High Grade Gold Soil Geochemistry Anomalies Defined at Leura and Back Creek

Stellar Resources Limited (ASX: SRZ, "**Stellar**" or "**the Company**") is pleased to report assay results from its first major Northeast Tasmania field exploration program completed at Leura and Back Creek within Stellar's EL12/2020.

Highlights

- High-grade gold results returned from the soil sampling program (276 samples) completed over the historic Leura mine within EL12/2020:
  - **Anomalous gold soil results ranging from 0.1 to 2.4 g/t Au over a 400-500m strike length corresponding with the historic Leura Gold Mine, with likely strike extensions of the historic mine under shallow cover (>5m).**
  - **The lack of any previous modern exploration over the Leura soil gold anomaly and the high-grade soil gold results provides an attractive drill target.**
- Anomalous gold results returned from the soil sampling program completed at the historic Back Creek goldfield within EL12/2020 (274 samples):
  - **Lady Emily Reef - anomalous gold soil results ranging from 0.02 to 0.16 g/t Au over a ~200m strike length over the historic Lady Emily Mine.**
  - **Nevermind Reefs - anomalous gold soil results ranging from 0.02 to 0.23 g/t Au over a ~100m strike length over the northern reef and 0.02 to 0.05 g/t Au over a ~50m strike length over the southern reef of the historic Nevermind Mine.**
- Stellar's second major field exploration program in Northeast Tasmania is underway at Nabowla on EL11/2020 where a stream sediment sampling program of ~400 samples is over 50% complete, with initial survey completion expected in late July and results available by mid-September.
- EL10/2020 (Beaconsfield South, 182 km^2) and EL3/2021 (Quakers Ranges, 44 km^2) recently granted increasing the number of exploration licences held by Stellar in Northeast Tasmania to a total of 12 covering a combined area of 2,559 km^2.

Executive Director, Gary Fietz, commented: *"We are encouraged by the results from our first major field exploration program in Northeast Tasmania, which has outlined an attractive drill target associated with a high-grade gold soil geochemistry anomaly over a 500m strike length at the historic Leura Mine within EL12/2020".*

"The soil sampling results over the Back Creek goldfield within EL12/2020 are also promising with soil gold anomalies defined over the Lady Emily Reef (~200m strike length) and the Nevermind Reefs 50-100m strike lengths".

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EL12/2020 Geochemistry Programs

Back Creek Goldfield - Background

The Back Creek Goldfield is located near Pipers River, approximately 45km north of Launceston and 9km east of the Lefroy goldfield in Northeast Tasmania. Gold was first discovered at Back Creek in 1869 and worked up until 1890, with most production from the alluvial leads. Total production is unknown. Historical reports put gold grades from the hard-rock Franklin Mine at Back Creek in a range between approximately 9 – 20 g/t Au (Broadhurst, 1935). A number of shafts were sunk along sub-cropping reefs in the Back Creek area, but the district tenure was never consolidated, so the mines remained small. Since that time, small-scale episodic mining has focused on the remaining gold within the deeper parts of the alluvial leads. Slate mining was also a significant part of the history of the area, with competing interests and tenure positions limiting modern exploration in this area.

There are four small Mining Leases held by third parties over the Back Creek Goldfield including the Franklin Mine, which is located approximately 50m to the east of Stellar's EL12/2020 tenement boundary. Stellar's EL12/2020 surrounds the four small Back Creek Mining Leases and includes the Lady Emily, Never Mind and Hidden Treasure historic Mines that also form part of the Back Creek Goldfield (see Figure 1).

Leura Goldfield - Background

The Leura prospect is located on Stellar's 100%-owned EL12/2020, 3km southeast of the main Back Creek goldfield. Both alluvial and hard rock occurrences were worked historically at Leura, with hard-rock grades estimated to average 57 g/t Au (Montgomery, 1894).

Historic accounts describe two sub-parallel reefs at Leura striking approximately east-west and dipping moderately to the north. Old workings have been partially rehabilitated to stabilise the area and there is very little evidence of mineralisation preserved at surface. The prospect is located on a small hill, where a small window of Mathinna Group sediments outcrops from under a thin layer of locally derived auriferous quartz gravels, colluvium and remnant Tertiary basaltic cover. Regionally, this cover sequence is quite widespread and its thickness can vary dramatically, however at Leura, it is relatively thin.

Leura and Back Creek Exploration Targets

Historic maps and reports of the Back Creek and Leura areas discuss a number east-west striking gold-bearing quartz reefs that define a broad northwest-trending mineralised corridor with a similar structural style to that observed at the nearby Beaconsfield and Lefroy goldfields. The combination of the high-grade historic gold mining occurrences, the similar structural style to the Lefroy and Beaconsfield gold deposits, and the lack of modern exploration, led to Stellar prioritising gold exploration of the Leura and Back Creek prospects on EL12/2020.

Stellar's 2022 geochemistry program was aimed at evaluating the hard-rock potential within Stellar's EL12/2020 including the Leura, Lady Emily, Nevermind and Hidden Treasure Reef prospects. During February and March 2022, Stellar's field team completed a C-horizon soil survey comprising of 276 samples at Leura and 274 samples at Back Creek within EL12/2020.

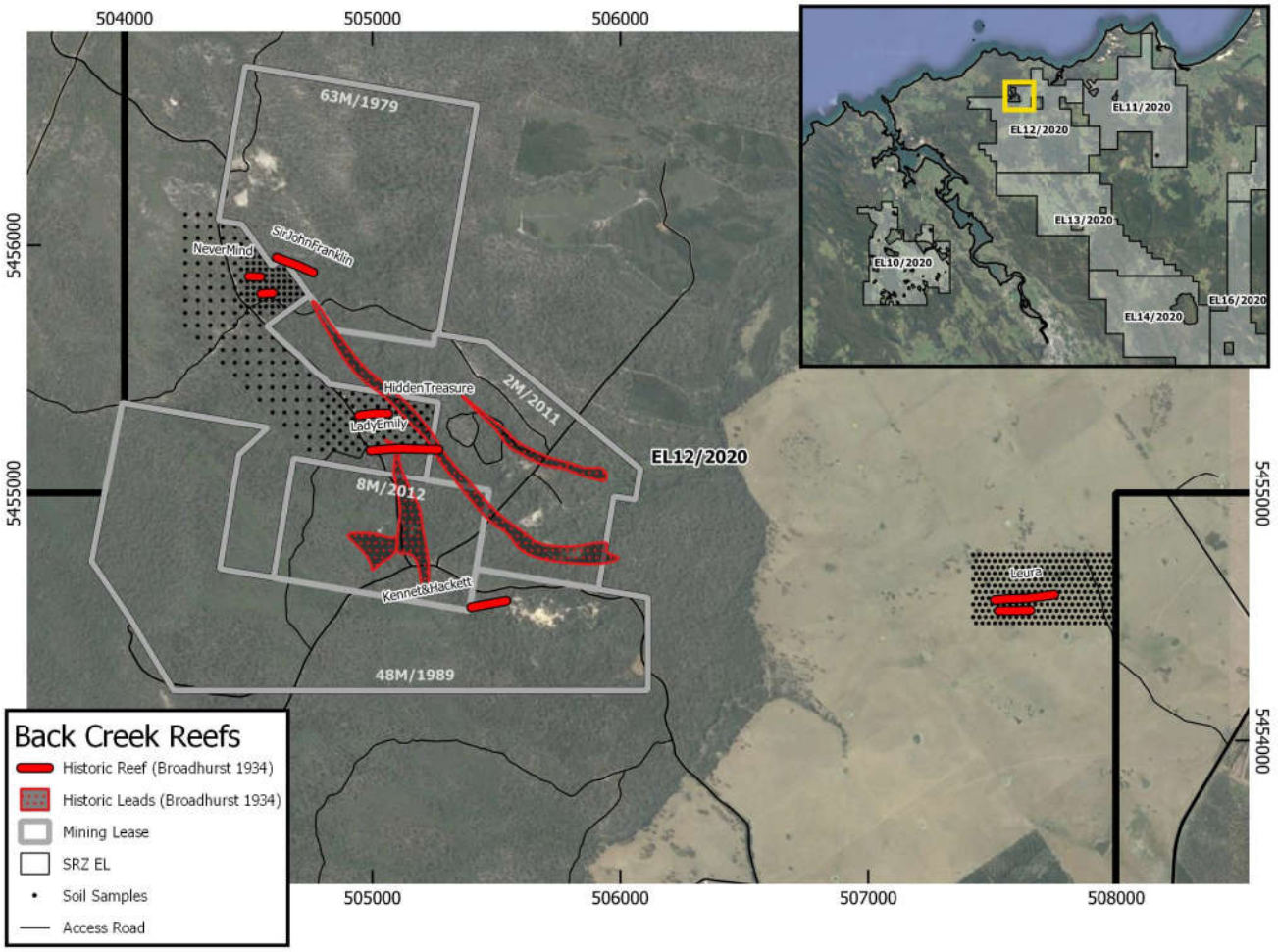

Figure 1 – Historically mapped gold mineralisation of the Back Creek goldfield, with soil sample locations from recently completed geochemistry survey

Leura Soil Sampling Program

276 soil samples were taken over the Leura prospect at approximately 25m spacings using a man-portable mechanical auger with tungsten carbide tip, to an average depth of approximately 40cm. Samples were sieved in the field to <2mm and submitted to ALS Burnie for sieving to -80 mesh followed by gold and multi-element analysis using aqua regia ICP-MS (ALS method code AuME-TL43). Results are shown in Figure 2.

Sampling at 102 of the 276 sample sites at Leura were unable to penetrate the cover sequence. The locally derived auriferous quartz gravels, partially consolidated by later basalt flows, caused particular challenges to sampling and resulted in some of the samples taken in transported material returning significant gold results (note: results from samples taken in transported material are overlain with a grey background and not contoured in Figure 2).

The basement soil samples at Leura returned very encouraging gold assay results ranging from 0.1 to 2.4 g/t Au over a 400m – 500m strike length, open in both directions with likely extensions under shallow cover (>5m). These strongly anomalous soil gold results confirm the location of the previously described Leura reefs (veins) and extend their strike lengths. The high-grade gold soil results from Leura, combined with the likely strike extensions make this a very attractive drill target.

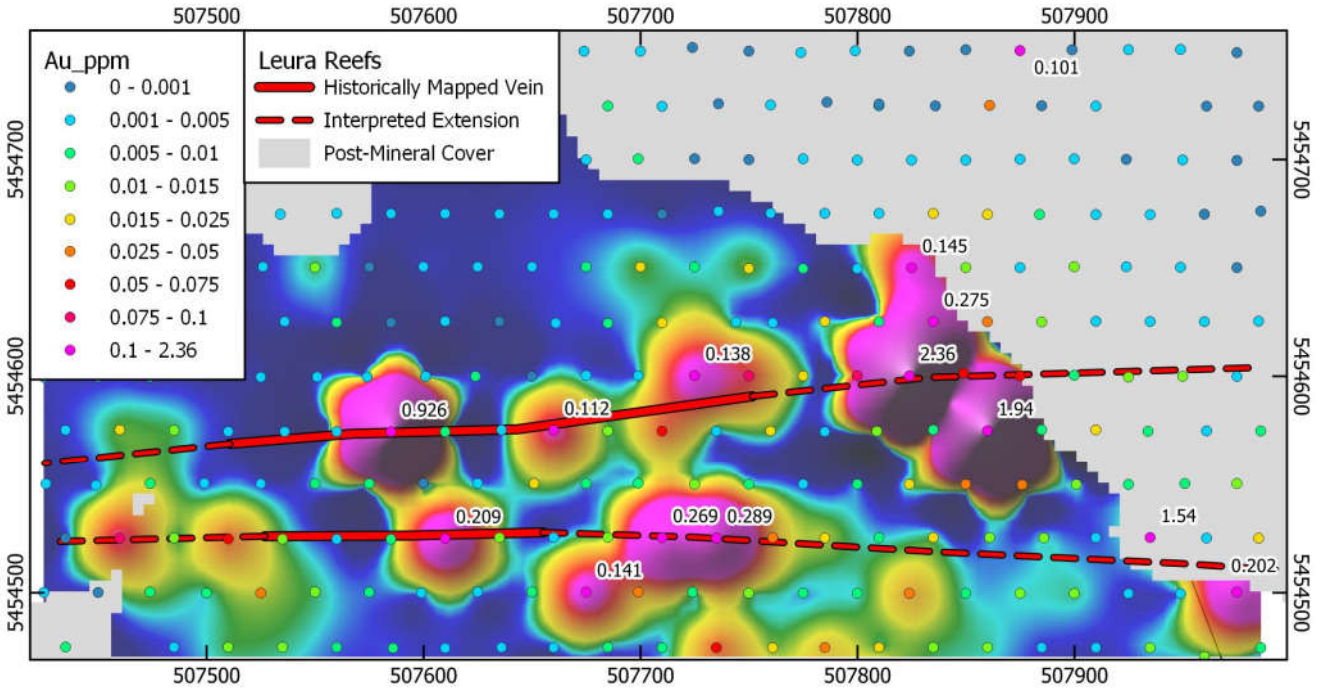

Figure 2 – Gridded gold (ppm) results for soil samples at Leura, with locations of historically mapped reefs, interpreted extensions, and distribution of post-mineralisation cover (note: 1 ppm = 1 g/t)

Back Creek Goldfield Soil Sampling Program

274 soil samples were taken over the Lady Emily, Nevermind and Hidden Treasure Reef prospects in the Back Creek Area on EL12/2020. Samples were taken at approximately 50m spacings except in areas of known mineralisation, where samples spacings were decreased to approximately 25m. Sampling was conducted with a manual T-style hand auger and a mechanical soil auger. Average sample depth was approximately 60cm, except in areas of deep alluvium, where samples were taken by augering in the base of old pits and trenches to reach basement – sometimes a with a cumulative depth of >4m. Samples were sieved to <2mm in the field and submitted to ALS Burnie for sieving to -80 mesh and gold and multi-element analysis using aqua regia ICP-MS (ALS method code AuME-TL43).

95 of the 274 soil sampling sites in the Back Creek area within EL12/2020 failed to penetrate the cover sequence, particularly in the drainages and toward the south of the survey area. The distribution of these samples is much less uniform than at Leura because of the topography, variable auger depth and lower confidence in identification of cover (partially consolidated alluvial material locally derived from parent rock of the same composition, compared to the quartz gravel and basalt at Leura).

Results are shown in Figure 3 (note: results from samples taken in transported material are overlain with a grey background and not contoured).

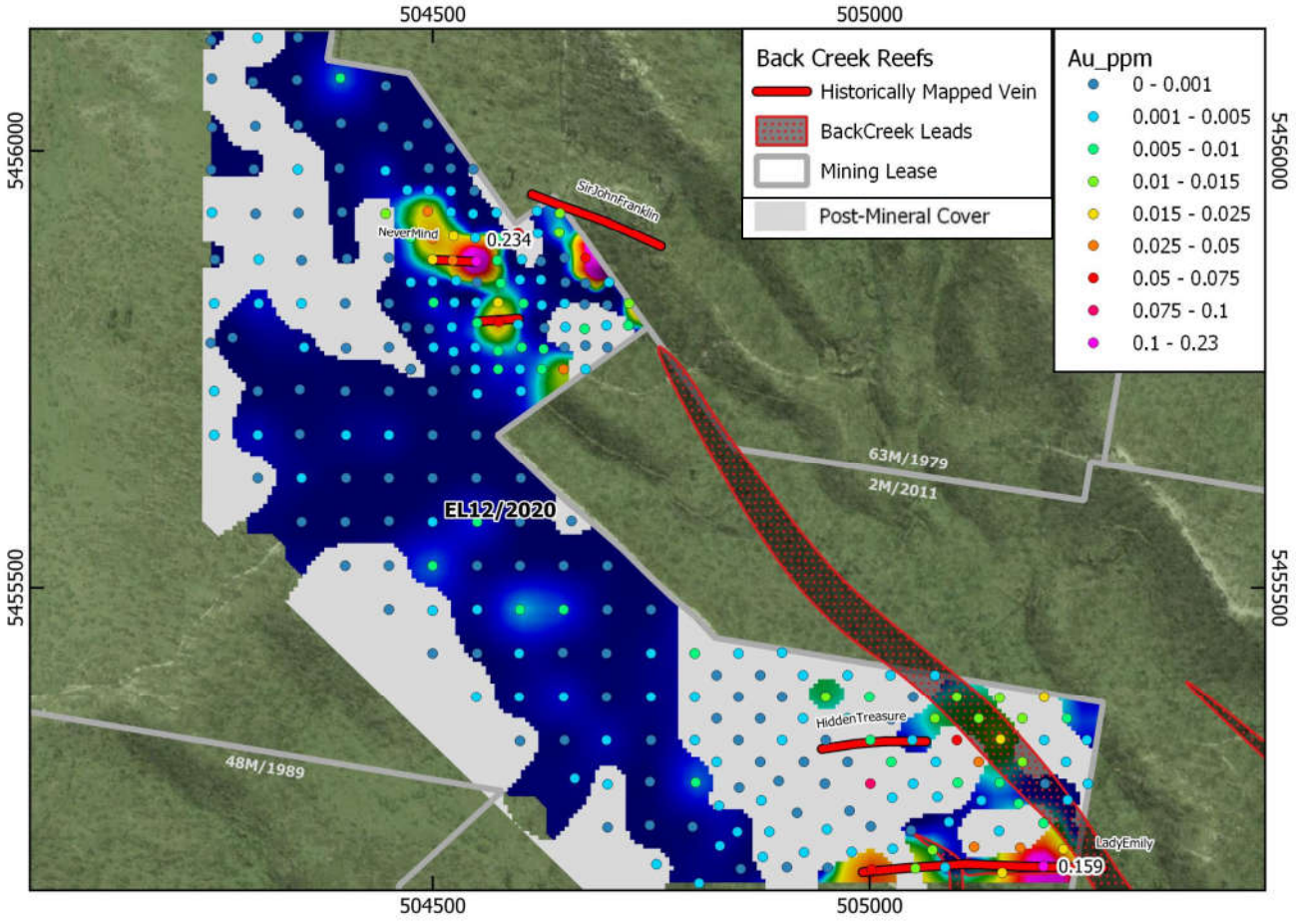

Figure 3 – Gridded gold (ppm) results for soil samples at Back Creek, showing historically mapped reefs, alluvial leads, and the likely distribution of post-mineralisation (alluvial) cover in grey (note: 1 ppm = 1 g/t)

Compared to Leura, the soil gold assay results at Back Creek within EL12/2020 are lower (maximum 0.23 g/t Au), however, the Back Creek soil gold results are still encouraging. The reported east-west trend is clearly reflected in the contoured gold results, which clearly map the distribution and possible strike extensions of the historically mapped reefs (veins), despite the patchy alluvial cover.

Anomalous gold results returned from the soil sampling program completed at the historic Back Creek goldfield within EL12/2020 include:

Lady Emily Reef - anomalous gold soil results ranging from 0.02 to 0.16 g/t Au over a ~200m strike length over the historic Lady Emily Mine.

Nevermind Reefs - anomalous gold soil results ranging from 0.02 to 0.23 g/t Au over a ~100m strike length over the northern reef and 0.02 to 0.05 g/t Au over a ~50m strike length over the southern reef of the historic Nevermind Mine.

Hidden Treasure Reef - anomalous gold soil results over a range of 0.02 to 0.05 g/t Au and a potential strike length of >100m also characterise the approximate location of the Hidden Treasure Reef on EL12/2020, although transported cover has obscured the results over this area.

Nabowla Stream Sediment Sampling Program

Stellar's second major field exploration program in Northeast Tasmania is well underway at Nabowla on EL11/2020 where a steam sediment sampling program of ~400 samples is over 50% complete, with survey completion expected in late July and the results available by mid-September.

Beaconsfield South and Quakers Ranges Exploration Licence Grants

EL10/2020 (Beaconsfield South) (182 km^2) and EL3/2021 (Quakers Ranges) (44km^2) were recently granted, increasing the number of exploration licences held by Stellar in Northeast Tasmania to a total of 12 covering a combined area of 2,559 km^2.

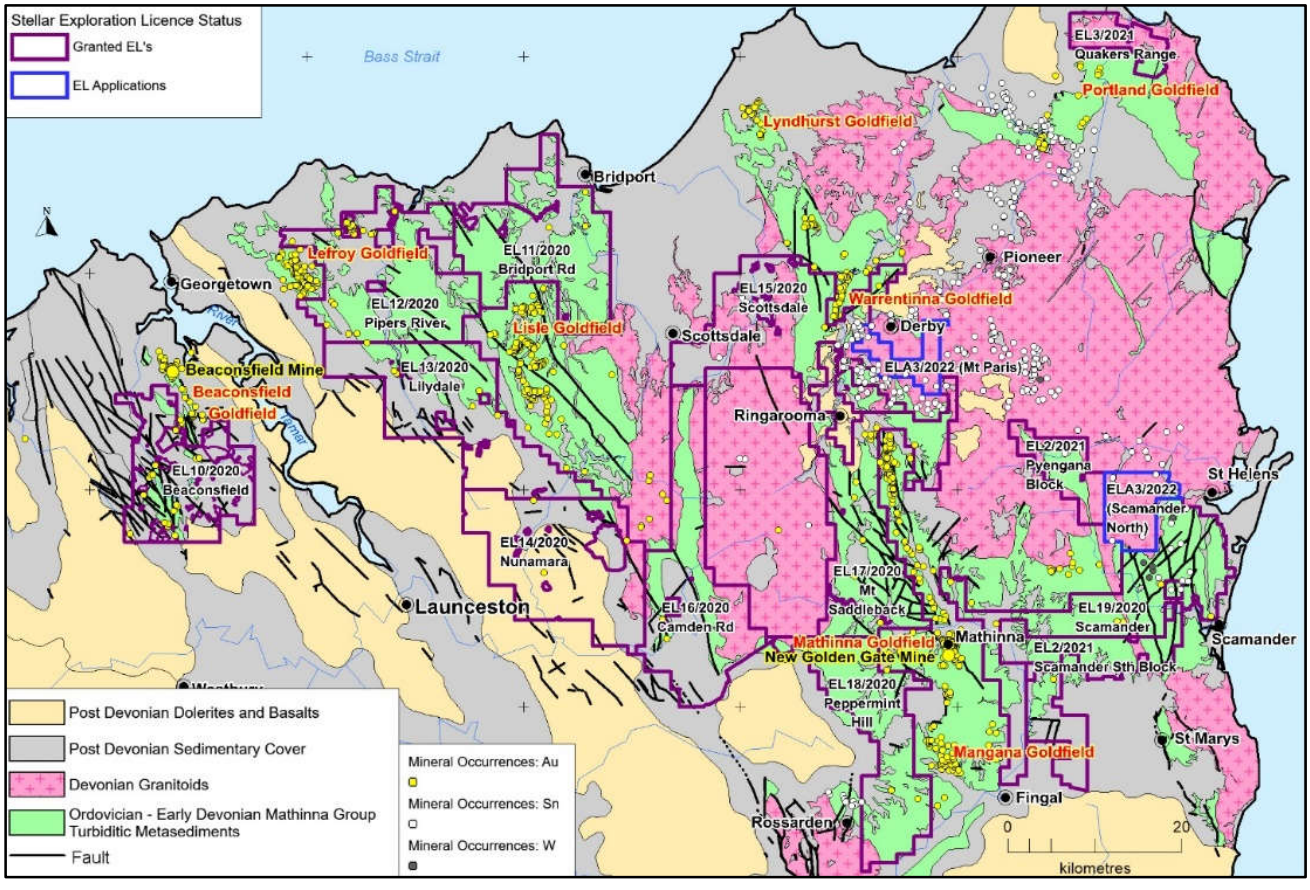

Figure 5 – Updated Stellar Resources Tenement map for NE Tasmania

Competent Persons Statement

The Exploration Results reported herein, insofar as they relate to mineralisation, have been reviewed by Dr Josh Phillips (Member of the Australasian Institute of Mining and Metallurgy) who is a consultant to the Company. Dr Phillips has sufficient experience relevant to the style of mineralisation and type of deposits considered and to the activity being undertaken to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012). Dr Phillips consents to the inclusion in the report of the matters based on his information 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.

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JORC Code, 2012 Edition – Table 1

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 scans, 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.	• Soil samples were taken at set spacings across the areas outlined above. Where possible, augering was completed to a depth sufficient to collect 'C' horizon soil material, using either a manual or petrol-powered soil auger. • 1-2 kgs of material was collected from each sample site prior to sieving to ensure sufficient volume of material was processed to ensure samples are representative
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.)	• No drill results reported in this release.

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	• 1-2 kg of sample was extracted from the base of the auger hole and sieved to <2mm using a 300mm aluminum sieve in the field. • Samples were further sieved to -80 mesh at the Laboratory • -80mesh is considered industry standard for mitigating significant 'nugget effect' in areas of coarse gold mineralization, as well as amplifying base metal anomalies, that are generally hosted by fine clays and iron oxides • Field duplicates were inserted approximately every 25 samples
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.	• Samples where assayed for Au and a 42 element suite using aqua regia ICP MS (ALS method code AuME-TL43) • Using this method, mineral hosts for Au and base metals (i.e. sulfides, carbonates, iron oxides etc) should undergo near-total digestion, but lithophile elements will only be partially digested. • Field duplicates were inserted approximately every 25 samples and demonstrate precision of within 2%.

Criteria	JORC Code Explanation	Commentary
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 verification was undertaken
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.	• Sample locations were collected using a handheld GPS during the field campaign and therefore should are considered accurate to with 3m.
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	• 50m spacing over larger Back Creek sample area, reduced down to 25m spacing over areas of known mineralization at Lady Emily, Nevermind and Leura. • Although Au values may vary significantly over these distances, the multielement nature of the assay suite should identify pathfinder anomalies where anomalous Au was not detected
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.	• Historically mapped veins as they appear in the figures provided in this announcement have been georeferenced and digitized from a historic 1934 report and as such, their actual location and orientation is viewed with significant uncertainty
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	• Stellar Resources wholly owned subsidiary, Tarcoola Iron Pty Ltd 100% owns EL12/2020 which is in good standing with Mineral Resources Tasmania (MRT). • The 4 small Mining Leases over the Back Creek Goldfield including the Franklin Mine which are referred to in this announcement are owned by third parties and neither Stellar nor Tarcoola have any interest in these Mining Leases. • Tarcoola Iron obtained a formalized access agreement with Ambrosia Farms Pty Ltd, private landholder at the Leura Prospect • Ambrosia Farms plans to construct a large agricultural dam on EL12/2020, close to the historic Leura workings, which may affect access in the future.
Exploration done by other parties	• Acknowledgement and appraisal of exploration by other parties.	• There is no previous modern exploration for hard-rock Au mineralization in the district
Geology	• Deposit type, geological setting and style of mineralization.	• The mineralization at Back Creek represents a style variably referred to as structurally controlled or shear-hosted gold, narrow-vein gold, slate-belt gold and orogenic gold among others. Mineralization is hosted in individual veins (or 'reefs'), or vein zones that formed in response to the interplay between regional and local stress regimes during major orogenic events - usually under brittle fracturing conditions. Gold is sourced from deep in the crust, most likely a devolatilized oceanic crustal basement, and usually transported as a bi-sulfide, or in some cases a chloride complex, before being deposited in structural trap sites – usually dilational zones formed in local extensional domains in overall compressive or transpressive structural regimes.

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	• No drilling reported
Data aggregation methods	• In reporting of Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off 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.	• The Au assays for the soils samples have been gridded in Surfer using point kriging to estimate the Au grades of nearby regularly spaced grid nodes. • Kriging is an effective gridding method as it can compensate for clustered data by giving less weight to the cluster in the overall prediction.
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)	• No Drilling intercepts reported
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 plans
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	• See announcement for both plans and discussion of high and low grade results

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.	• No other substantive exploration data is available
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.	• Follow up drilling is planned.