

29 October 2021

Report for the Quarter ended 30 September 2021

Highlights

Heemskirk Tin Project

- 9-hole Phase 1 diamond drilling program (~4,900m) targeting new areas of high-grade tin mineralisation commenced in June 2021, with 2 rigs on site including^{1,2}:
 - Severn Program** - 2 holes targeting depth extensions below the Severn tin resource. Severn is the largest of the 4 deposits comprising the Heemskirk Tin Project and remains open at depth.
 - Depth Extensions of Key Historic silver-lead-zinc mines** - 7 holes targeting depth extensions below key historic silver-lead mines with typical ore grades of 20 to 100 Oz/t silver. Hole target depths where transition of silver-lead-zinc mineralisation into cassiterite mineralisation may occur.
- 3,021m of Phase 1 drilling completed to 28 October 2021. Mineralisation and alteration intersected and confirmed by anomalous handheld XRF results for the first 2 holes (ZS140 & ZM141A) with assay results pending³. Logging and sampling underway on completed holes ZO142 & ZO144 and in progress hole ZS143.

Summary of Phase 1 Drilling Status to 28 October 2021

Hole (Deposit)	Planned Depth (m)	Drilled to 28.10.21 (m)	Status
ZS140 (Severn)	700	889	Completed - Intersected wide zones of alteration and mineralisation well beyond planned target depth. Presence of tin confirmed by anomalous handheld XRF results ³ . Assay results expected in early Nov.
ZS140A (Severn)	250	0	Cancelled - Planned wedge and daughter hole from ZS140 but was not possible due to broken ground in ZS140.
ZM141A (Montana No. 1)	460	534	Completed - Intersected several fissure vein lodes containing galena and sphalerite. Presence of lead, zinc, silver, copper and tin confirmed by anomalous handheld XRF results ³ . Assay results expected late Nov.
ZO142 (Oonah)	400	494	Completed – Logging and sampling well underway. Assay results expected late November.
ZS143 (Severn)	700	706	In Progress - Target depth extended to 900m – Logging underway and sampling yet to commence. Assay results expected in December.
ZS143W (Severn)	250		Planned - Wedge and daughter hole from ZS143. Likely to be extended to 300m+.
ZO144 (Oonah)	400	398	Completed - Logging underway and sampling yet to commence. Assay results expected in December.
ZW145 (Western Zeehan)	400	0	In Progress – Rig currently being moved to site from ZO144.
WZ Hole 2 (Western Zeehan)	400		Planned
QH4 Hole 1 (Queen No. 4)	300		Planned
M1 Hole 2 (Montana No. 1)	640		Planned
Total	4,900	3,021	

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- Heemskirk Tin Zeehan based geology team strengthened significantly during the quarter which now includes 2 full time senior geologists, both of which have significant experience working in western Tasmania including at Renison Tin Mine, and an experienced field assistant.
- During the quarter, Stellar exercised its option under the drilling contract with Spaulding Drillers to retain the 2 rigs on site for a Phase 2 Heemskirk Diamond Drilling Program (5,000m to 10,000m) to be undertaken during 2022.
- Stellar is continuing its review of a larger Phase 2 Heemskirk Tin drilling program including:
 - A deep hole targeting the potential main conduit of mineralising fluids at Heemskirk.
 - Indicated resource infill drilling program over key Heemskirk Tin Project deposits.
- Stellar is continuing review of other project work streams / studies required to advance the Heemskirk Tin Project to PFS and BFS completion.
- Tin prices have soared since the start of 2021, exceeding 10-year highs as demand growth exceeds falling supply and stocks remain at near record lows. The LME spot tin price averaged ~US\$34,800/t over the September Quarter and climbed further post quarter end to US\$38,850/t on 22 October 2021.
- **With the highest grade undeveloped tin resource in Australia & 2nd highest globally⁴, a scoping study completed in 2019 confirming attractive economics, and drilling aiming at extending mineralisation well underway, the Heemskirk Tin Project is well positioned to take advantage of this year's booming tin market.**

North East Tasmania Gold Exploration Project

- 8 Exploration Licences (EL's) over a total area of 1,899 km² were granted in August 2021⁵.
- The granted EL's, and Stellar's remaining 4 EL applications in NE Tasmania are highly prospective for Victorian-style Orogenic Gold and for Intrusive Related Gold Systems (IRGS).
- Dr Josh Phillips (JP Geoscience) was engaged by Stellar in September 2021 as a technical consultant to lead Stellar's NE Tasmania exploration program. Dr Phillips is based in Tasmania, has a PHD in geochemistry and has substantial experience working in gold exploration and with large base metal porphyry deposits.
- Since joining, Dr Phillips has completed a review of Stellar's NE Tasmania EL's / EL applications including analysis of further historic soil and rockchip geochemical data recently captured by Stellar, and a review of all desktop orogenic and IRGS gold exploration targets identified by Stellar's technical team. Additional desktop targets have been identified during Dr Phillips's review and all targets are now being prioritised for field exploration.
- During September and October, Dr Phillips undertook initial field reconnaissance visits to the Back Creek area (EL12/2020) and the Blessington area (EL14/2020), with follow up exploration over these targets now being planned.
- Further reconnaissance visits and field exploration are now being planned over Stellar's NE Tasmania EL's. Field support personnel and drilling contractors have been identified for the exploration program.
- The 8 granted EL's are part of 10 EL applications lodged by Stellar in September 2020. Processing of the remaining two September 2020 EL applications (combined area of 384 km²) is nearing completion and the Company now expects these 2 licences to be granted in November or December.
- 2 further EL applications were lodged by Stellar in March 2021 covering a combined area of 240km². The company expects these 2 further EL's to be granted by around the end of January 2022.

Corporate

- In September 2021, the transaction to sell Stellar’s non-core Exploration Licence EL6350 in South Australia to Alligator Energy Limited (ASX: AGE or “Alligator”) for a total consideration of 7,105,263 AGE shares was completed. These shares were sold prior to the end of the September quarter for a total of \$515,017 (average 7.2 cents per share) making a substantial contribution towards funding Stellar’s Heemskirk Tin work program this year.
- Cash balance on 30 September 2021 was \$5.142 million.

Heemskirk Tin Project

Tin Market Outlook

Tin prices have soared since the start of this year exceeding 10-year highs. The LME spot tin price has averaged ~US\$34,800/t over the September Quarter and has climbed further post quarter end to US\$38,850/t on 22 October 2021.

This is due to strong physical global tin demand growth which has exceed falling global tin supply and is creating an extremely tight market for tin with LME tin stocks again reaching near record lows.



LME Spot Tin Prices (1 Jan 2010 to 22 October 2021) ⁶

Tin Demand

Physical tin demand is growing strongly as a result of:

- Covid and the rise of remote working: has boosted demand for computers and other home electronics devices. As tin solder is the 'glue' connecting everything electronic, this means increased demand for tin.
- Continued demand for tin in traditional uses (tinplate, chemicals, lead-acid batteries, alloys and other uses).

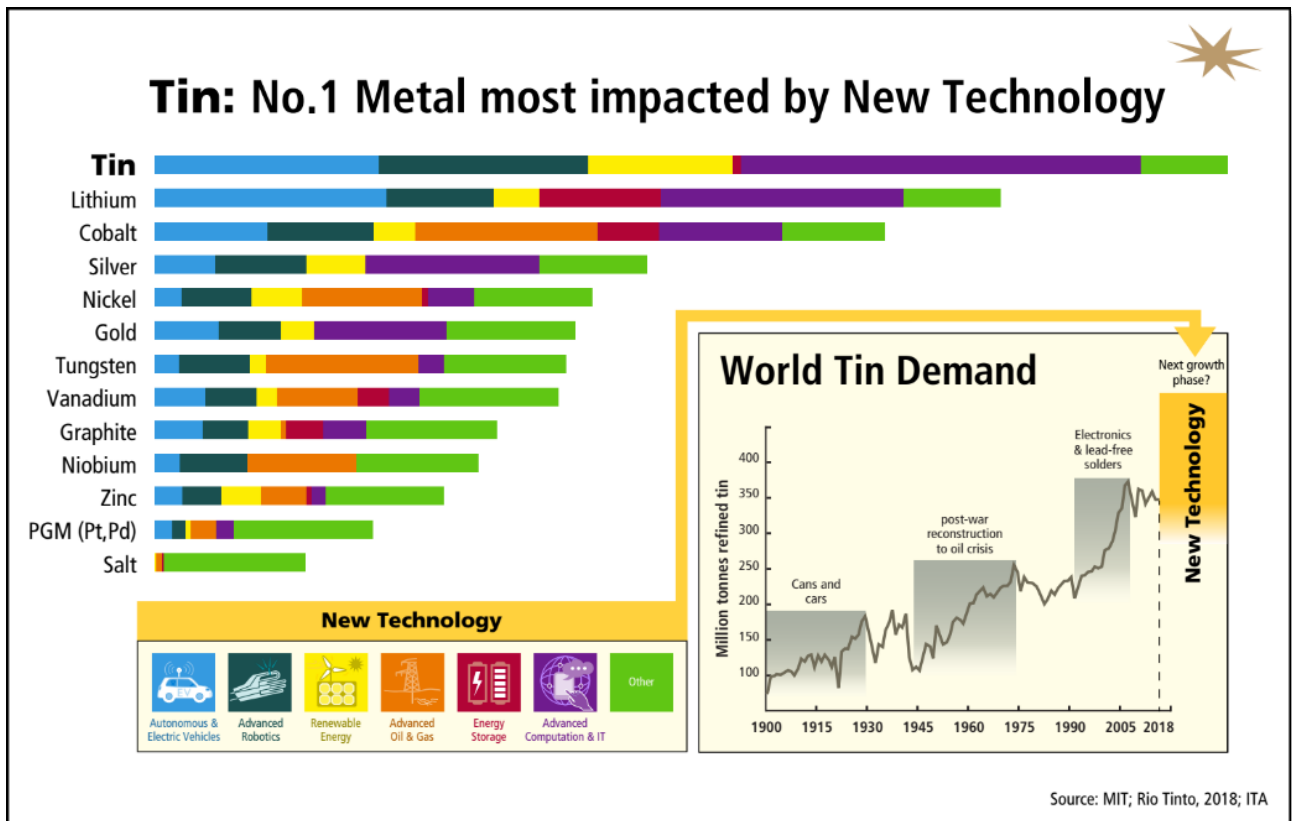
Tin Supply

Global tin supply has fallen for each of the last 3 years. Falling global tin supply has been the result of:

- China is the world's largest miner of tin and smelter of tin metal and has also been a net tin importer this year. Production cuts have occurred in many Chinese tin smelters this year due to tin ore shortages.
- Indonesia (world's 2nd largest producer) - production has fallen this year due to a poor monsoon season along with ongoing environmental controls and covid issues.
- Myanmar (world's 3rd largest producer) - production has fallen this year due to the military coup and largely unreliable artisanal and small-scale mining.
- South America (world's 4th largest producer) supply has been reduced this year due to Covid issues.
- Many existing tin mines now have lower grade and diminishing resources. Limited exploration or investment in new tin projects with many projects either in risky jurisdictions and/or low grade deposits.

Tin – The Number 1 New Technology Metal

Tin ranked as the No. 1 metal best placed to benefit from new technology according to a survey undertaken by Boston's Massachusetts Institute of Technology (MIT) for Rio Tinto in 2018.



Approximately 50% of all tin is used as solder in electronics. Solder is the ‘glue’ that connects everything electronic together.

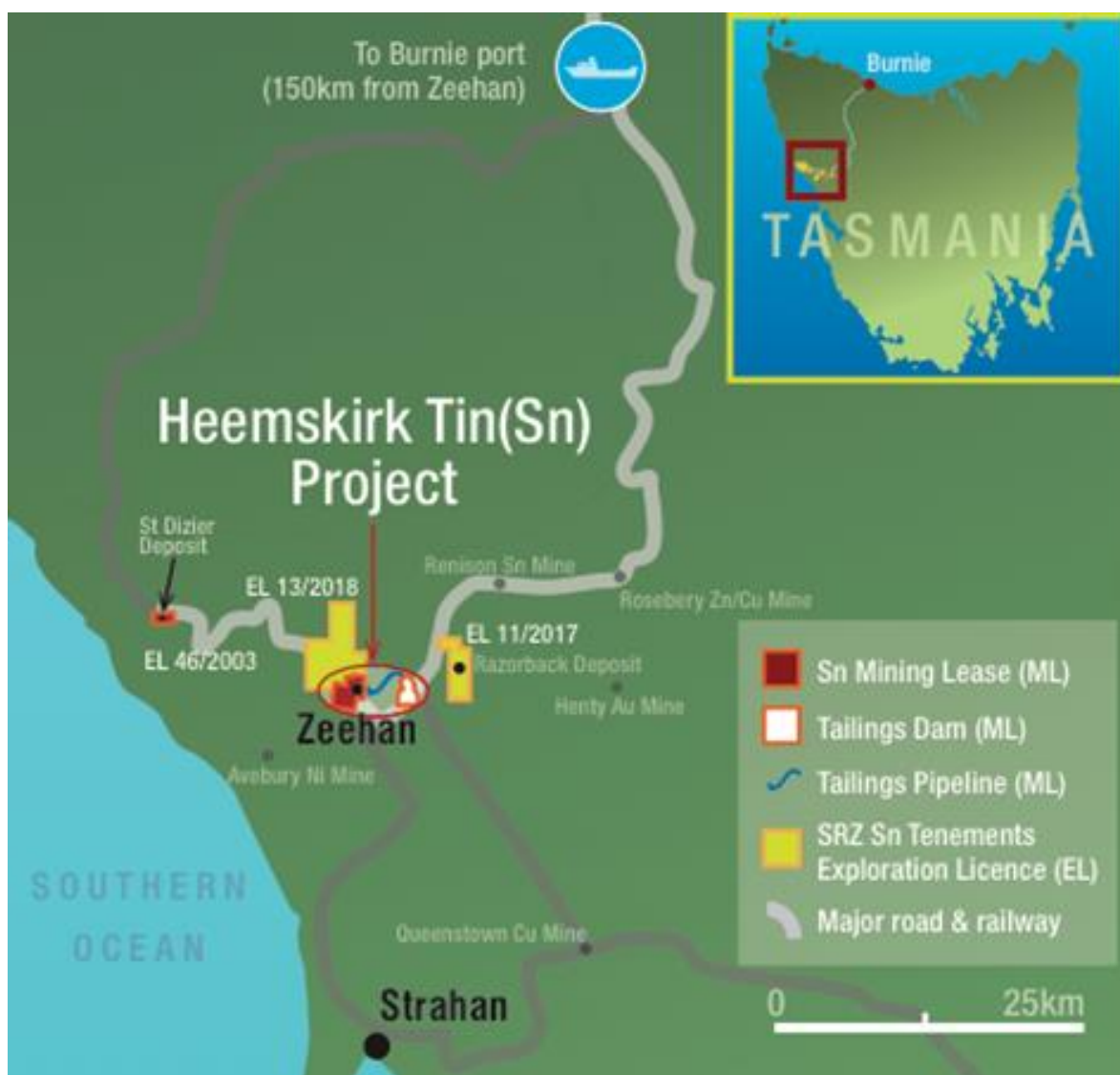
Our clean, new technology future is being driven by robotics, advanced computing, EV’s, energy storage and renewables – these all require more electronics and semiconductors which all need more tin.

Growing research is also showing that tin may be a more effective anode material in Li-ion batteries.

Overview of Stellar’s Tin Projects

Stellar’s 100% owned tin projects have an enviable location within the well-established mining district on the West Coast of Tasmania with access to established infrastructure including nearby water and renewable power, access to the port of Burnie 150km to the north via sealed highway for export of concentrate, and a competitive local market for services, mining and processing inputs and labour.

Stellar’s flagship Heemskirk Tin Project is just 18km to the southwest of the Renison tin mine, the largest and most productive tin mine in Australia. Including Renison, there are 5 major underground metal mines, 3 of which are operating, within 30km of the Heemskirk Tin Project.



Location of Stellar's Tin Projects – West Coast of Tasmania

The Heemskirk Tin Project includes 4 nearby tin deposits: Severn, Queen Hill, Montana and Oonah. Stellar holds secure Mining Leases over the Heemskirk Tin Project including the tailings pipeline route and tailings storage site and also over the St Dizier satellite tin deposit.

In addition to the Heemskirk Tin Project, Stellar owns a portfolio of nearby Exploration Licences including the Montana Flats and Mount Razorback EL's which contain a number of historic silver-lead-zinc mines with associated tin mineralization, and the St Dizier and Mount Razorback satellite tin deposits.



Heemskirk Tin Project Deposits (blow up), Secure Mining Leases and a Large EL Package

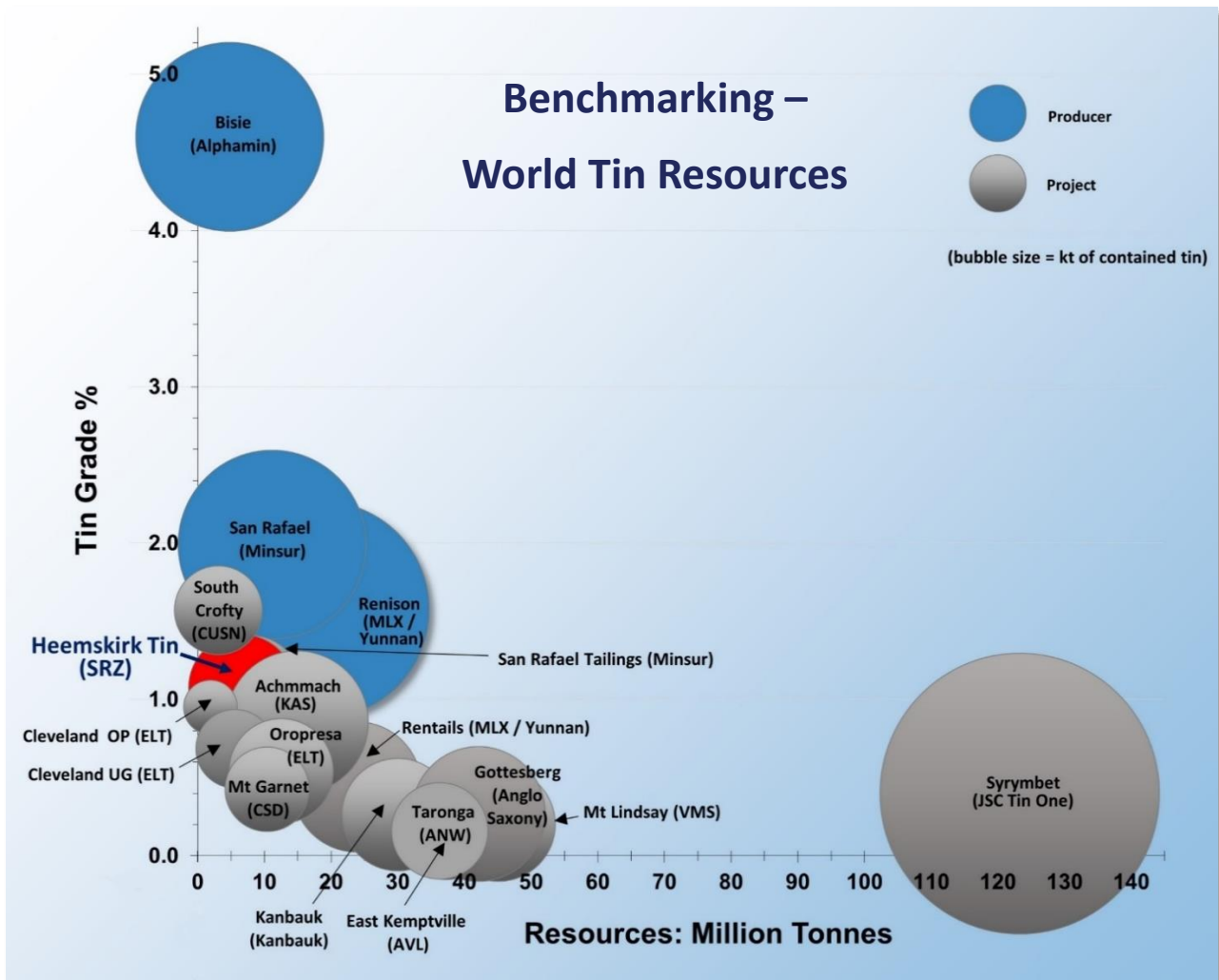
Heemskirk Tin Resources

The Heemskirk Tin Project has a Total Mineral Resource of 6.6 Mt @ 1.1% Sn at a 0.6% Sn cut-off grade, of which 2.12 Mt is in the Indicated Mineral Resource Category and 4.48Mt is in the Inferred Mineral Resource Category⁷. All deposits have higher grade zones and are amenable to mining at higher cut-off grades. All deposits open at depth.

Classification	Deposit	Tonnes (mt)	Sn (%)	Contained Sn (t)	Cassiterite % of Total Sn (%)	Cu (%)	Pb (%)	Zn (%)
Indicated	Upper Queen Hill	0.32	1.0	3,230	87	0.2	2.1	1.0
	Lower Queen Hill	0.65	1.4	9,230	97	0.0	0.1	0.1
	Severn	1.15	1.0	11,500	99	0.1	0.0	0.1
Total Indicated		2.12	1.1	23,960	97	0.1	0.4	0.2
Inferred	Upper Queen Hill	0.11	1.6	1,760	94	0.2	1.9	0.7
	Lower Queen Hill	0.36	1.4	5,040	97	0.0	0.2	0.0
	Severn	2.74	0.9	24,660	99	0.0	0.0	0.0
	Montana	0.68	1.5	10,200	96	0.1	0.7	1.4
	Oonah	0.59	0.9	5,310	36	0.8	0.1	0.1
Total Inferred		4.48	1.0	46,970	90	0.1	0.2	0.3
Total Indicated + Inferred		6.60	1.1	70,930	92	0.1	0.3	0.3

In addition, the St Dizier Tin deposit has a Total Mineral Resource of 2.26Mt @ 0.61% Sn of which 1.20 Mt in the Indicated Mineral Resource Category and 1.06 Mt is in the Inferred Mineral Resource Category⁸.

Heemskirk is the highest grade undeveloped tin resource in Australia and the second highest grade tin resource globally⁴.



2021 Phase 1 Drilling Program

A 9-hole Phase 1 diamond drilling program (for ~4,900m) using 2 rigs commenced in June 2021, targeting new areas of high-grade tin mineralisation commenced in June 2021 with 2 rigs on site including^{1,2}:

- **Severn Program** - 2 holes targeting depth extensions below the Severn tin resource. Severn is the largest of the 4 deposits comprising the Heemskirk Tin Project and remains open at depth.
- **Depth Extensions of Key Historic silver-lead-zinc mines** - 7 holes targeting depth extensions below key historic silver-lead-zinc mines with typical ore grades of 20 to 100 Oz/t silver. Hole target depths where transition of silver-lead-zinc mineralisation into cassiterite mineralisation may occur.

3,021m of Phase 1 drilling completed to 28 October 2021. Mineralisation and alteration intersected and confirmed by anomalous handheld XRF results for the first 2 holes (ZS140 & ZM141A) with assay results pending³. Logging and sampling underway on completed holes ZO142 & ZO144 and in progress hole ZS143.

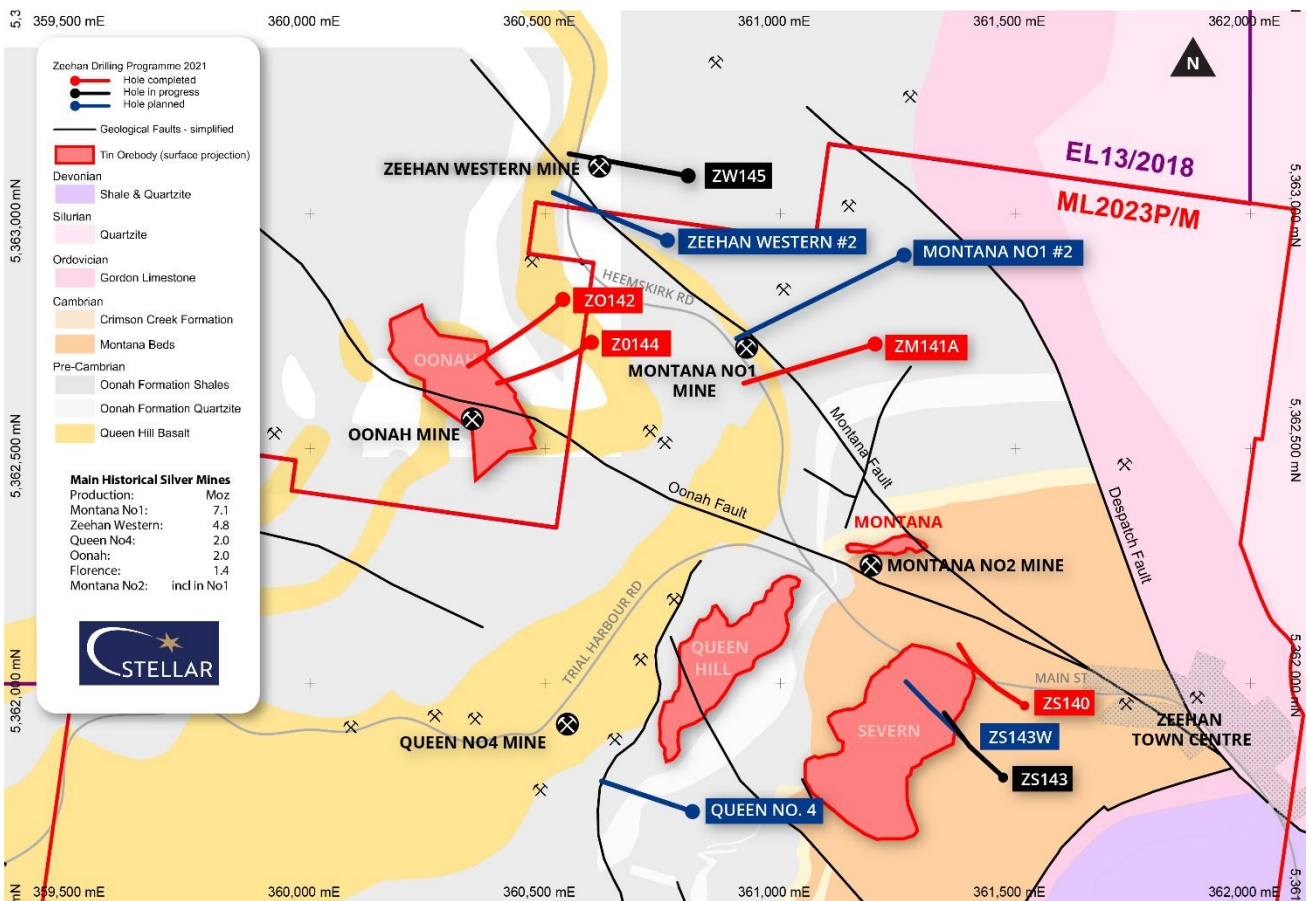
A summary of the Phase 1 drilling program from holes that have been completed / are in progress is provided in the table below and locations of the holes are shown in the figure below.

Summary of Phase 1 Drilling Status to 28 October 2021³

Hole (Deposit)	Planned Depth (m)	Drilled to 28.10.21 (m)	Status
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The Heemskirk Tin Zeehan based geology team was strengthened significantly during the quarter which now includes 2 full time senior geologists, both of which have significant experience working in western Tasmania including at Renison Tin Mine, and an experienced field assistant.

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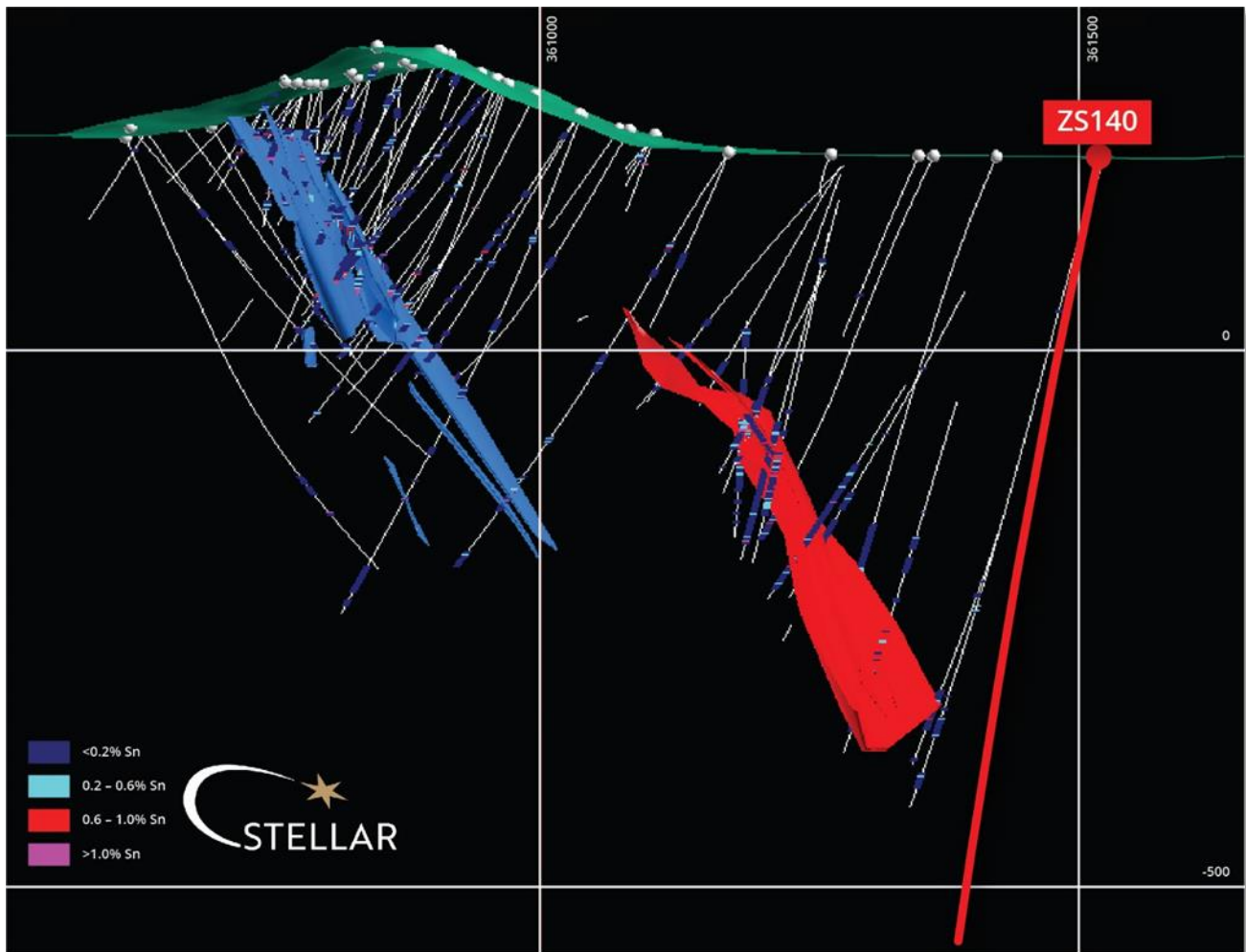
Zeehan Mineral Field Simplified Surface Geology, Tin Deposits, Historic Ag-Pb-Zn Mines and 2021 Phase 1 Drillholes³

Severn Depth Extension Drilling

Severn is the largest of the Heemskirk Tin Project deposits and has been drilled only to ~500m depth from the surface. The 2 holes planned target extension of the Severn deposit ~100m+ below the current resource limit. 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.

Severn Drillhole ZS140 was completed in early-September 2021 to a depth of 889m and 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. 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. The hole was extended from the planned depth of 750m to 889m due to the continuation of significant alteration and mineralisation³. Assay results for ZS140 are pending and are expected to be announced in early November.

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 has however been 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.



Severn West-East Cross Section (looking north) showing DD hole ZS140 (red), historical drilling, Severn Resource (red) and Queen Hill Resource (blue)³

Severn Drillhole ZS143 was commenced in early-September with the hole collared ~150m south of ZS140 and the planned hole length increased to 900m due to the depth of mineralisation intersected in ZS140. As at 28 October 2021, ZS143 had reached a depth of 706m with logging underway and sampling yet to commence. Assay results expected in December. Wedging and a daughter hole is planned on completion of the ZS143 parent hole targeting a further intersection of the Severn tin deposit.



Severn Drillhole ZS140, Typical example (775.7m – 780.4m) of sulphide mineralisation containing tin³

Depth Extensions below Key Historic Silver-Lead-Zinc Mines

The highly mineralised Zeehan mineral field contains many historically significant high-grade silver-lead mines which have a total recorded production of 26 MOz Silver & 190,000 t Lead and resulted in the development of a major town and smelters at Zeehan in the late 1800's / early 1900's.

The Phase 1 drilling program includes 7 planned holes (total of ~3,000m) aimed at identifying new areas of high-grade tin mineralisation below 4 of the largest historic silver-lead mines in the Zeehan mineral field (Montana No.1, Zeehan Western, Oonah & Zeehan Queen No. 4) which are located on Stellar's licences and typically had³:

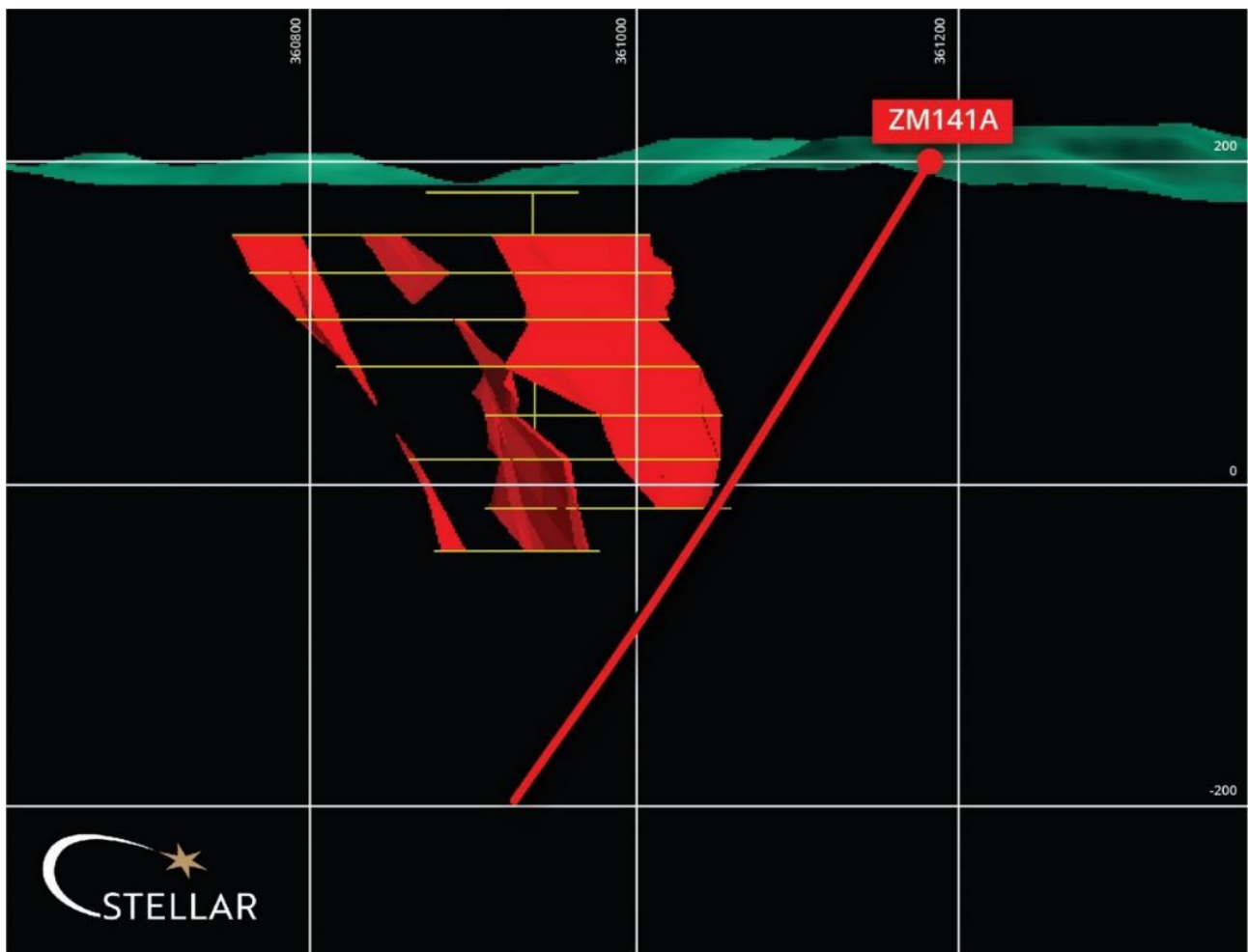
- Ore grades of 20 Oz/t Silver to 100 Oz/t Silver
- Mining widths up to 2.7m (fissure veins)
- Mining lengths up to 300m
- Mining depths of 70m to 300m

Silver-Lead lodes typically transition into tin (with pyrite) lodes at depth. The 7 Phase 1 holes target depths below the historically mined silver-lead lodes where transition to tin mineralisation is expected although there is also potential to intersect deeper high-grade silver-lead-zinc fissure lodes. No drilling ever done below these mines.

Tin mineralisation in the Zeehan district is generally associated with pyrite. Both the Queen Hill and Montana Deposits were recorded as "pyrite" lodes by the early silver-lead miners and considered worthless. Cassiterite (tin) mineralisation which was often fine grained was generally not recognised or assayed for by the early

silver-lead miners. The Queen Hill tin deposit was discovered by Gippsland Minerals by sampling and then drilling of supposedly barren pyrite lodes exposed in the Zeehan Queen No. 4 silver-lead mine workings. Based on this Pyrite Lode model, Gippsland Minerals then drilled a reported pyrite lode associated with the silver-lead lodes in the Montana No. 2 Mine thus discovering the Montana tin deposit. Pyritic lodes have also been recorded in the Oonah and Montana No. 1 historic silver-lead mines. These pyritic lodes are targets for tin mineralisation.

Montana No. 1 Drillhole ZM141A was completed in late-August 2021 to a depth of 534m and 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. 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). The presence of lead, zinc, silver, copper and tin have been confirmed by anomalous results from a handheld XRF instrument.³ Assay results for ZM141A are pending and are expected to be announced in late November.



Montana No. 1 West-East Cross Section (looking North) showing ZM141A and Historic Mining³



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 tin³

Oonah Drillhole ZO142 was completed in September 2021 to a depth of 494m. Logging and sampling is well underway with assay results expected late November.

Oonah Drillhole ZO144 was completed in late-October 2021 to a depth of 398m. Logging has commenced, and sampling is yet to commence. Assay results expected in December.

Both of the Oonah holes target 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)⁷ defined by previous drilling below the historic workings.

Phase 2 Drilling Program

A Phase 2 diamond drilling program is currently under review by Stellar including:

Severn and Queen Hill Indicated Resource Infill Program

Severn and Queen Hill are the two largest Heemskirk Tin Project deposits with a combined total Mineral Resource of 5.33Mt @ 1.0% Sn, of which 40% is Indicated & 60% Inferred⁷.

The Phase 2 drilling program under review comprises Infill drilling to upgrade a significant part of the Severn and Queen Hill Inferred Resource to an Indicated Resource in order to support a PFS / BFS for the project.

1 Deep hole – Southern Severn

A deep hole is being considered as part of a Phase 2 drilling program to target the main conduit of mineralising fluids into the Severn and Queen Hill deposits from the underlying interpreted granite. Unconstrained and constrained inversion of high resolution aeromagnetic data combined with review of historic downhole and surface EM data and seismic data have recently been undertaken in order to best site this hole.

Heemskirk Tin Project Scoping Study

In October 2019, Stellar announced the results of its Heemskirk Tin Project Scoping Study⁸ based on development of an underground mine, processing plant, tailings storage facility and surface infrastructure to mine ~ 350ktpa ore at a LOM head grade of ~ 0.95% tin from the Queen Hill and Severn tin deposits (2 of the

4 Heemskirk deposits) over a 10-year initial mine-life. The project also includes open-pit mining of the St Dizier satellite tin deposit and trucking of ore to the Heemskirk processing plant during year 11 of the mine plan.

The processing plant is expected to produce ~4,500tpa of concentrate containing ~2,200tpa of tin. Concentrate produced will be trucked 150km to the north via sealed road to the Port of Burnie for export to smelters in Asia.

The 2019 Scoping Study confirmed the Heemskirk Tin Project has attractive economics.

Advancement of Heemskirk Tin Project to PFS/BFS Completion

Other project work streams and studies required to advance the Heemskirk Tin Project to PFS and BFS completion are also now under review by Stellar.

Many of the project work streams and studies have already been completed to a PFS level.

Work towards completion of the DPEMP is well progressed with environmental assessment program agreed and stage 1 surveys completed.

The project has secure Mining Leases granted over mine site, tailings pipeline route and tailings dam site.

With the highest grade undeveloped tin resource in Australia & 2nd highest globally⁴, a scoping study completed in 2019 confirming attractive economics, and drilling aiming at extending mineralisation now well underway, the Heemskirk Tin Project is well positioned to take advantage of this year's booming tin market.

North East Tasmania Gold Exploration Project

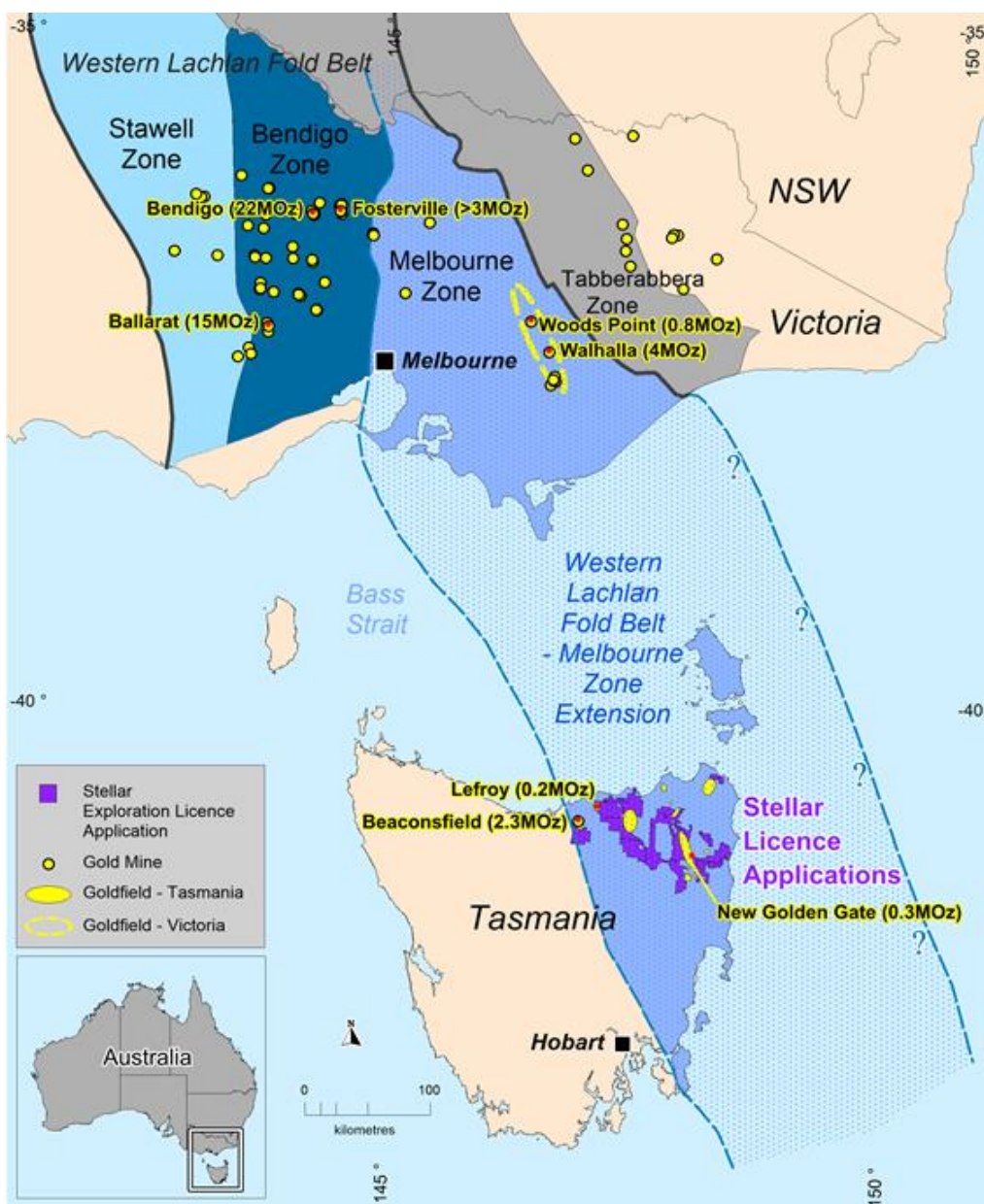
NE Tas – A Continuation of Victorian Western Lachlan Fold Belt

Gold deposits in North East Tasmania lie within a continuation of the Western Lachlan Fold Belt in Victoria – one of the world’s largest orogenic gold provinces.

The Western Lachlan Fold Belt in Victoria hosts the >3 MOz Fosterville Mine, Bendigo and other Tier 1 goldfields and has produced >80 MOz gold.

NE Tasmania hosts the Beaconsfield Mine (2.3 MOz), New Golden Gate Mine (0.3 MOz) and Lefroy Goldfield (0.2MOz), along with hundreds of smaller historic gold mines and occurrences.

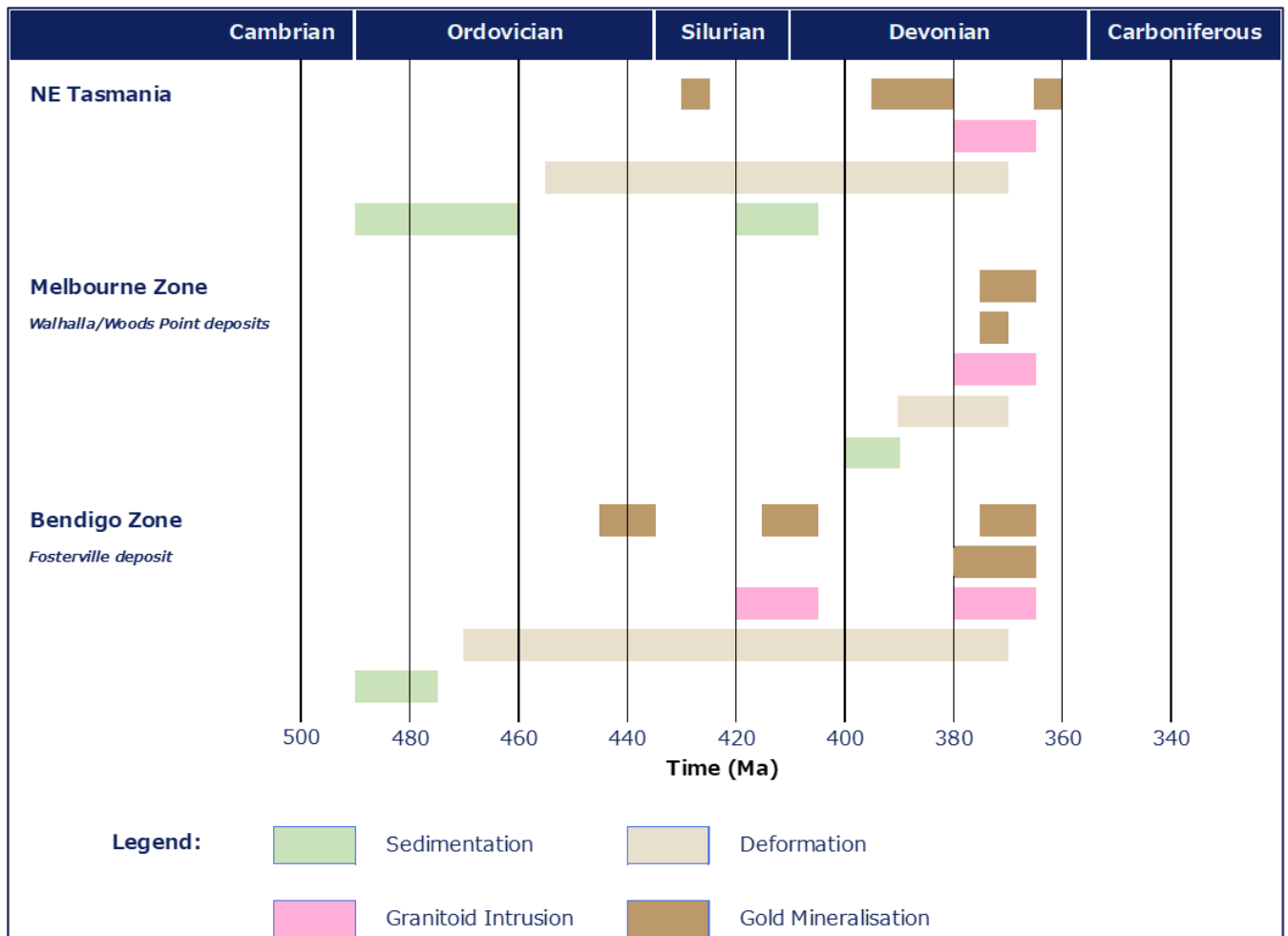
While Victoria is currently experiencing intense gold exploration activity, NE Tasmania has had very little modern gold exploration undertaken.



Continuation of Western Lachlan Fold Belt from Victoria into NE Tasmania ¹⁰

Gold deposits in NE Tasmania share the same geological setting as their Victorian counterparts:

- Ordovician turbiditic meta-sediments (Mathinna Super-Group).
- Ordovician to Devonian deformation and metamorphism (Western Lachlan Orogen).
- Associated with nearby Devonian granitoid intrusives.
- Gold commonly in quartz veins occupying dilational zones along large- scale faults related to folding and deformation during the Lachlan Orogen.
- Predominantly NW oriented lodes controlled by regional structures and rheological contrasts between sedimentary units.
- Intrusion Related Gold System (IRSG) deposits also occur in NE Tasmania.



Timing of Geological Events in NE Tasmania vs Melbourne and Bendigo Zone of Western Lachlan Fold Belt in Victoria (after Bierlein et al, 2005)¹⁰

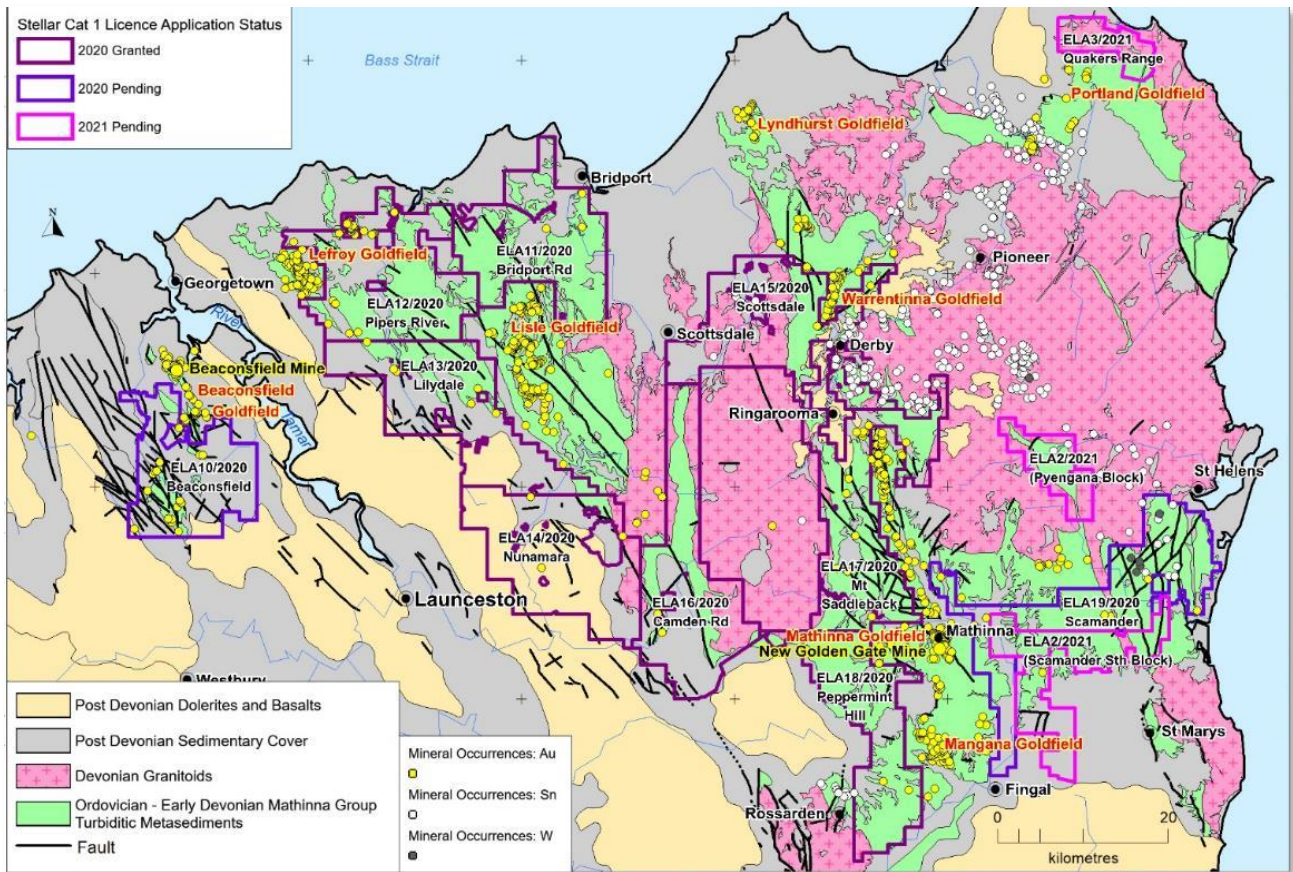
Stellar NE Tasmania Exploration Licences

8 Exploration Licences (EL’s) over a total area of 1,899 km² in NE Tasmania were granted in August 2021 to Stellar’s wholly owned subsidiary, Tarcoola Iron Pty Ltd⁵.

The 8 EL’s granted in August 2021 were part of the 10 EL applications lodged by Stellar in September 2020. The remaining two September 2020 EL applications over the Beaconsfield South and Scamander areas are still

being processed and the Company now expects these 2 licences covering a combined area of 384 km² to be granted in November or December 2021. A number of objections have been received from landowners with small to medium sized properties over the Beaconsfield South EL10/2020, and to a lesser extent over the Scamander EL19/2020 application area's which are yet to be granted. The Company intends to relinquish its application over these objection areas which is not expected to have a material effect on the gold targets identified over the Beaconsfield South and Scamander EL's.

Two further EL applications were lodged by Stellar in March 2021 covering a combined area of 240km² in the South Scamander, Pyengana and Quakers Ranges areas. The company expects these EL's to be granted by ~ end of Jan 2022.



Stellar EL's, EL Applications, Geology and Mineral Occurrences ^{2, 9}

Stellar's 8 granted EL's, and remaining 4 EL applications in NE Tasmania are highly prospective for Victorian-style Orogenic Gold and for Intrusive Related Gold Systems (IRGS). There are 51 recorded gold occurrences and 22 recorded tin occurrences on the 8 recently granted EL's and a further 26 recorded gold occurrences and 3 recorded tin occurrences on Stellar's remaining 4 EL applications in NE Tasmania.⁵

A number of desktop orogenic and IRGS gold exploration targets have been identified by Stellar's technical team using full GIS targeting capability including: reprocessed aeromagnetic, radiometric and gravity data, geological mapping, recorded gold and tin occurrences, historic drilling and geochemical data. A number of tin targets have also been identified.⁵

Summary of Stellar's EL's and EL Applications in NE Tasmania⁵

Application Name	Application Number	Area (Km2)	Status	Ordovician Mathinna Group	Regional Structures (Magnetic Lineaments & Mapped Faults)	Granitoid Intrusions nearby	Gold Occurrences	Tin Occurrences
Beaconsfield	ELA 10/2020	142	Application	Y	NW	Y	18	
Bridport Rd	ELA 11/2020	238	Granted	Y	NW	Y	3	
Pipers River	ELA 12/2020	247	Granted	Y	NW	Y	15	
Lilydale	ELA 13/2020	244	Granted	Y	NW	Y	6	
Nunamara	ELA 14/2020	249	Granted	Y	NW & NE	Y	3	
Scottsdale	ELA 15/2020	249	Granted	Y	NW, N & NE & IRGS	Y	2	21
Camden Road	ELA 16/2020	248	Granted	Y	NW & N	Y	3	
Mt Saddleback	ELA 17/2020	242	Granted	Y	NW & NE	Y	13	1
Peppermint Hill	ELA 18/2020	195	Granted	Y	NW	Y	6	
Scamander	ELA 19/2020	242	Application	Y	N & NE	Y	7	1
South Scamander & Pyengana	ELA 2/2021	195	Application	Y	NW, N,NE	Y	1	2
Quakers Ranges	ELA 3/2021	45	Application	Y	NW	Y		
Total		2,535					77	25

Exploration Program Update

Dr Josh Phillips (JP Geoscience) was engaged by Stellar in September 2021 for a minimum 10 days per month, with a minimum term of 6 months, to lead Stellar's NE Tasmania exploration program. Dr Phillips is based in Tasmania, has a PHD in geochemistry and has substantial experience working in gold exploration and with large base metal porphyry deposits.

Since joining, Dr Phillips has completed a review of Stellar's NE Tasmania EL's / EL applications including analysis of further historic soil and rockchip geochemical data recently captured by Stellar, and a review of all desktop orogenic and IRGS gold exploration targets identified by Stellar's technical team. Additional desktop targets have been identified during Dr Phillips's review and all targets are now being prioritised for field exploration.

During September and October, Dr Phillips undertook initial field reconnaissance visits to the Back Creek area on EL12/2020 and to the Blessington area on EL14/2020, with follow up exploration over these targets now being planned.

Further reconnaissance visits and follow up field exploration are now being planned over Stellar's NE Tasmania EL's. Field support personnel and drilling contractors have been identified for the exploration program.

Corporate

Payments to related parties of the entity and their associates during the quarter were \$156k comprising Director and consulting fees as outlined in the Appendix 5B.

The Company's major cashflow movements for the quarter included:

- Exploration & Evaluation expenditure - \$546k;
- Employee, administration and corporate costs - \$220k; and
- Proceeds from sale of investments - \$515k.

Sale of Non-Core Exploration Licence to Alligator Energy

A Binding Term Sheet was signed in May 2021 to sell Stellar's non-core Exploration Licence EL6350 in South Australia to Alligator Energy Limited (ASX: AGE or "Alligator") for a total consideration of 7,105,263 AGE shares.

On 22 September 2021, Alligator confirmed that following Ministerial consent for transfer of EL6350, all conditions precedent to the May 2021 Binding Terms Sheet had been met and on 23 September 2021 the 7,105,263 AGE shares were issued to Stellar.

Prior to the end of the September quarter, Stellar sold its 7,105,263 AGE shares for a total of \$515,017 (average 7.2 cents per share).

Stellar also sold 11,664,714 AGE shares in May 2021 for a total of \$418,979 which were originally Uranium SA Limited shares and which became AGE shares on acquisition of Samphire Uranium Limited by Alligator in October 2020. Stellar has received a total income of \$934k from sale of AGE shares this calendar year, making a substantial contribution towards funding the Heemskirk Tin work program this year. Stellar is no longer an AGE shareholder.

Tenements

Description	Tenement Number	Interest Owned (%)
Mining Lease - Zeehan, Tasmania	ML 2023P/M	100
Mining Lease - Tailing Dam, Zeehan, Tasmania	ML 2M/2014	100
Mining Lease - Pipeline Route, Zeehan, Tasmania	ML 2040P/M	100
Retention Licence - Zeehan, Tasmania	RL 5/1997	100
Mining Lease - St Dizier, Tasmania	ML 10M/2017	100
Exploration Licence - Mt Razorback	EL 11/2017	100
Exploration Licence - Montana Flats, Zeehan, Tasmania	EL 13/2018	100
Exploration Licence - Bridport Rd, NE Tasmania	EL11/2020	100
Exploration Licence - Pipers River, NE Tasmania	EL12/2020	100
Exploration Licence - Lilydale, NE Tasmania	EL13/2020	100
Exploration Licence - Nunamara, NE Tasmania	EL14/2020	100
Exploration Licence - Scottsdale, NE Tasmania	EL15/2020	100
Exploration Licence - Camden Rd, NE Tasmania	EL16/2020	100
Exploration Licence - Mt Saddleback, NE Tasmania	EL17/2020	100
Exploration Licence - Peppermint Hill, NE Tasmania	EL18/2020	100

Footnotes / Live Links

¹ [SRZ Announcement, 18 February 2021, "Restart of Tin Exploration Drilling"](#)

² [SRZ Announcement, 26 March 2021, "Expanded Tin Exploration Drilling Program at Heemskirk Tin"](#)

³ [SRZ Announcement, 7 September 2021. "First 2 Drillholes at Heemskirk Intersect Significant Zones of Alteration and Mineralisation"](#)

⁴ [SRZ Announcement, 12 April 2021, "Investor Presentation"](#) – See page 11 Benchmarking Assumptions

⁵ [SRZ Announcement, 23 August 2021, "NE Tasmania Exploration Licences Granted"](#)

⁶ [westmetall.com tin prices](#)

⁷ [SRZ Announcement, 16 May 2019, "Updated Heemskirk Resource Increases Indicated Category and Confidence in the Project"](#)

⁸ [SRZ Announcement, 1 October 2019, "Heemskirk Tin Scoping Study Confirms Attractive Economics"](#)

⁹ [SRZ Announcement, 4 March 2021, "Additional NE Tasmania Gold EL Applications"](#)

¹⁰ [SRZ Announcement, 10 September 2020, "NE Tasmania Gold EL Applications"](#)

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

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

STELLAR RESOURCES LIMITED

ABN

96 108 758 961

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(11)	(11)
(b) development	-	-
(c) production	-	-
(d) staff costs	(71)	(71)
(e) administration and corporate costs	(149)	(149)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(229)	(229)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(13)	(13)
(d) exploration & evaluation	(535)	(535)
(e) investments	-	-
(f) other non-current assets	(1)	(1)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	515	515
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(34)	(34)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(4)	(4)
3.10	Net cash from / (used in) financing activities	(4)	(4)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,409	5,409
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(229)	(229)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(34)	(34)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(4)	(4)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,142	5,142

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,642	2,909
5.2	Call deposits	3,500	2,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,142	5,409

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	109
6.2	Aggregate amount of payments to related parties and their associates included in item 2	47
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(229)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(535)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(764)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,142
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,142
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.7
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by: The Board.

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash*

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.