Report for the Quarter ended 31 March 2022

Highlights:

Heemskirk Tin Project

- 9-hole Phase 1 diamond drilling program (4,733m) commenced in June 2021 completed in mid-April 2022, post quarter end including:
    - 4 holes including 1 wedge hole (2,198m) targeting depth extensions of the Severn tin resource and increasing the Severn Indicated Resource.
    - 5 holes (2,535m) targeting depth extensions of key historic silver-lead-zinc mines, at depths where transition into cassiterite mineralisation may occur.
- Phase 1 results for the quarter included:
    - Assay results from Severn wedge hole ZS143W confirmed wide zones of high-grade tin (Sn) mineralisation with 20m of cumulative tin mineralisation intersected ~600m below surface, and demonstrating continuity of tin mineralisation between the bottom of the Severn Inferred Resource (~70m above) and comparable tin intercepts in parent hole ZS143 (~30m below)[14].
    - Results from Phase 1 holes ZS143W, ZS143 and ZS140 all successfully demonstrate continuation of the tin system at depth confirming potential to significantly expand the Severn resource which remains open at depth and along strike[14].
    - Severn drillhole ZS148, the final hole in the Phase 1 program, completed in late-March 2022 to a depth of 405m, targeting increasing the Severn Indicated Resource. Logging is underway with sulphide veining intersected and anomalous tin observed from portable XRF readings. Assay results expected in mid-May 2022[15].
    - Assay results from Oonah drillhole ZO144 and Western Zeehan drillhole ZW145 confirmed lower grade tin mineralisation and narrow high-grade silver-lead-zinc veins respectively[14].
    - Zeehan Queen No. 4 drillhole ZQ146 completed in February 2022 intersected sulphide mineralisation with anomalous tin observed from portable XRF readings below the historic mine. Assay results expected in late-May 2022[15].
- Phase 2A drilling program commenced in late-March 2022 with 6 diamond holes (~3,100m) planned at Severn, the largest of the Heemskirk Tin Project deposits including[15]:
    - Five of the planned holes aimed at increasing the Severn Indicated Resource as a precursor to a pre-feasibility study (PFS) on the project. The holes will target depths of ~280m to ~380m from surface (~450m average hole length) in areas where thicker and higher-grade tin mineralisation are expected based on the resource model and existing drilling.
    - The sixth planned hole (~900m length) will test the large magnetic and approximately coincident conductive target to the south of the Severn deposit that was identified in modelling completed last November. This hole also passes through the projected position of the Severn deposit ~100m south of the defined resource.
- The first Phase 2A drillhole, ZS149, completed in mid-April 2022, post quarter end (468m). The hole intersected sulphide veining and logging yet to commence. Assay results expected in late-May 2022[15].

Tin Market

- Tin prices have continued to rise spectacularly over the reporting period with the LME spot tin price reaching US$44,200/t on 31 March 2022[7].
- Tin prices have more than doubled over the past 15 months and now significantly exceed 10-year highs. The International Tin Association is now expecting tin prices to remain "stronger for longer"[12].
- **With the highest-grade undeveloped tin resource in Australia & 2nd highest globally[8,9,] a scoping study completed in 2019 confirming attractive economics[10] and Phase 2A drilling to increase the Severn Indicated Mineral Resource underway[15], the Heemskirk Tin Project is well positioned to take advantage the booming tin market.**

North East Tasmania Exploration Project

- EL19/2020 (Scamander) and EL2/2021 (Scamander South and Pyengana) granted in March 2022 to Stellar's wholly owned subsidiary, Tarcoola Iron Pty Ltd over an area of 434 km^2.
- EL application EL3/2022 lodged in February 2022 at Mt Paris and Scamander North, a total area of 97 km^2, which is prospective for lithium, tin and other base metals[13].
- EL applications EL10/2020 (Beaconsfield South) (165 km^2) and EL3/2021 (Quakers Ranges) (45km^2) are still being processed and are expected to be granted during CY2022 Quarter 2.
- A total of 10 EL's covering 2,333 km^2 now held by Stellar in NE Tasmania with a further 3 EL applications (307 km^2) pending. Most of this ground is prospective for Victorian-style Orogenic Gold and Intrusive Related Gold Systems (IRGS)[11].
- Field exploration commenced this quarter on Stellar's prioritised list of gold targets from the review completed during the previous quarter by Dr Josh Phillips. Work completed this Quarter includes:
    1. Back Creek – soil sampling program (882 samples) completed, and rock chip sampling program (>40 samples to date) largely completed with assay results pending.
    2. Nabowla - stream sediment sampling program to start in early-May 2022 with MRT work program approvals and land access in place.
    3. Blessington - soil program planned to be undertaken next quarter following Nabowla program with MRT work program application submitted and land access agreements yet to commence.
- EL19/2020 (Scamander) is highly prospective for tin and base metals with significant historic exploration and drilling undertaken over the licence area[13]. Work completed on EL19/2020 (Scamander) this quarter includes:
    - Capture of historic exploration data into Stellar's database and GIS, with analysis of this data well progressed.
    - Magnetic inversion modelling of targets on EL19/2020 (and other Stellar NE Tas EL's).
    - Planning of follow up geophysical surveys to identify drill targets underway.
- Dr Josh Phillips's contract recently extended for a further 12 months to March 2023 with Josh to continue to lead Stellar's NE Tasmania Exploration Program as Program Leader.
- Richard Spencer-Lloyd recently appointed as Exploration Geologist, NE Tasmania, Stellar Resources and will be responsible for execution of field exploration programs.

Corporate

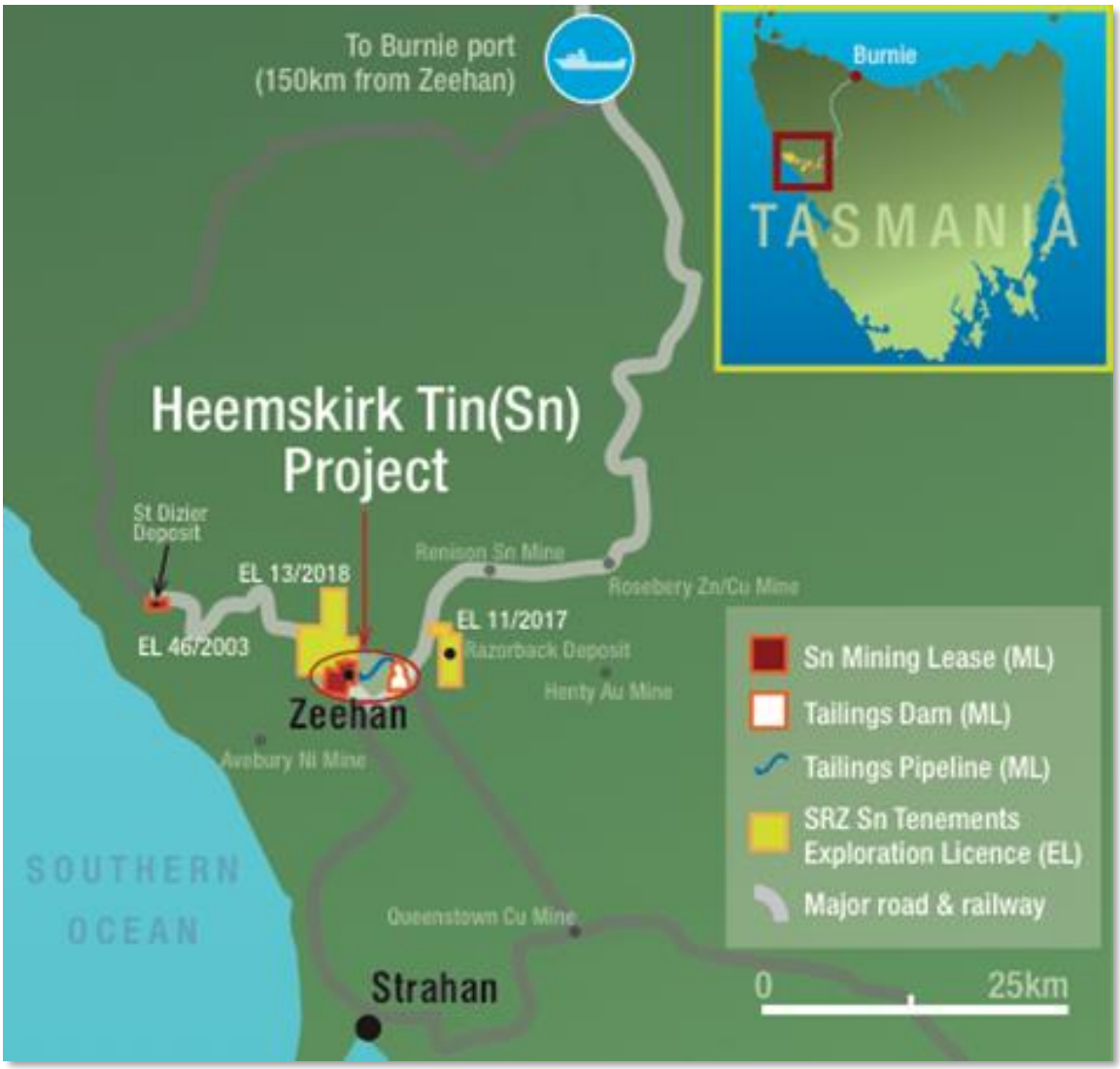
- Cash balance at 31 March 2022 was $3.318 million.

Heemskirk Tin Project

Overview of Stellar's Tin Project on West Coast of Tasmania

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.

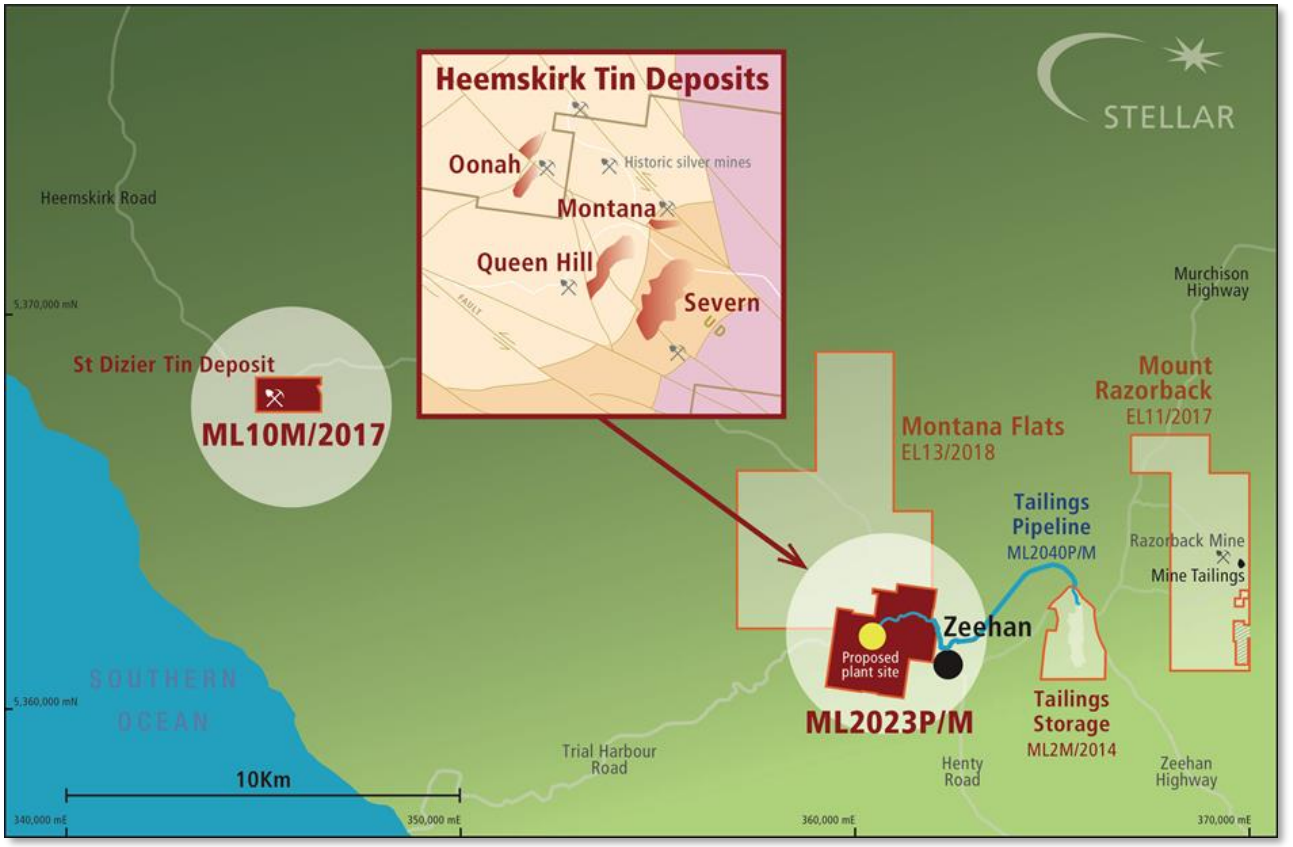
Stellar's flagship Heemskirk Tin Project is just 18km to the southwest of the Renison tin mine, the largest and most productive tin mine in Australia. Including Renison, there are 5 major underground metal mines, 3 of which are operating, within 30km of the Heemskirk Tin Project.



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

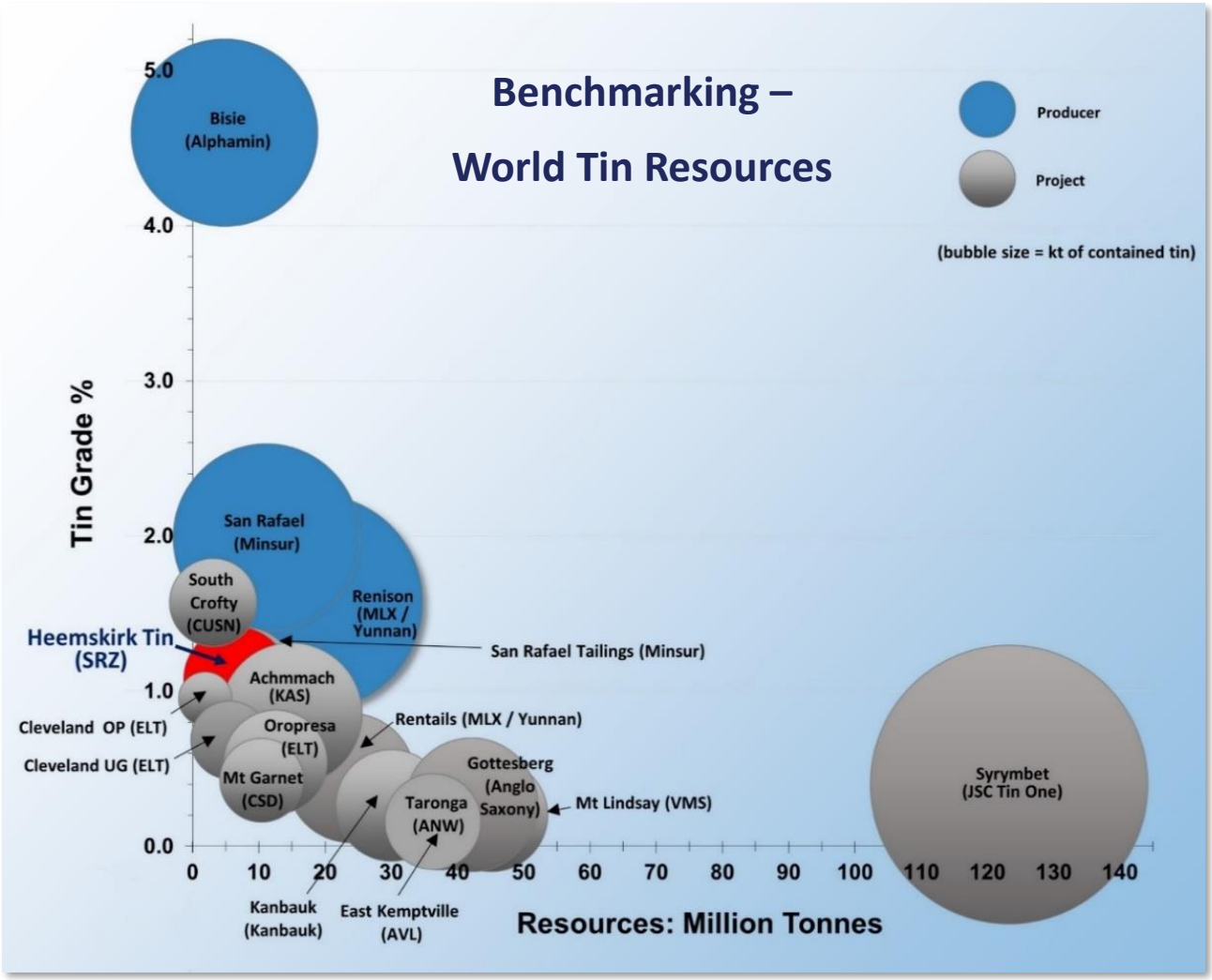
Heemskirk Tin Resources

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 Category. All deposits have higher grade zones and are amenable to mining at higher cut-off grades. All deposits open at depth[8].

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 Category[10].

Heemskirk is the highest grade undeveloped tin resource in Australia and the second highest grade tin resource globally[9].



Heemskirk Tin Project Resources Benchmarking (previously announced on 12 April 2021)

Heemskirk Tin Project Scoping Study

In October 2019, Stellar announced the results of its Heemskirk Tin Project Scoping Study[10] 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.

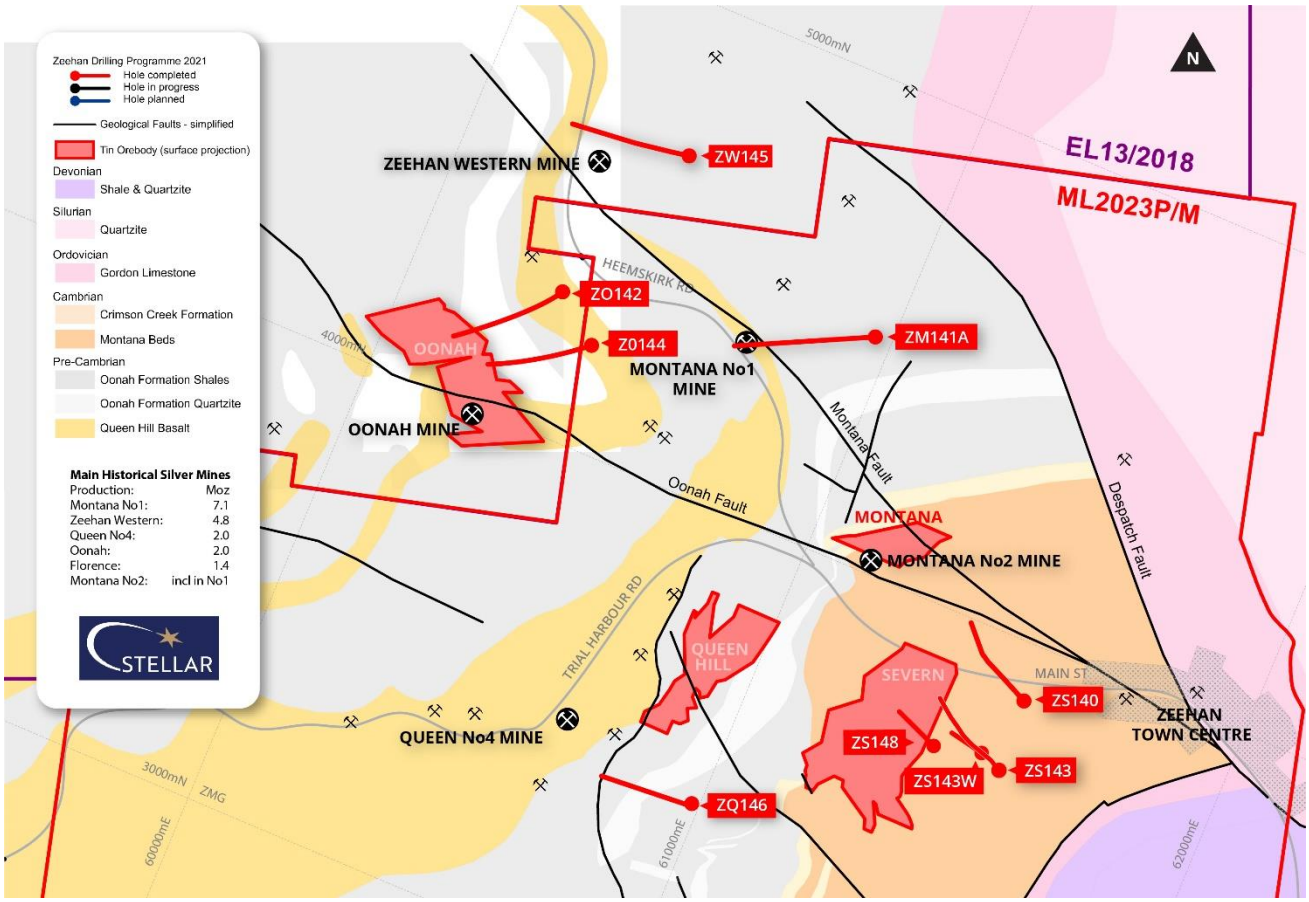
The 2019 Scoping Study confirmed the Heemskirk Tin Project had attractive economics at a US$20,000/t tin price[10]. The current spot tin price on 12 April 2022 was US$43,650/t, over double the price assumed in the 2019 Scoping Study.

Phase 1 Drilling Program (2021/22)

A 9-hole Phase 1 diamond drilling program (4,733m) which commenced in June 2021 was completed in mid-April 2022, post quarter end including:

- 5 holes (2,535m) targeting depth extensions of key historic silver-lead-zinc mines, at depths where transition into cassiterite mineralisation may occur.
- 4 holes including 1 wedge hole (2,198m) targeting depth extensions of the Severn tin resource and increasing the Severn Indicated Resource.

The plan below shows the locations of the completed Phase 1 drillholes.



Zeehan Mineral Field Surface Geology, Tin Deposits, Historic Ag-Pb-Zn Mines, Phase 1 Drillholes

Phase 1 - Severn Drilling (4 holes)

ZS140

In November 2021, assay results received from the first Severn drillhole (ZS140) in the Phase 1 program confirmed multiple wide zones of tin (Sn) mineralisation with over 40 m of cumulative tin mineralisation intersected, approximately 240m down dip of the Severn Mineral Resource and 750m below surface, including the following significant intercepts[3]:

- 8.4m @ 0.23% Sn from 731.6m
- 14.2m @ 0.28% Sn from 747.0m
- 5.0 m @ 0.76% Sn from 777.0 m
- 3.0 m @ 0.87% Sn from 797.0 m (included within 10.0 m @ 0.43% Sn from 794.0 m)
- 2.0m @ 0.62% Sn from 820.0m
- 1.1 m @ 2.24% Sn from 855.4 m

ZS143

In December 2021, assay results from the second Severn drillhole (ZS143) in the Phase1 program confirmed wide zones of high-grade tin (Sn) mineralisation with 20m of tin mineralisation approximately 100m down dip of the Severn Inferred Resource and 620m below surface, including the following key intercepts[4]:

- 6.0m @ 0.51% Sn from 586.0m
- 5.0m @ 1.27% Sn from 601.0m
- 9.0m @ 0.78% Sn from 629.0m

The 3 significant intercepts between 586m and 638m in ZS143 have a cumulative length of 20m of tin mineralisation at an average grade of 0.82% Sn[4].

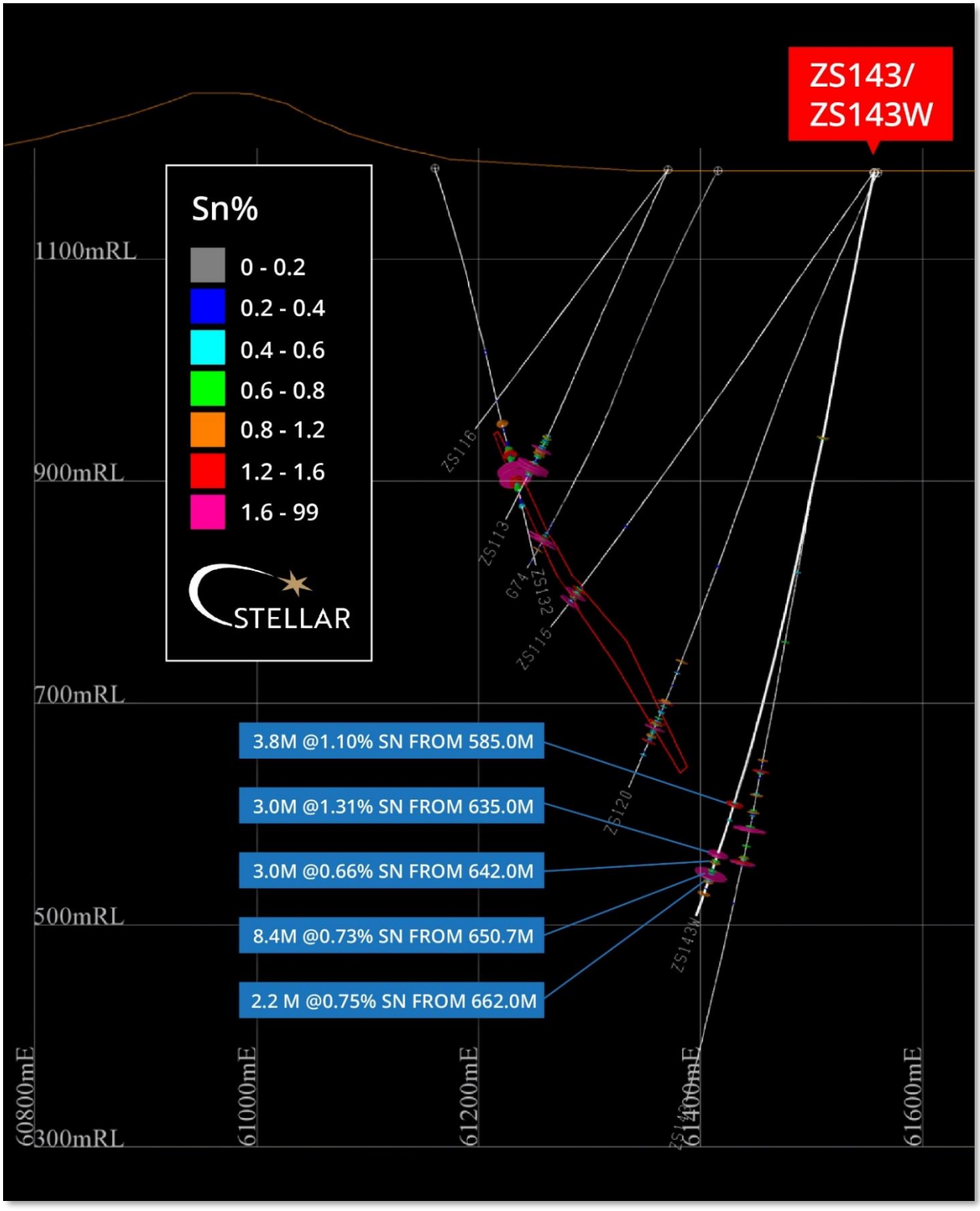
ZS143W

In March 2022, assay results from Severn wedge hole ZS143W confirmed wide zones of high-grade tin (Sn) mineralisation with 20m of cumulative tin mineralisation intersected approximately 600m below surface, including the following key intercepts[14]:

- 3.8m @ 1.10% Sn from 585.0m
- 3.0m @ 1.31% Sn from 635.0m
- 8.4m @ 0.73% Sn from 650.7m

The ZS143W results demonstrate continuity of tin mineralisation between the bottom of the Severn Inferred Resource (~70m above) and the comparable tin intercepts in parent hole ZS143 (~30m below)[14].

Results from Phase 1 holes ZS143W, ZS143 and ZS140 all successfully demonstrate continuation of the tin system at depth confirming potential to significantly expand the Severn resource which remains open at depth and along strike[14].



Severn West-East Cross Section 3,800m North (ZMG) Highlighting Significant Intercepts in Hole ZS143W with ZS143 Parent hole, historical drilling and Severn 2019 Resource (red) shown[14]

ZS148

Severn drillhole ZS148, the final hole in the Phase 1 program, was completed (405m) in late-March 2022 targeting increasing the Severn Indicated Resource. Logging is underway with sulphide veining intersected and anomalous tin observed from portable XRF readings. Assay results expected in mid-May 2022[15].

Phase 1 -Drilling Targeting Depth Extensions of Key Historic Silver-Lead-Zinc Mines

The Phase 1 drilling program included 5 holes which targeted depth extensions below the Montana No.1, Zeehan Western, Oonah & Zeehan Queen No. 4 historic silver-lead-zinc mines in the Zeehan mineral field which are located on Stellar's licences and typically had[1]:

- 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 and the Phase 1 holes targeted depths where the interpreted transition of silver-lead-zinc mineralisation into cassiterite (tin) mineralisation was expected to occur.

Montana No. 1 Mine - Drillhole ZM141A

In November 2021, assay results from hole ZM141A, the first ever hole drilled beneath Zeehan's largest historic silver-lead mine, Montana No. 1, confirmed very high-grade silver-lead-zinc fissure vein intercepts approximately 90m below the deepest historic mine workings and 320m below surface. Significant intercepts included[5]:

- 1.2 m @ 31.8 Oz/t Ag, 23.9% Pb, 0.4% Zn and 0.1% Cu from 423.0 m
- 0.4 m @ 15.4 Oz/t Ag, 12.2% Pb and 4.6% Zn from 411.0 m
- 0.6 m @ 3.8 Oz/t Ag, 3.6% Pb and 0.4% Zn from 239.0 m

As most of the mineralisation intersected in this hole is present as silver-lead-zinc fissure veins, it is interpreted that the transition into zones of tin mineralisation may still occur at greater depths below those intersected in hole ZM141A.

Oonah Mine - Drillholes ZO142 and ZO144

Two drillholes (ZO142 and ZO144) were completed during 2021 targeting 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)[8] defined by previous drilling below the historic mine workings.

In November 2021, assay results from the first Oonah drillhole (ZO142) included multiple zones of lower grade tin mineralisation and confirmed the continuation of tin mineralisation ~70m below the Oonah Inferred Resource[5].

In March 2022, assay results from the second Oonah drillhole ZO144 confirmed multiple zones of lower grade tin mineralisation ~40m below the Oonah Inferred Resource, in line with the previous hole at Oonah (ZO142)[14].

Zeehan Western Mine - Drillhole ZW145

In March 2022, assay results from Western Zeehan drillhole ZW145 confirmed narrow high-grade silver-lead-zinc fissure veins below the historic mine[14].

Zeehan Queen No, 4 Mine – Drillhole ZQ146

Zeehan Queen No. 4 drillhole ZQ146 completed in February 2022 intersected sulphide mineralisation with anomalous tin observed from portable XRF readings below the historic mine. Assay results expected in late-May 2022[14].

Severn South Magnetic and Conductivity Target

Magnetic and downhole electromagnetic (EM) inversion studies completed in November 2022 by Stellar's geophysical consultants, Mira Geoscience, have modelled a large magnetic and approximately coincident conductive target, below the depth of historic drilling at the southern extent of the Severn Mineral Resource ("the South Severn Magnetic and Conductive Target")[6].

The figure below shows an updated isosurface from a revised magnetic inversion recently completed by Mira Geoscience. The impact of the Severn and Queen Hill orebodies was reduced by removing the magnetic signature of the mineralisation prior to inversion. This resulted in the isosurface representing the magnetic inversion centroid to decrease slightly in magnitude (from 100 to 92 e-3 SI) and displaced slightly deeper and to the SSW compared to the original inversion completed in November[1]. The magnetic cupola surface is sliced to enable the inversion isosurface to be viewed[15].

This South Severn Magnetic and Conductivity will be drilled as part of the Phase 2A drilling program – the location of the planned hole is shown on the figure below.

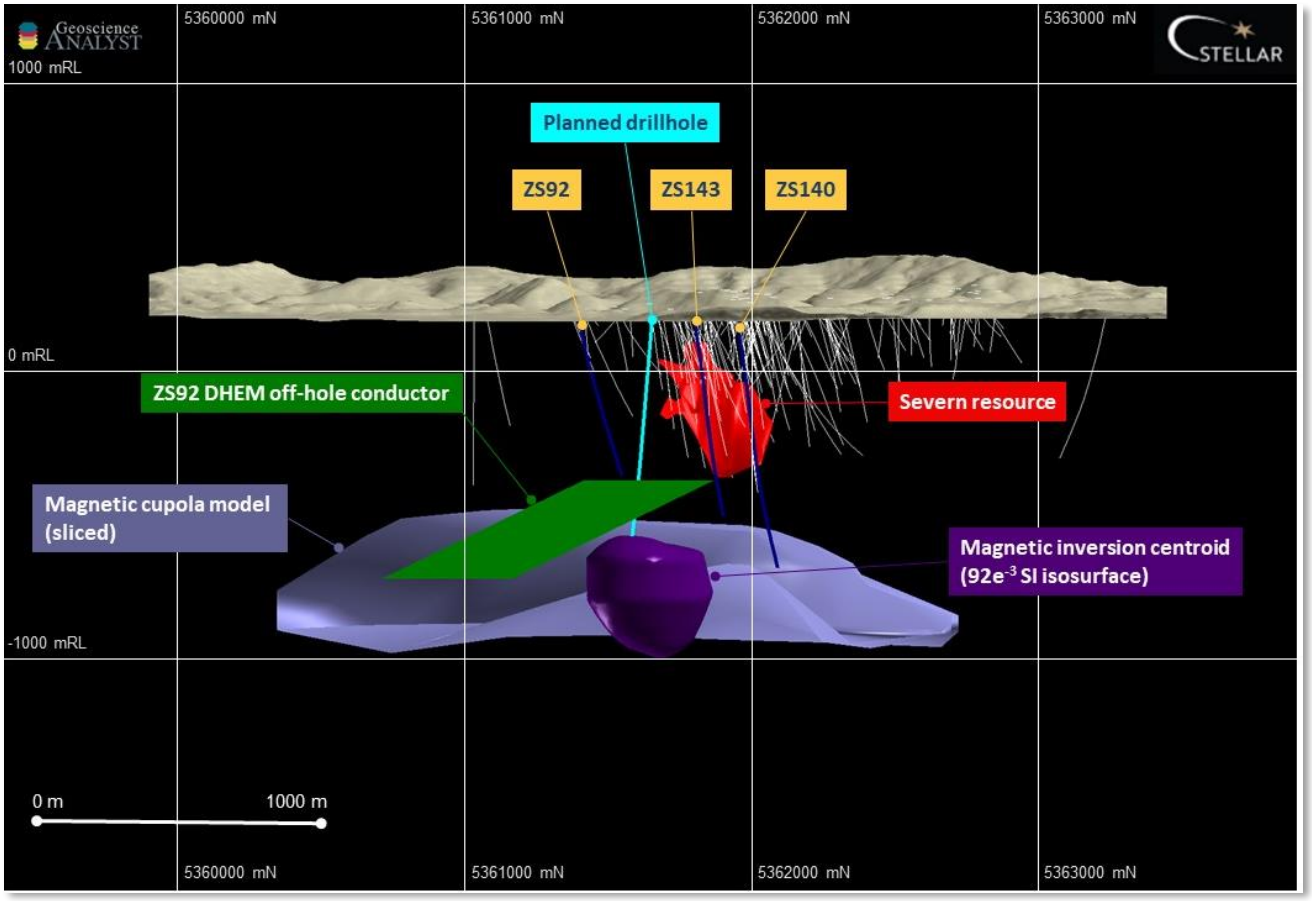


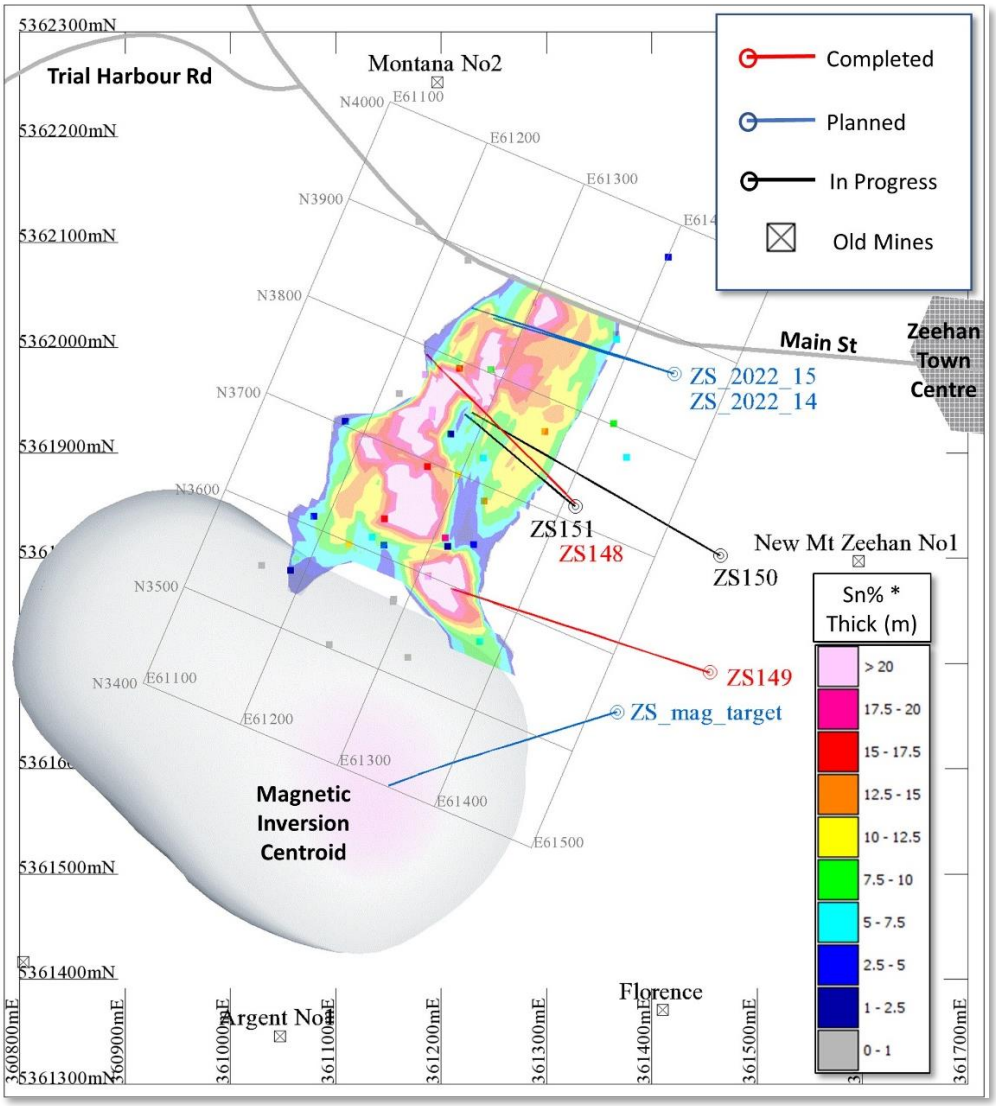
Image of planned drillhole to test the Severn South magnetic and conductive target; view looking west (GDA 94 Grid)[15]

Phase 2A Drilling Program

The Phase 2A drilling program commenced in late-March 2022 with 6 diamond holes (~3,100m) planned at Severn, the largest of the Heemskirk Tin Project deposits. A summary of the planned Phase 2A holes is shown in the table and plan below[15].

Summary of Phase 2A Planned Holes (Zeehan Mine Grid)[15]

Proposed Hole ID	Easting (ZMG)	Northing (ZMG)	RL (ZMG)	Azimuth (ZMG)	Dip	EOH Depth	Target Depth	Planned Order
ZS_2022_04 (ZS149)	61,591	3,620	1,180	265	-54	440	397	1
ZS_2022_11 (ZS151)	61,412	3,715	1,185	287	-70	400	342	2
ZS_2022_17 (ZS150)	61,557	3,726	1,178	277	-57	500	438	3
ZS_2022_14	61,449	3,868	1,180	265	-62	430	380	4
ZS_2022_South Mag Target	61,525	3,551	1,180	230	-74	900	800	5
ZS_2022_15	61,449	3,868	1,180	264	-67	460	398	6
Total						**3,130**		



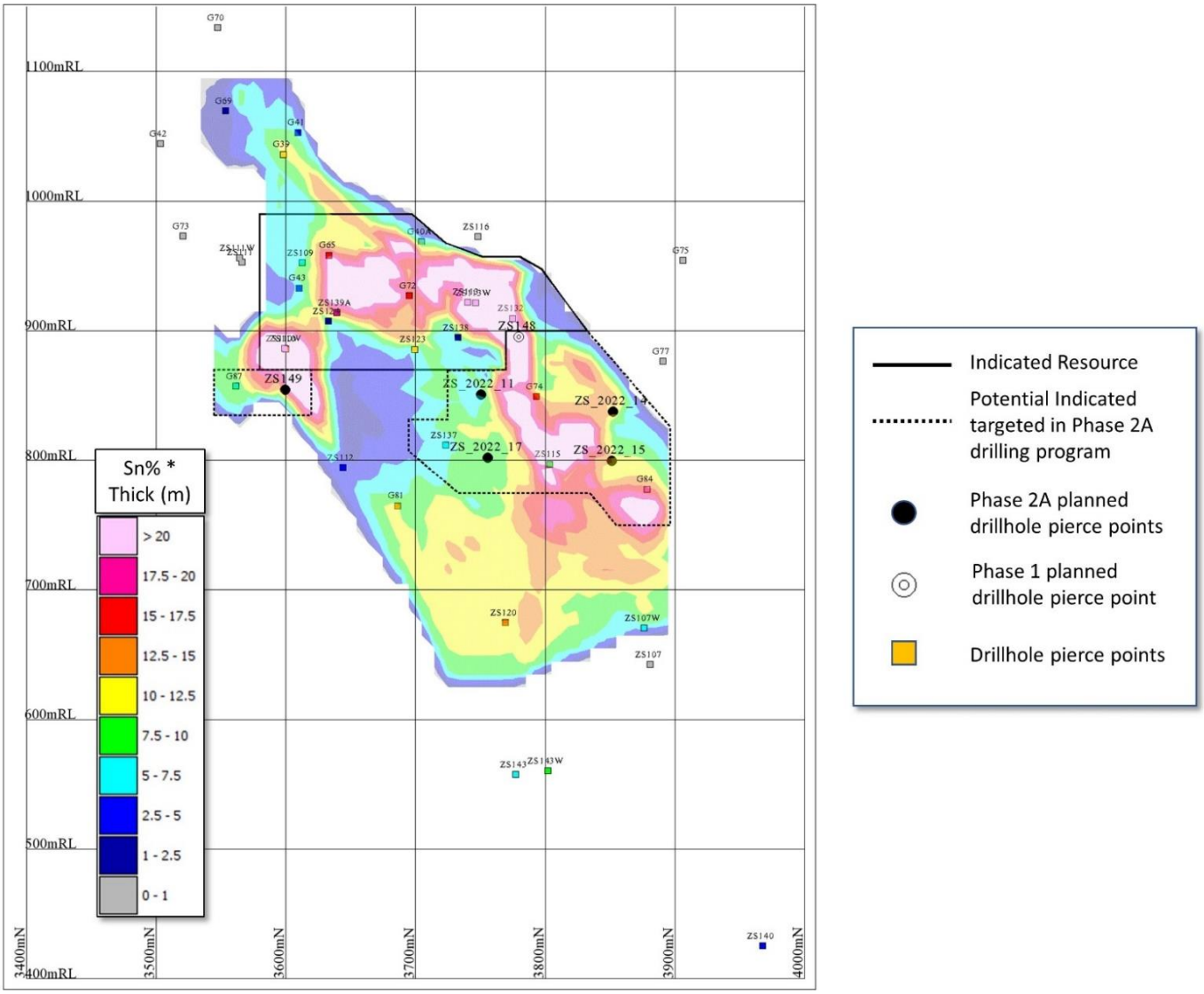
Location of Phase 2A Drillholes, Severn Resource (main ore lens) and existing drillhole pierce points coloured by Sn% * Thickness, historic mines and Phase 1 Hole ZS148 (GDA 94 grid tick marks and Zeehan Mine Grid lines inset)[15]

Severn Indicated Resource Expansion Holes

Five of the planned Phase 2A holes are aimed at increasing the Severn Indicated Resource as a precursor to a pre-feasibility study (PFS) on the project.

The holes will target depths of ~280m to ~380m from surface (~450m average hole length) in areas where thicker and higher-grade tin mineralisation are expected based on the resource model and existing drilling.

A long section of the Severn deposit showing existing and planned Phase 2A holes is shown below[15].



Severn Long Section looking west showing Phase 2A holes, Severn Resource (main ore lens), existing drillhole pierce points coloured by Sn% * Thickness and potential Indicated Resource targeted by Phase 2A (Zeehan Mine Grid) [15]

The first Phase 2A hole, ZS149, was completed in mid-April 2022, post quarter end to a depth of 468m. The hole has intersected sulphide veining and logging is yet to commence. Assay results expected in late-May 2022[15].

South Severn Magnetic and Conductivity Target Hole

The sixth planned Phase 2A hole (~900m length) will test the large magnetic and approximately coincident conductive target to the south of the Severn deposit that was identified in modelling completed last November.

This hole also passes through the projected position of the Severn deposit ~100m south of the defined resource[15].

Advancing Heemskirk Tin Project to BFS Completion

At the completion of the 5 Phase2A Severn Indicated Resource extension holes, a resource update for the Severn deposit is planned as a precursor to a pre-feasibility study (PFS) on the project.

Other project work streams and studies required to advance the Heemskirk Tin Project to PFS and Bankable Feasibility Study (BFS) completion are 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.

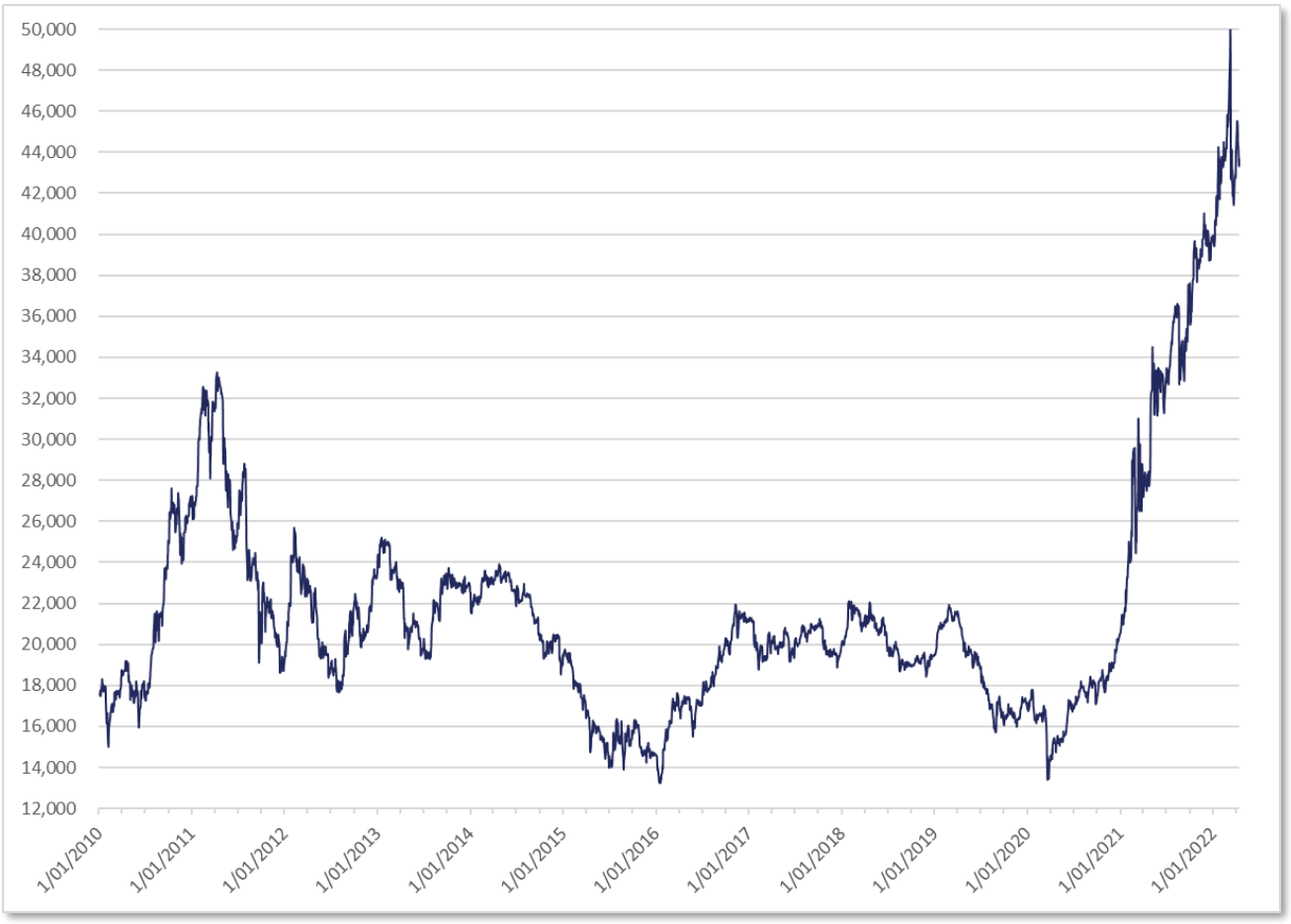
With the highest-grade undeveloped tin resource in Australia & 2nd highest globally[8,9], a scoping study completed in 2019 confirming attractive economics[10] and Phase 2A drilling to increase the Severn Indicated Mineral Resource[15] underway, the Heemskirk Tin Project is well positioned to take advantage the booming tin market.

Tin Market Outlook

Tin prices have continued to rise spectacularly over the reporting period with the LME spot tin price reaching US$44,200/t on 31 March 2022[7].

Tin prices have more than doubled over the past 15 months and now significantly exceed 10-year highs. The International Tin Association is now expecting tin prices to remain “stronger for longer”[12].

This strong market for tin is due to strong physical global tin demand growth continuing to exceed global tin supply and is creating an extremely tight market for tin with LME tin stocks remaining at near record lows.



LME Spot Tin Prices (1 Jan 2010 to 12 April 2022) [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).
- Growing demand for use of tin in solar panels.

Tin Supply

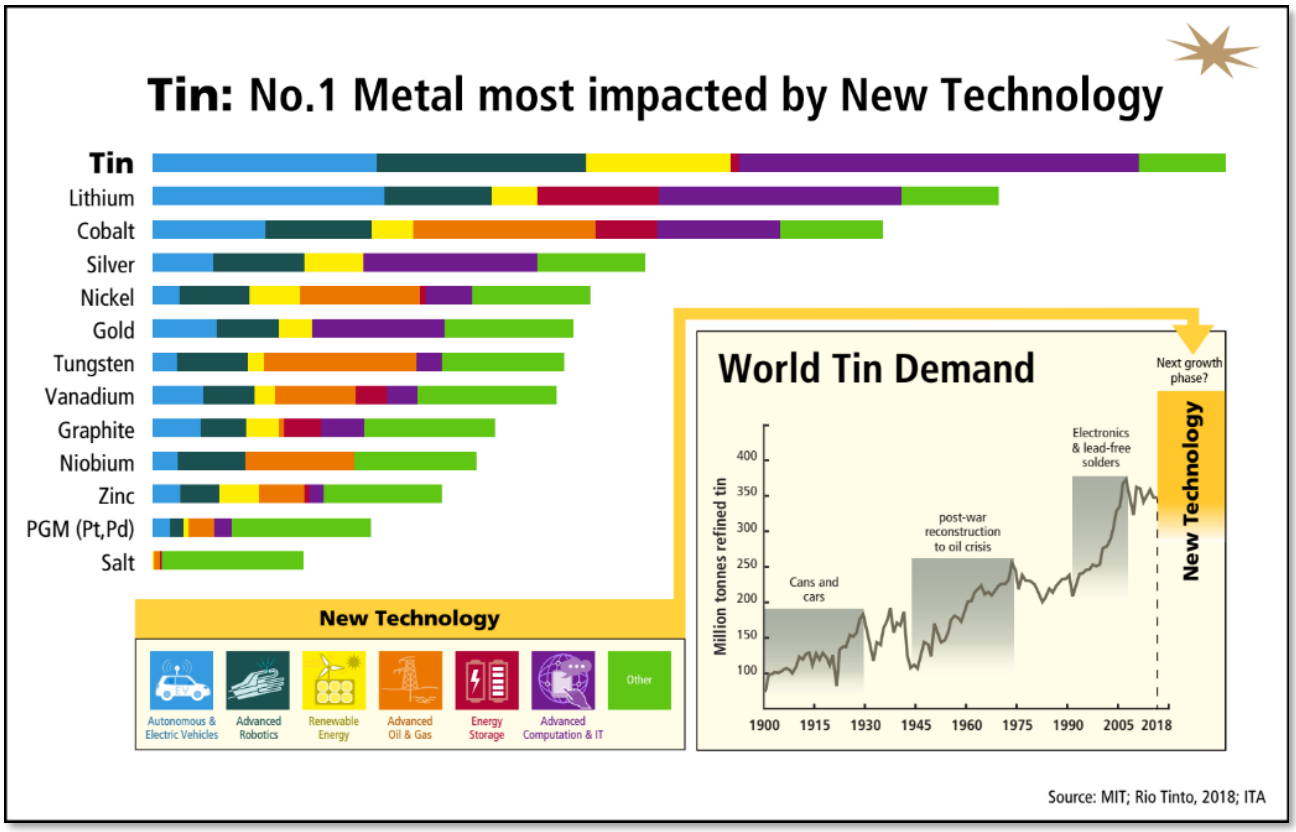
Global tin supply has fallen for each of the last 3 years to 2020 as a result of:

- Myanmar (world's 3rd largest producer) production continuing to fall throughout 2021 due to the military coup and largely unreliable artisanal and small-scale mining.
- Many existing tin mines globally 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.

Covid related tin supply disruptions experienced globally in 2020 have now largely recovered to pre-covid levels, other than in Myanmar, however, there continues to be a supply – demand shortfall due to strong demand growth.

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.

North East Tasmania Exploration Project

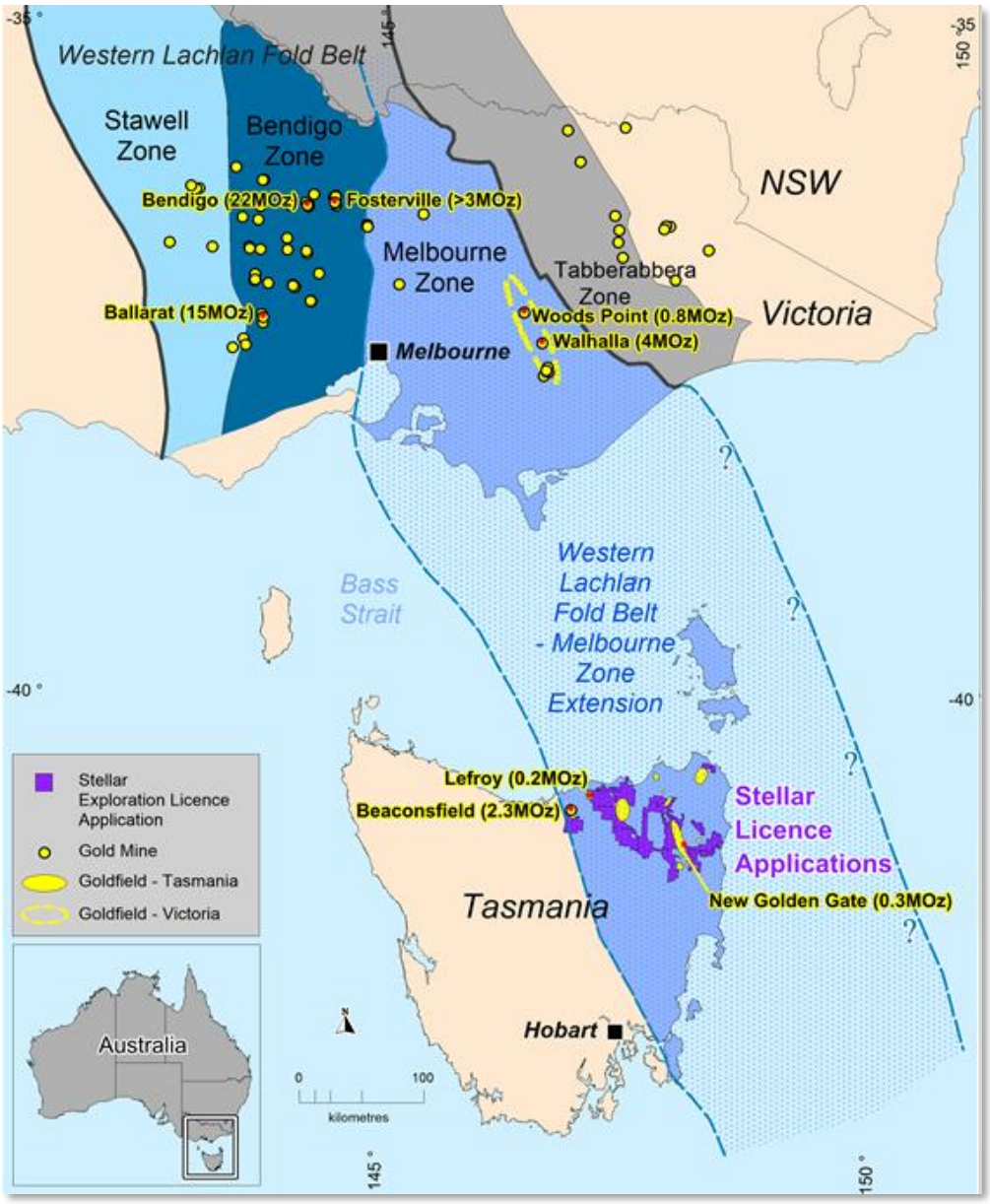
NE Tas – A Continuation of Victorian Western Lachlan Fold Belt

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.

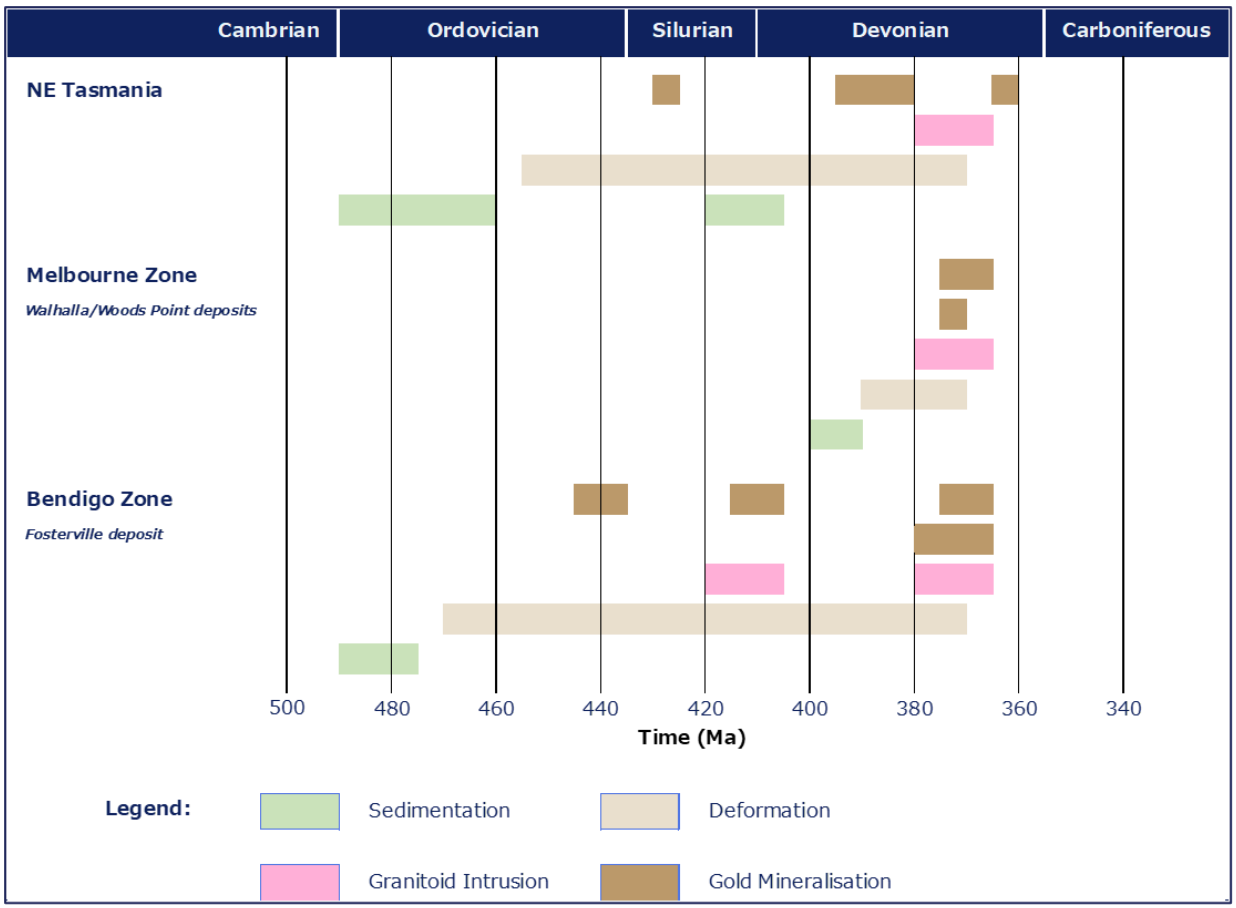
While Victoria is currently experiencing intense gold exploration activity, NE Tasmania has had very little modern gold exploration undertaken[11].



Continuation of Western Lachlan Fold Belt from Victoria into NE Tasmania [11]

Gold deposits in NE Tasmania share the same geological setting as their Victorian counterparts[11]:

- 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) [11]

Stellar NE Tasmania Exploration Licences

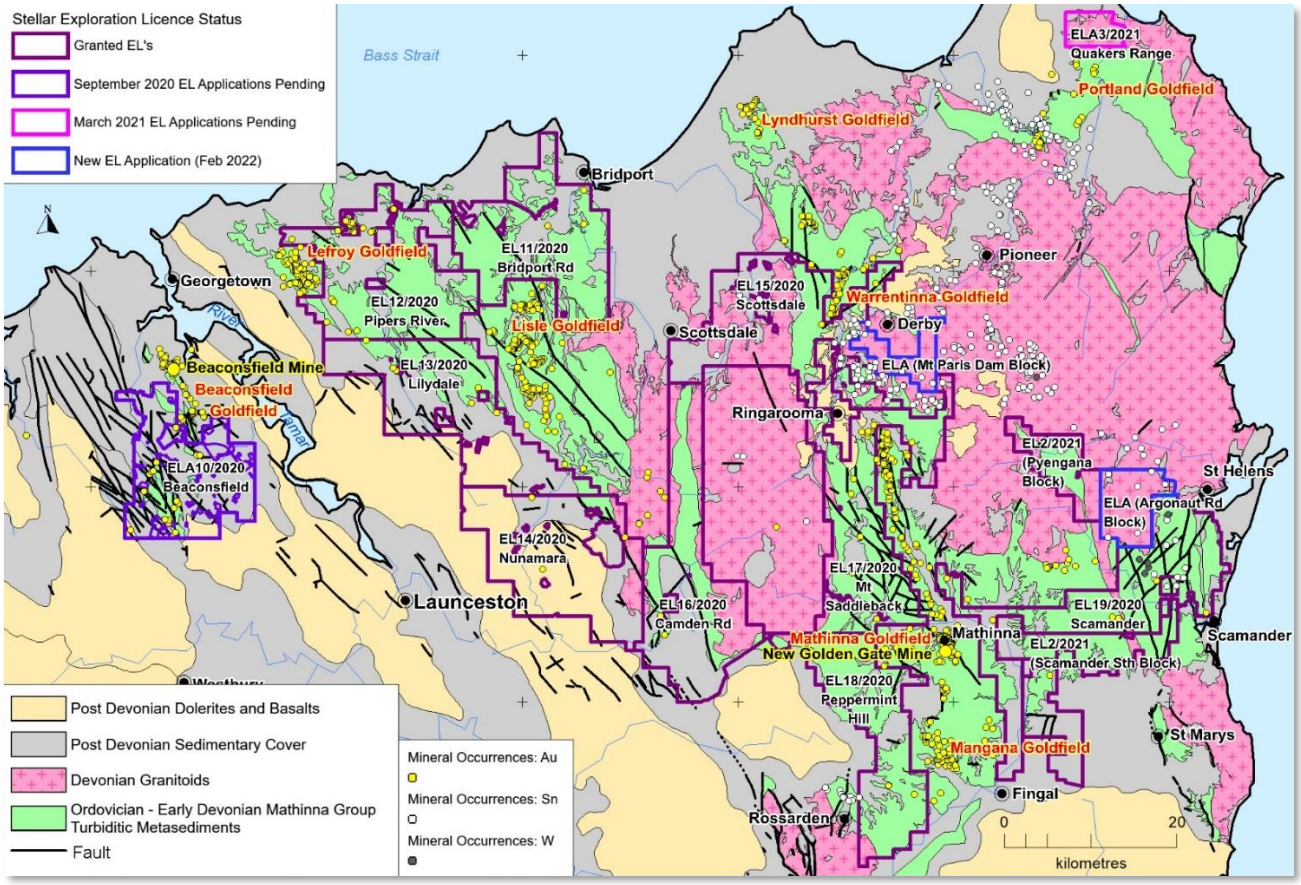
8 Exploration Licences (EL's) over a total area of 1,899 km^2 in NE Tasmania were granted in August 2021 to Stellar's wholly owned subsidiary, Tarcoola Iron Pty Ltd[11].

In March 2022, Exploration Licences EL19/2020 (Scamander) and EL2/2021 (Scamander South and Pyengana) over a total area of 434 km^2 were granted to Stellar's wholly owned subsidiary, Tarcoola Iron Pty Ltd.

EL applications EL10/2020 (Beaconsfield South) (165 km^2) and EL3/2021 (Quakers Ranges) (45km^2) are still being processed and are expected to be granted in Quarter 2, CY2022.

In February 2022, the Company announced that it had lodged a new EL application EL3/2022 at Mt Paris and Scamander North covering an area of 97km^2 which is prospective for lithium, tin and other base metals[13].

A total of 10 EL's covering 2,333 km^2 now held by Stellar in NE Tasmania with a further 3 EL applications (307 km^2) pending.



Stellar EL's, EL Applications, Geology and Mineral Occurrences (March 2022)[13]

9 of Stellar's 10 granted EL's, along with EL applications EL10/2020 and EL3/2021 are prospective for Victorian-style Orogenic Gold and for Intrusive Related Gold Systems (IRGS)[11].

Recently granted EL19/2020 (Scamander) is highly prospective for tin and base metals with significant historic exploration and drilling undertaken over the licence area[13].

EL application EL3/2022 (Mt Paris and Scamander North) is prospective for lithium, tin and other base metals[13].

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 and base metals targets have also been identified.[11, 13]

In November 2021, Dr Josh Phillips 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 were identified during Dr Phillips's review and all targets were prioritised for field exploration.

Summary of Stellar's EL's and EL Applications in NE Tasmania (March 2022)[11]

Name	EL Number	Area (Km2)	Status	Ordovician Mathinna Group	Regional Structures (Magnetic Lineaments & Mapped Faults)	Granitoid Intrusions nearby	Gold Occurrences	Tin / Base Metal Occurrences
Beaconsfield	**EL 10/2020**	165	Application	Y	NW	Y	18	
Bridport Rd	**EL 11/2020**	236	Granted	Y	NW	Y	3	
Pipers River	**EL 12/2020**	246	Granted	Y	NW	Y	15	
Lilydale	**EL 13/2020**	242	Granted	Y	NW	Y	6	
Nunamara	**EL 14/2020**	247	Granted	Y	NW & NE	Y	3	
Scottsdale	**EL 15/2020**	244	Granted	Y	NW, N & NE & IRGS	Y	2	21
Camden Road	**EL 16/2020**	248	Granted	Y	NW & N	Y	3	
Mt Saddleback	**EL 17/2020**	241	Granted	Y	NW & NE	Y	13	1
Peppermint Hill	**EL 18/2020**	195	Granted	Y	NW	Y	6	
Scamander	**EL19/2020**	239	Granted	Y	N & NE Tin and Base Metals Targets	Y	7	29
South Scamander & Pyengana	**EL 2/2021**	195	Granted	Y	NW, N,NE	Y	1	2
Quakers Ranges	**EL 3/2021**	45	Application	Y	NW	Y		
Mt Paris and Scamander North	**EL 3/2022**	97	Application	N	Tin , Base Metals and Lithium Targets	N		15
Total		**2,640**					**77**	**68**

Work Program Update

Field exploration commenced this quarter on the prioritised list of gold targets completed during the previous quarter by Dr Josh Phillips. Work completed this quarter includes:

1. Back Creek – soil sampling program (882 samples) completed, and rock chip sampling program (>40 samples to date) largely completed with assay results pending.
2. Nabowla - stream sediment sampling program to start in early-May 2022 with MRT work program approvals and land access in place.
3. Blessington - soil survey planned to be undertaken next quarter following Nabowla program with MRT work program application submitted and land access agreements yet to commence.

EL19/2020 (Scamander) is highly prospective for tin and base metals with significant historic exploration and drilling undertaken over the licence area[13]. Work completed on EL19/2020 (Scamander) this quarter includes:

- Capture of historic exploration data into Stellar's database and GIS, with analysis of this data well progressed.
- Magnetic inversion modelling of targets on EL19/2020 (and other Stellar NE Tas EL's).
- Planning of follow up geophysical surveys to identify drill targets underway.

Dr Josh Phillips's contract was recently extended for a further 12 months to March 2023 with Josh to continue to lead Stellar's NE Tasmania Exploration Program as Program Leader.

Richard Spencer-Lloyd was recently appointed as Exploration Geologist, NE Tasmania, Stellar Resources and will be responsible for execution of field exploration programs.

Corporate

Cash balance at 31 March 2022 was $3.318 million.

Payments to related parties of the entity and their associates during the quarter were $143k in the March Quarter compromising Director and consulting fees as outlined in the Appendix 5B.

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

• Exploration & Evaluation expenditure - $607k; and

• Employee, administration and corporate costs - $255k.

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
Exploration Licence - Scamander, NE Tasmania	EL19/2020	100
Exploration Licence – Scamander South & Pyengana, NE Tasmania	EL2/2021	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, 5 November 2021, “ZS140 Results and Heemskirk Drilling Update”

[4] SRZ Announcement, 20 December 2021, “High-Grade Tin Intersected in Second Severn Hole”

[5] SRZ Announcement, 22 November 2021, “Exceptional Silver-Lead Grades in First Montana No. 1 Hole”

[6] SRZ Announcement, 11 November 2021,” Large Magnetic and Conductive Target Modelled at South Severn”

[7] westmetall.com tin prices

[8] SRZ Announcement, 16 May 2019, “Updated Heemskirk Resource Increases Indicated Category and Confidence in the Project”

[9] SRZ Announcement, 12 April 2021, “Investor Presentation” – See page 11 Benchmarking Assumptions

[10] SRZ Announcement, 1 October 2019, ”Heemskirk Tin Scoping Study Confirms Attractive Economics”

[11] SRZ Announcement, 23 August 2021, “NE Tasmania Exploration Licences Granted”

[12] Mining Network Interview with James Willoughby, International Tin Association, “2022 Tin Outlook”

[13] SRZ Announcement, 28 February 2022, "Stellar Pegs Prospective Lithium & Tin Ground in NE Tasmania"

[14] SRZ Announcement, 23 March 2022, "High-Grade Tin Intersected in Severn Hole ZS143W"

[15] SRZ Announcement, 7 April 2022, “Heemskirk Tin Phase 2A Drilling Program"

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 5B

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

Name of entity	
STELLAR RESOURCES LIMITED	
ABN	**Quarter ended ("current quarter")**
96 108 758 961	31 March 2022

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	(11)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(113)	(300)
	(e) administration and corporate costs	(142)	(469)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	7
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**	**(252)**	**(773)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(13)
	(d) exploration & evaluation	(607)	(1,808)
	(e) investments	-	-
	(f) other non-current assets	-	(1)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	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**	**(607)**	**(1,307)**

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)	(1)	(11)
3.10	**Net cash from / (used in) financing activities**	**(1)**	**(11)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,178	5,409
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(252)	(773)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(607)	(1,307)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1)	(11)

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**3,318**	**3,318**

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	1,318	1,028
5.2	Call deposits	2,000	3,150
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)**	**3,318**	**4,178**

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	97
6.2	Aggregate amount of payments to related parties and their associates included in item 2	46

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.

7.	**Financing facilities** *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.*	**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		

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(252)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(607)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(859)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,318
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,318
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.9

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.

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

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.

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: 26 April 2022

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*

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.