc fissure lodes mined in the historically significant Oonah mine to a depth of ~120m from surface, and depth extensions of the Oonah Inferred Resource (0.59 Mt at 0.9% Sn, 0,8% Cu, 0.1% Pb, 0.1% Zn. Ag not included)[4] which has been defined by previous drilling below the historic workings.

Core cutting and sampling of the first 2 completed holes is progressing well with the first batch of samples from Severn hole ZS140 having been dispatched to the ALS laboratory in Burnie for analysis on 3 September 2021. Final assay results for the first 2 completed holes are expected by late October.

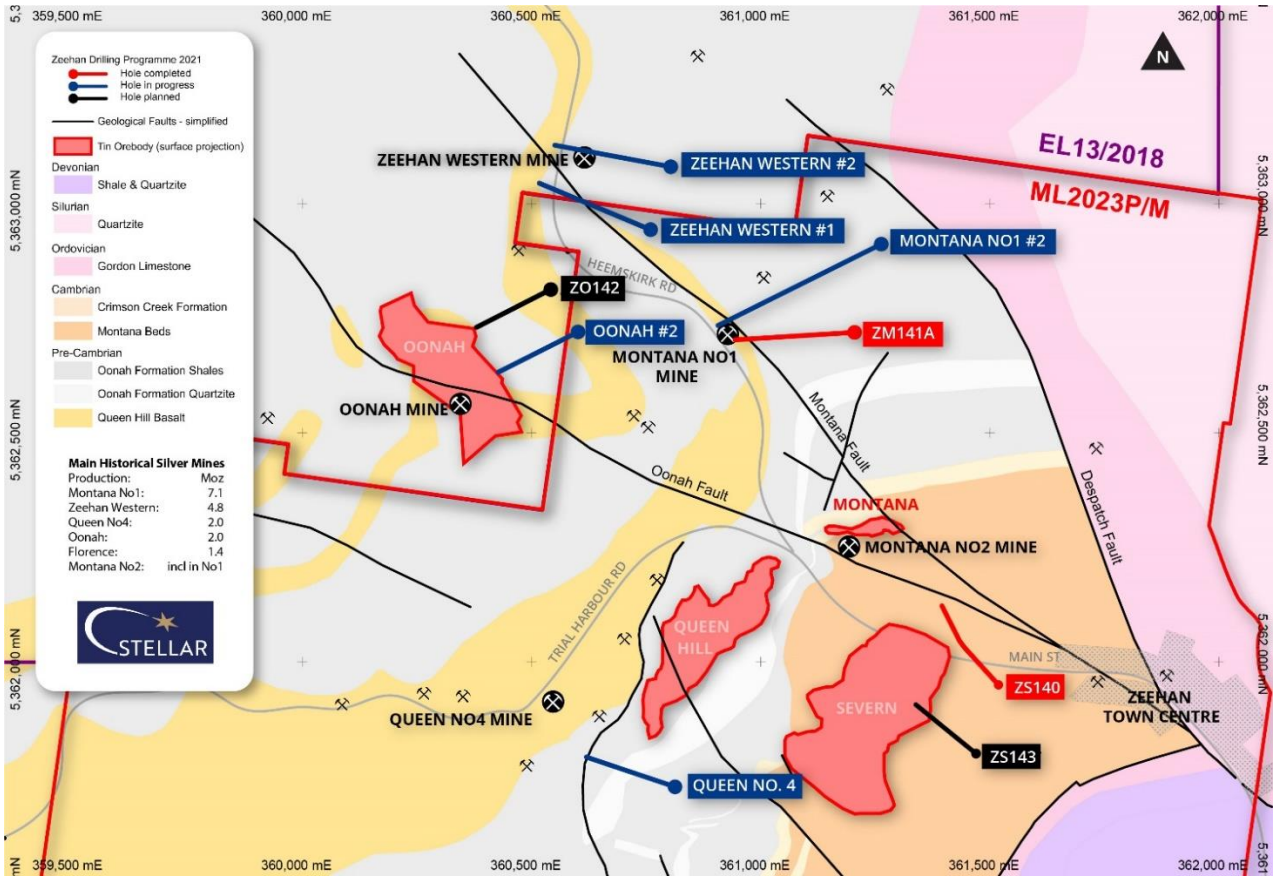

Figure 8 – Zeehan Mineral Field Simplified Surface Geology, Tin Deposits, Historic Ag-Pb-Zn Mines and 2021 Drillholes

Footnotes / Live Links

[1] SRZ Announcement, 12 April 2021, "Investor Presentation" – See page 11 Benchmarking Assumptions

[2] SRZ Announcement, 18 February 2021, "Restart of Tin Exploration Drilling"

[3] SRZ Announcement, 26 March 2021, "Expanded Tin Exploration Drilling Program at Heemskirk Tin"

[4] SRZ Announcement, 16 May 2019, "Updated Heemskirk Resource Increases Indicated Category and Confidence in the Project"

Competent Persons Statement

The information in this release relating to Exploration Results has been verified and authorised in accordance with the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves"(JORC Code), by Tim Callaghan (Principle, Resource and Exploration Geology Pty Ltd).

The Information in this report that relates to Mineral Resources was prepared in accordance with the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code), by Tim Callaghan (Principle, Resource and Exploration Geology Pty Ltd).

Tim Callaghan is a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"), has a minimum of five years' experience in the estimation, assessment and evaluation of Mineral Resources of this style and is a Competent Person as defined in the JORC Code. This announcement accurately summarises and fairly reports his estimations and he has consented to the resource report in the form and context in which it appears.

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.

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

For further details please contact:

Gary Fietz

Executive Director

Stellar Resources Limited

Tel: 0408 489 957

Email: gary@widerange.net.au

APPENDIX 1 – NEW DRILLHOLE LOCATIONS

Hole ID	Prospect	Status	Easting (GDA m)	Northing (GDA m)	RL (m)	Azimuth Planned (GDA Degrees)	Dip Planned (Degrees)	Length (m)
ZS140	Severn	Completed	361,519	5,361,948	1,185	317	-77	889
ZM141A	Montana	Completed	361,205	5,362,719	1,230	268	-53	534
ZO142	Oonah	Underway	36,0545	5,362,815	1,214	243	-62	400
ZS143	Severn	Underway	361,470	5,361,800	1,178	309	-77	750
Oonah Planned # 2	Oonah	Planned	36,0600	5,362,720	1,210	243	-61	400
Montana No 1 Planned # 2	Montana	Planned	361,260	5,362,910	1,190	243	-52	640
Western Zeehan Planned # 1	Zeehan Western	Planned	360,810	5,363,080	1,220	280	-50	400
Western Zeehan Planned # 2	Zeehan Western	Planned	360,755	5,362,945	1,220	293	-50	400
Queen No 4 Planned # 1	Queen Hill	Planned	360,815	5,361,730	1,235	288	-48	300

JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data (criteria in this section apply to all succeeding sections)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• Nature and Quality of sampling (e.g. cut channels, random chips or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or hand held XRF instruments etc.). • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverized to produce 30g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or sampling types (e.g. submarine nodules) may warrant disclosure of detailed information.	• Exploration Diamond Drill holes, NQ diamond core. • Logged sulphide and siderite altered zones were selected for geochemical analysis • Approximately 1m samples of 2-3kg were taken from diamond saw cut drill core whilst respecting geological boundaries
Drilling Techniques	• Drill type (e.g. core, reverse circulation, open hole hammer, rotary air blast, auger, bangka, sonic etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face sampling bit or other type, where core is oriented and if so by what method, etc.)	• All drill sampling by standard wireline diamond drilling. Drilling oriented using Coretell Gen 4 device. • Samples: NQ/HQ triple tube
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximize sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material	• Core reconstituted, marked up and recovery measured • Recoveries generally excellent (95-100%) • No relationship between recovery and grade was observed.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography. • The total length and percentage of the relevant intersections logged.	• Geological logging has been carried out on all holes by experienced geologists and technical staff. • Holes logged for lithology, weathering, alteration, structural orientations, RQD and mineralisation. • All holes photographed before cutting. • Logs loaded into excel spreadsheets and uploaded into access database. • Standard lithology codes used for all drillholes.

Criteria	JORC Code Explanation	Commentary
Sub-Sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub sampling stages to maximize representivity of samples. • Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results of field duplicate/second half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled	• Half core split by diamond saw over 0.5 – 1.5m sample intervals while respecting geological contacts. Most sample intervals are 1.0m. • Assay sample weights between 1 and 4kg are considered appropriate with respect to any coarse tin that may be present.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• No assay results have been received for this program • Half core samples sent to ALS laboratories for fusion disc XRF analysis of Sn and W. • Half core samples sent to ALS laboratories for Soluble Sn, Cu, Pb, Zn, Ag and multi element analysis by acid leach followed by ICP-MS • Routine insertion of certified reference material, blanks and duplicates
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• No analyses have been received yet for this drilling program
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys) trenches, mine workings and other locations used in mineral resource estimation • Specification of grid system used • Quality and accuracy of topographic control.	• Drill collars will be surveyed by licensed surveyor using differential GPS. • Collars currently located by hand held GPS to 5m accuracy. • All coordinates in Zeehan Mine Grid (ZMG) and GDA94. RL's as MSL +1000m • Down hole surveys by downhole digital camera • The Digital Terrain Model has been generated from lands department 10m contours and adjusted with surveyed drill collar and control points.
Data Spacing and distribution	• Data spacing for reporting Exploration Results • Whether data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied	• Exploration drilling below Severn is designed to test 100m spacing or greater below defined resource. • Drilling below Montana is nominally 100m spaced.

Criteria	JORC Code Explanation	Commentary
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The Severn hole ZS140 has been drilled at a shallow angle to the deposit due to the constraints of the deposit and drill site. • Drill holes sampling the Montana deposit have been drilled southwest-northeast sub perpendicular to the strike of the steeply dipping historic mine workings. • Drill hole orientation for ZS140 may introduced some sampling bias. Montana Drillhole ZM141A is unlikely to introduce any bias from drill hole orientation.
Sample Security	• The measures taken to ensure sample security.	• Chain of custody is managed by Stellar from the drill site to ALS laboratories in Burnie. • All samples ticketed, bagged in calico bags and delivered in labelled poly-weave bags.
Audits or Reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or reviews of sampling data and techniques have been completed.

Section 2: Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of tenure held at the time of reporting along with known impediments to obtaining a license to operate the area	• ML2023P/M, RL5/1997 and EL13/2018 hosting the Heemskirk Tin Project in Western Tasmania is 100% owned by Stellar Resources Ltd. • A previous JV partner holds a variable rate royalty over production from ML2023P/M commencing at 1% of NSR (net smelter revenue) above A$25,000/t of Sn and rising to a cap of 2% at an NSR of A$30,000/t.
Exploration done by other parties	• Acknowledgement and appraisal of exploration by other parties.	• Early mining activity commenced in the 1880's with the production of Ag-Pb sulphides and Cu-Sn sulphides from fissure loads. • Modern exploration commenced by Placer in the mid 1960's with the Queen Hill deposit discovered by Gippsland in 1971. • The Aberfoyle-Gippsland JV explored the tenements until 1992 with the delineation of the Queen Hill, Severn and Montana deposits.
Geology	• Deposit type, geological setting and style of mineralization.	• The Heemskirk Tin Deposits are granite related tin-sulphide-siderite vein and replacement style deposits hosted in the Oonah Formation and Crimson Creek Formation sediments and volcanics. Numerous Pb-Zn-Ag fissure lodes are associated with the periphery of the mineralizing system. Mineralisation is essentially stratabound controlled by northeast plunging fold structures associated with northwest trending faults. Tin is believed to be sourced from a granite intrusion located over 1km from surface below the deposit.

Criteria	JORC Code Explanation	Commentary
Drill hole information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: – easting and northing of the drill hole collar – elevation or RL (Reduced Level - elevation above sea level in metres) of the drill hole collar – dip and azimuth of the hole – downhole length and interception depth – hole length • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case	• Refer to the body of this announcement for Drill Hole information
Data aggregation methods	• In reporting of Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cutoff grades are usually material and should be stated. • Where aggregate intercepts include short lengths of high grade results and longer lengths of low grade results, the procedure used for aggregation should be stated and some examples of such aggregations should be shown in detail • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No exploration analytical results are included in this announcement. Analytical results will be released in a later report when received from commercial laboratories.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. down hole length, true width not known)	• Observed mineralisation in Severn Drill hole ZS140 are oblique to the true width of the mineralisation. • No mineralisation widths are included in this announcement.
Diagrams	• Appropriate maps and sections (with scales) and tabulated intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill collar locations and appropriate sectional views.	• See body of the announcement for relevant plan and sectional views.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/ or widths should be practiced to avoid misleading reporting of Exploration Results	• No analytical results are included in this report. Analytical results will be released in a later report when received from commercial laboratories.

Criteria	JORC Code Explanation	Commentary
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey result; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Metallurgical test work completed by ALS/BRL laboratories and supervised by Worley-Parsons over a number of different campaigns on drill core samples. • Deposits zoned mineralogically and metallurgically • Cassiterite is the dominant tin-bearing mineral occurring as free grains and in complex mineral composites. • High concentrations of stannite are located in the upper levels of the Oonah deposit. • Grain sizes vary according to ore type, with Severn having the coarsest and Upper Queen Hill having the finest. • Cassiterite liberation generally commences at a grind of 130 microns and is largely complete at 20 microns. • Based on the work undertaken by ALS metallurgy, Stellar anticipates that concentrates grading approximately 48% tin at an overall tin recovery of 73% will be obtained from the Zeehan Tin ores.
Further work	• The nature and scale of planned further work (e.g. test for lateral extensions or depth extensions or large scale step out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• The mineral deposits remains open down dip and down plunge and will be explored with further planned drill holes.