

Report for the Quarter ended 30 September 2023

Highlights:

Heemskirk Tin Project

- Results were announced for the final five holes from the Phase 2B drilling program (ZS159 to ZS163) completed at the Severn deposit, the largest of the deposits comprising the flagship Heemskirk Tin Project.
- Highlights from the Phase 2B drilling program included:
 - **ZS155: 39.4m @ 0.46% Sn from 500.3m¹.**
 - **ZS156: 42.9m @ 0.77% Sn from 490.1m**, the fifth-best intercept recorded at Severn on a Sn%*m basis¹.
 - **ZS162: 20m @ 1.16% Sn from 312.0m**, the sixth-best intercept recorded at Severn on a Sn%*m basis².
- The Phase 2B and 2A drilling programs completed over the past year have successfully extended the north-plunging, high tin grade-thickness zone at northern Severn by ~100m down dip and ~100m to the north. The zone now extends for a total of ~300m down dip and up to ~150m along strike¹.
- Severn and Queen Hill MRE update completed in September 2023 with a **Heemskirk Tin Project Total Mineral Resource Estimate (MRE) of 7.48Mt @ 1.05% Sn** defined. Compared with the previous Nov 2022 MRE, the Aug 2023 MRE represents³:
 - 24% increase in contained tin in the **Heemskirk Tin Project Indicated Mineral Resource to 3.52Mt @ 1.05% Sn** (Seven & Queen Hill deposits), further increasing confidence in the project.
 - A minor (5%) decrease in contained tin in the Total Mineral Resource due to the net result of removal of the Oonah Mineral Resource and an increase in the Queen Hill Mineral Resource³.
- **Heemskirk continues to rank as the highest-grade undeveloped tin resource in Australia and the third globally.** Benchmarking of the Heemskirk Tin Project with peer company projects has now been undertaken on a Measured and Indicated Resource basis reflecting the significant increase in the Indicated Mineral Resource and the advanced stage of the project³.

Scamander Advanced Base Metals Exploration Project

- Results from maiden exploration drillhole NSD005 completed in August 2023 confirmed a new high-grade Ag-Sn-Zn-Pb-In polymetallic discovery at the North Scamander Project with significant intercepts including⁴:
 - **32.0m @ 141 g/t Ag, 0.34% Sn, 3.8% Zn, 2.0% Pb, 77 g/t In and 19 g/t Ga** from 130.0m
 - Inc. **5.0m @ 495 g/t Ag, 1.04% Sn, 5.2% Zn, 7.1% Pb, 113 g/t In and 23 g/t Ga** from 130.0m
 - Inc. **1.4m @ 353 g/t Ag, 2.29% Sn, 14.2% Zn, 8.8% Pb, 594 g/t In, 29 g/t Ga** from 159.7m
- Individual assay results within this outstanding intercept include **1,035 g/t Ag, 5.75% Sn, 27.6% Zn, 21.2% Pb, 1,070 g/t In and 37 g/t Ga⁴.**

- The NSD005 high-grade multi-commodity North Scamander discovery has similarities with the Sn-Ag polymetallic systems of world-class Bolivian Tin Belt⁴.
- Significant grades of critical minerals Indium and Gallium were also recorded in NSD005. The 77g/t average Indium grade over the 32m significant intercept compares favourably with Indium grades in known Indium-Base Metals deposits globally⁴.
- The North Scamander Project is prospective for 3 styles of mineralisation⁴;
 - High grade polymetallic vein and breccia-hosted Ag-Sn-Zn-Pb-In systems (NSD005 Upper Zone), that tend to be offset from the magnetic anomaly. This will be the immediate focus for follow up drilling at North Scamander.
 - Stockwork-hosted Cu (and possibly Sn) mineralisation, coincident with pyrrhotite and therefore the main magnetic anomaly at North Scamander, which is yet to be fully tested.
 - Greisen-style potential Sn-Li mineralisation associated with the preserved granite cupola at depth.
- Drillhole NSD005 was co-funded by a \$70,000 Tasmanian Government EDGI grant with payment expected in the December 2023 Quarter.
- A downhole electromagnetic (DHEM) survey at North Scamander is planned for October 2023, with results expected to assist in planning of follow-up drilling.

Northeast Tasmania Exploration Project

- Surface geochemistry programs over gold and lithium-base metals targets in Northeast Tasmania have been ongoing during the quarter with results to be included in an update planned in the December 2023 quarter.

Concert Creek – Carbine Hill (EL29/2022) VMS Exploration Targets

- EL29/2022 title formally granted to Stellar in September 2023.
- Three high priority VMS drill targets (Carbine Hill East, Carbine Hill West and Evenden) identified based on EM anomalies from airborne electromagnetic conductivity anomalies with modelled conductor plates and anomalous Pb and Zn surface geochemistry results⁵.
- Reconnaissance surface geochemistry program and drilling access planning is scheduled in the December 2023 quarter.
- Drilling of the Carbine Hill East and Evenden targets is scheduled in the March 2024 quarter with both holes co-funded by Tasmanian Government EDGI grants (\$55,000 Carbine Hill East grant and \$63,000 Evenden grant).

Corporate

- In September 2023, Simon Taylor assumed the role of Non-Executive Chairman, with Simon O’Loughlin continuing as Non-Executive Director.
- Cash balance at 30 September 2023 of \$0.68 million.
- Firm commitments received to raise \$1.0 million before costs in a placement announced on 20 October 2023 with Directors participating in the placement up to \$170,000.
- Share Purchase Plan announced on 26 October 2023 targeting to raise \$0.5 million, with eligible shareholders able to participate on the same terms as the placement.

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 five major underground metal mines, three of which are operating, within 30km of the Heemskirk Tin Project.

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

In addition, 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 mineralisation including the Oonah tin deposit, and the St Dizier and Mount Razorback satellite tin deposits.

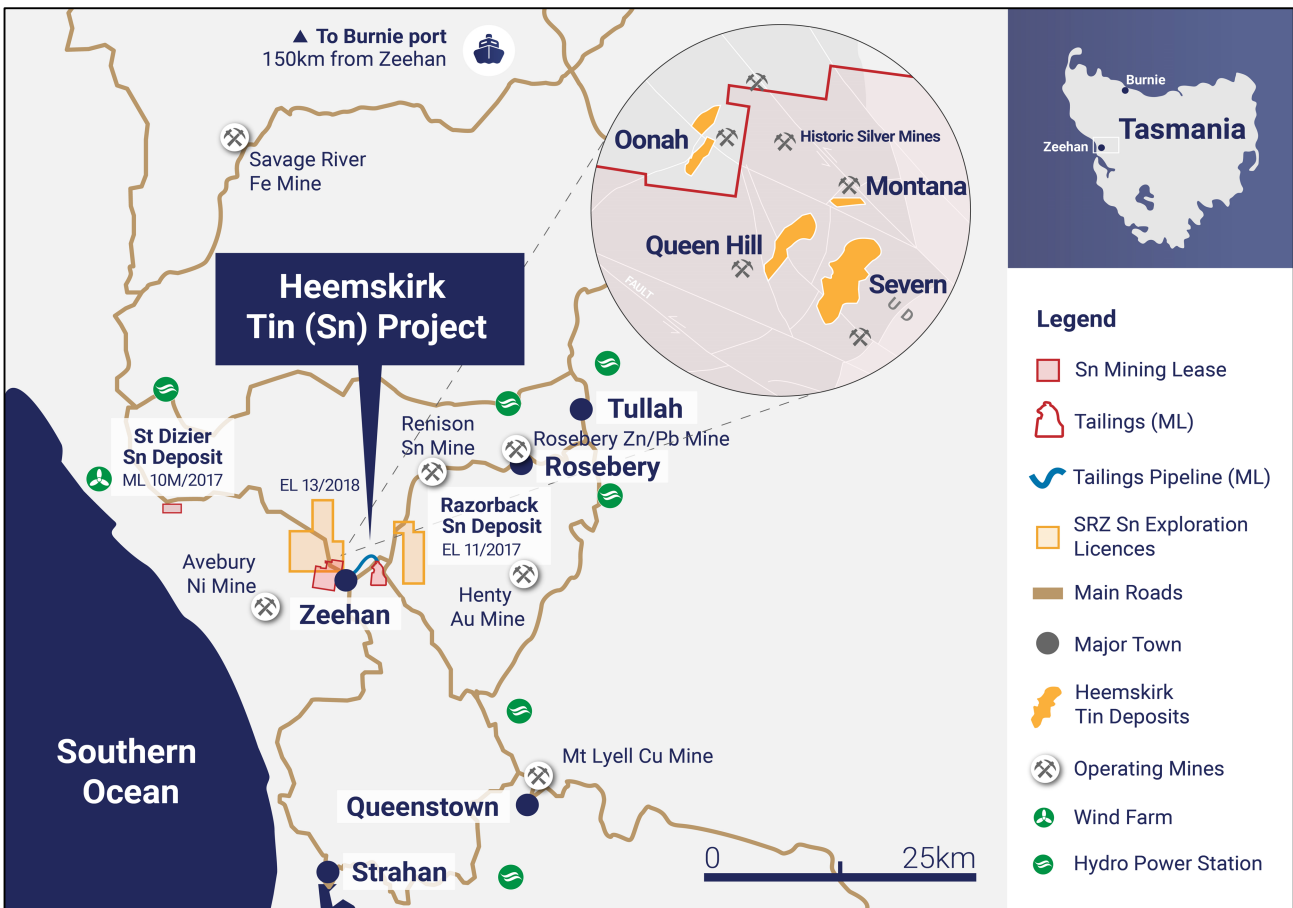


Figure 1 - Location of Stellar’s Tin Projects – West Coast of Tasmania

Phase 2B Drilling Program Assay Results

Assay results from the final five Phase 2B infill drilling program holes (ZS159 to ZS163) were reported during the quarter.

The Phase 2B drilling program, completed in June 2023, was focused on increasing the Indicated Mineral Resource in wide high-grade areas of the Severn deposit, the largest of the deposits comprising the flagship Heemskirk Tin Project.

Assay Results from Severn Infill Hole ZS159

Drillhole ZS159 intercepted the main Severn (201) ore zone in the expected position however the intercept was low grade, in line with lower grade predicted by the Severn Mineral Resource model in this location (see Figure 2). The hole also intercepted the Upper Severn (202) ore zone⁵.

Table 1 – ZS159 - Summary of Significant Intercepts⁵

Hole No.	Ore Zone	From (m)	To (m)	Length (m)	Sn (%)
ZS159	202	270.0	273.3	3.3	0.58
ZS159	201	301.0	312.3	11.3	0.13

Assay Results from Severn Infill Hole ZS160

Drillhole ZS160 intercepted the main Severn (201) ore zone, and a 13.0m wide intercept of the upper Severn (202) ore zone and the upper Severn (203) ore zone in the upper central part of the Severn deposit (~185m below surface). These intercepts extended the Indicated Mineral Resource upwards at shallow depths in central Severn (see Figure 2)⁵.

Table 2 – ZS160 - Summary of Key Significant Intercepts⁵

Hole No.	Ore Zone	From (m)	To (m)	Length (m)	Sn (%)
ZS160	203	203.0	205.0	2.0	0.44
ZS160	202	250.0	263.0	13.0	0.65
Including:		250.0	253.0	3.0	1.82
And:		259.0	263.0	4.0	0.64
ZS160	201	271.0	278.0	7.0	0.51

Assay Results from Severn Infill Hole ZS161

Drillhole ZS161 intercepted the main Severn (201) ore zone and the upper Severn (202 and 203) ore zones in the upper southern part of the Severn deposit (~190m below surface). These intercepts extended the Indicated Mineral Resource upwards at shallow depths in southern Severn (see Figure 2)⁵.

Table 3 – ZS161 - Summary of Key Significant Intercepts⁵

Hole No.	Ore Zone	From (m)	To (m)	Length (m)	Sn (%)
ZS161	203	191.0	193.1	2.1	1.22
ZS161		222.0	225.0	3.0	0.47
ZS161	202	233.0	239.0	6.0	0.44
ZS161	201	265.0	270.0	5.0	0.89

Assay Results from Severn Infill Hole ZS162

Drillhole ZS162 returned an outstanding significant intercept in the upper (202) Severn ore zone of 20.0m @ 1.16% Sn from 312.0m. This intercept is the sixth best significant intercept on record for the Severn deposit on a grade * thickness basis (Sn%*m). It is also the best significant intercept on record at Severn on a grade * thickness basis (Sn%*m) within the upper (202) ore zone and was significantly higher grade and thicker than predicted by the Mineral Resource model (see 4 September 2023 MRE Update announcement, Figure 5 for Long Section of Severn Middle Ore Zone 202)².

Table 4 – ZS162 - Summary of Significant Intercepts²

Hole No.	Ore Zone	From (m)	To (m)	Length (m)	Sn (%)
ZS162	203	269.1	271.0	1.4	0.07
ZS162	202	312.0	332.0	20.0	1.16
Including:		312.0	320.0	8.0	1.56
And:		324.0	332.0	8.0	1.34
ZS162	201	368.0	370.0	2.0	0.72

Assay Results from Severn Infill Hole ZS163

Drillhole ZS163 was planned to intercept the Northern Severn High Grade-Thickness Zone, however the hole intercepted the main Severn (201) ore zone approximately 30m further north and 40m higher than planned, partly as a result of the hole lifting significantly. This resulted in the ZS163 main (201) ore zone intercept being located well to the north of the Northern Severn High Grade Thickness Zone and on the very northern edge of the Severn deposit where a narrow intercept of 3.0m @ 0.43% Sn from 356.0m was returned. Given its position, ZS163 achieved a slightly higher-grade result than predicted by the current Mineral Resource model at this location (see Figure 2)².

Table 5 – ZS163 - Summary of Significant Intercepts²

Hole No.	Ore Zone	From (m)	To (m)	Length (m)	Sn (%)
ZS163	201	356.0	359.0	3.0	0.43

Northern Severn High Grade Thickness Zone

Results from the Phase 2B drilling (9 holes for 4,022m) and Phase 2A drilling (7 holes for 3,130m) programs completed over the past year have successfully extended the north-plunging, high tin grade-thickness (Sn%*m) zone at northern Severn by ~100m down dip and ~100m to the north. The zone now extends for a total of ~300m down dip and up to ~150m along strike (see Figure 2 and Figure 3)¹.

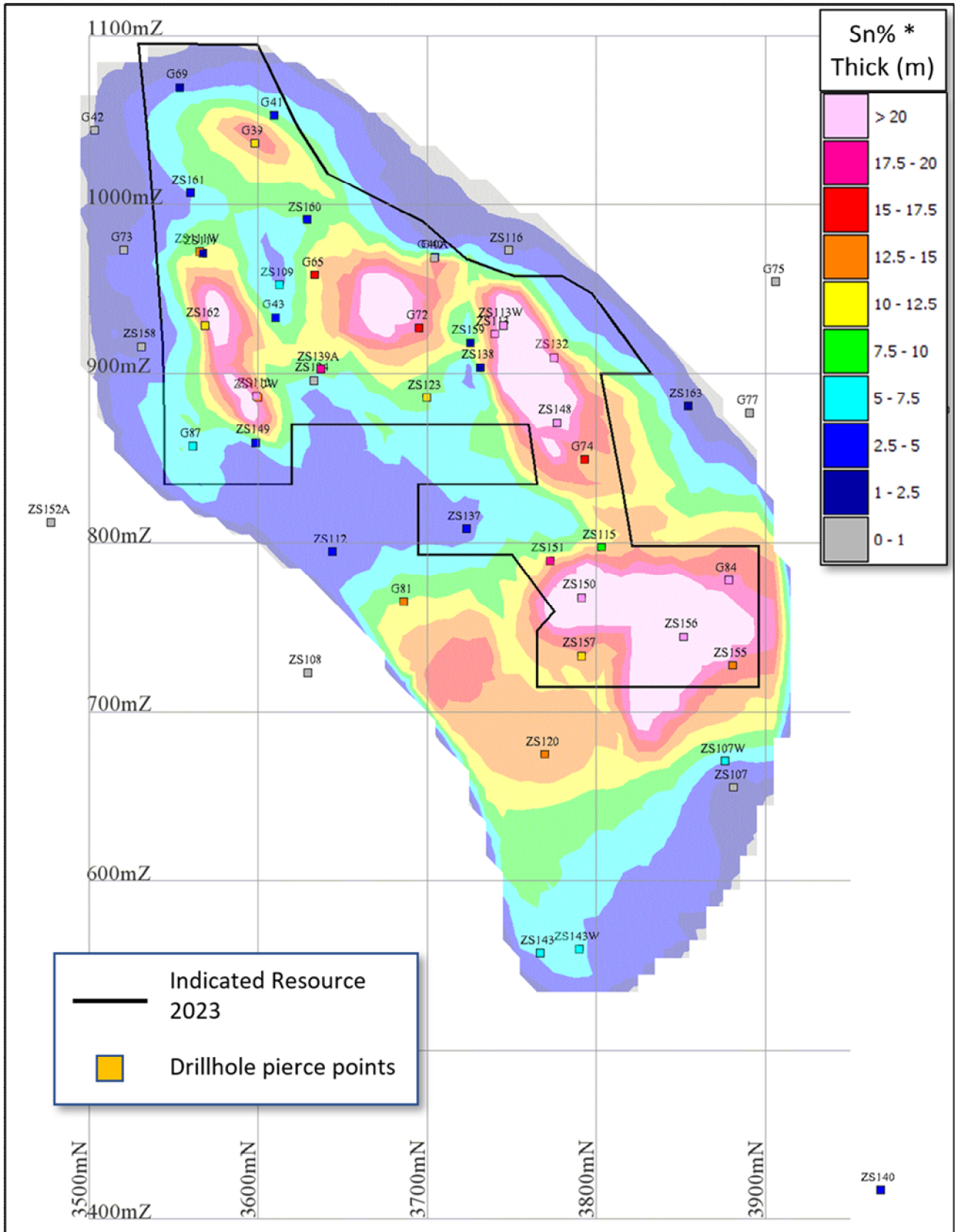


Figure 2 – Severn Long Section looking west showing Severn Mineral Resource (September 2023) and drill hole pierce points coloured by Sn% * Thickness for the Main Lower Ore Zone (201)³

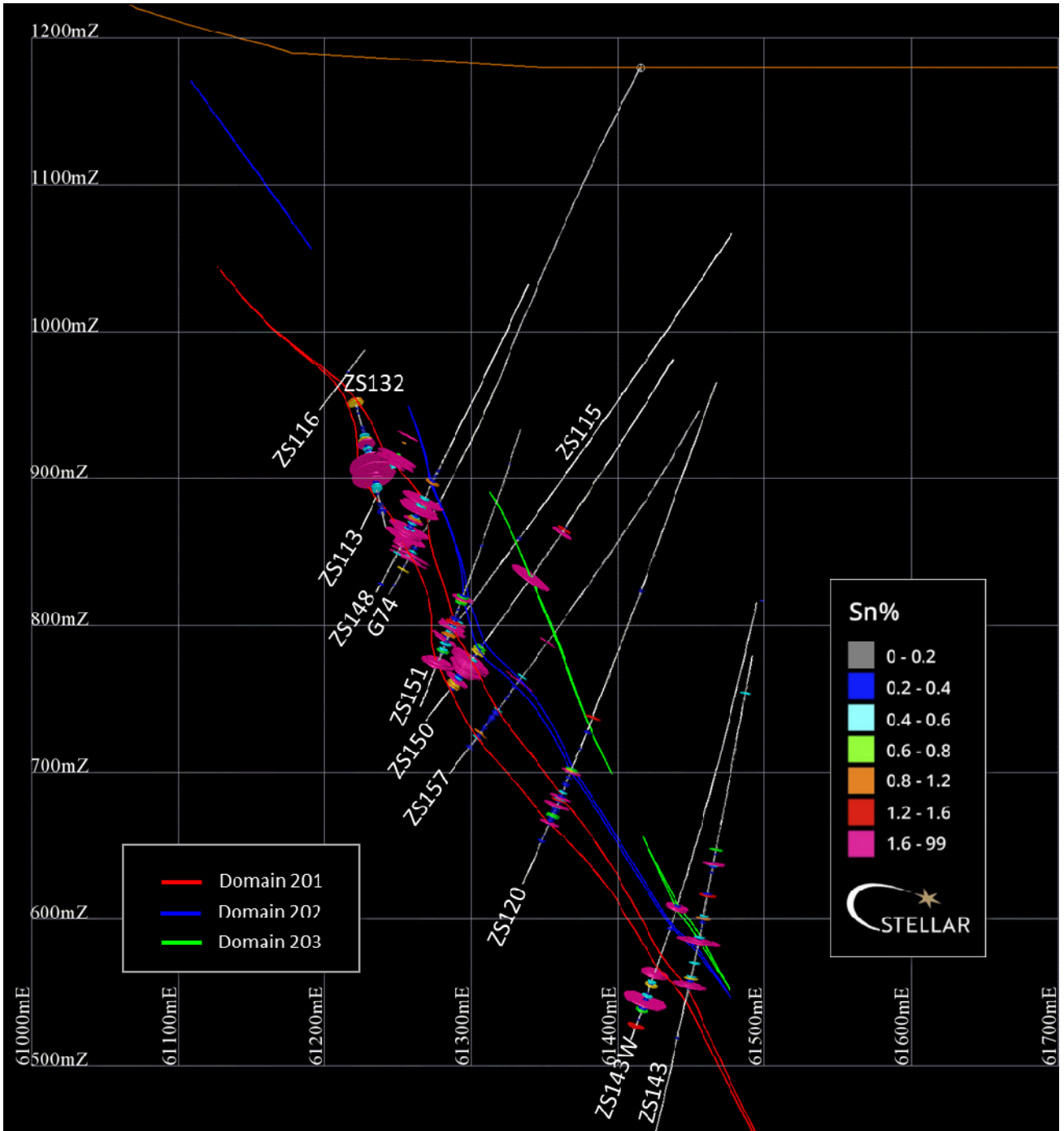


Figure 3 - Severn Cross Section 3775N, (+/-30m), Zeehan Mine Grid³

Mineral Resource Estimate (September 2023)

An updated Heemskirk Tin Project Total Mineral Resource Estimate (MRE) of 7.48Mt @ 1.04% Sn (77,872t contained tin)⁵ at a cut-off grade of 0.6% Sn was defined in accordance with the JORC Code 2012 by Independent Technical Consultant, Ross Corben from Geowiz Pty. Ltd., as shown in Table 6. The September 2023 MRE incorporates³:

- **Severn deposit** – An updated MRE was completed incorporating results of recently finalised Phase 2B drilling. The holes have locally reduced the drill spacing which, along with previous drilling results, support additions to the Severn Indicated and Inferred Mineral Resource.
- **Queen Hill deposit** – An updated MRE was completed using a more consistent geological interpretation which has reduced the number of ore zones from 12 to 3. No new drilling has been completed at Queen Hill since the 2019 MRE.
- **Montana deposit** – The 2019 MRE has been maintained and has not been updated.
- **Oonah deposit removal** – The Oonah Inferred Mineral Resource (0.6Mt @ 0.9% Sn) included in the 2019 Heemskirk Tin Project MRE was excluded in the September 2023 MRE update due to (a) it's distance from the other Heemskirk Tin Project deposits, (b) it's very high stannite content, and (c) disappointing results from two holes drilled at Oonah in 2021.

Table 6 - Heemskirk Tin Project Mineral Resource Statement (Sept 2023)³

By Classification	Deposit	Tonnes (Mt)	Sn (%)	Contained Sn (t)	Cassiterite % of Total Sn (%)	Cu (%)	Pb (%)	Zn (%)	Resource Date
Indicated	Upper Queen Hill	0.37	1.07	3,991	88	0.14	1.84	0.72	2023
	Lower Queen Hill	0.81	1.30	10,493	97	0.04	0.29	0.35	2023
	Severn	2.33	0.96	22,507	98	0.07	0.02	0.03	2023
Sub Total	Indicated	3.52	1.05	36,991	97	0.07	0.27	0.18	
Inferred	Upper Queen Hill	0.14	0.92	1,332	89	0.12	1.70	0.39	2023
	Lower Queen Hill	0.77	1.16	8,873	98	0.04	0.21	0.12	2023
	Severn	2.37	0.85	20,234	99	0.05	0.02	0.04	2023
	Montana	0.68	1.54	10,443	96	0.08	0.72	1.42	2019
Sub Total	Inferred	3.96	1.03	40,881	98	0.05	0.23	0.30	
Grand Total	Heemskirk Tin Project	7.48	1.04	77,872	97	0.06	0.25	0.25	

In addition, the satellite St Dizier Tin deposit has a Total Mineral Resource Estimate 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 Category⁶.

Table 7 - St Dizier Mineral Resource Statement (JORC 2012), March 2014⁶

Classification	Tonnes (mt)	Sn (%)	Contained Sn (t)	Cassiterite % of Total Sn (%)	WO ₃ (%)	Fe (%)	S (%)
Indicated	1.20	0.69	8,280	87	0.04	23.70	2.64
Inferred	1.06	0.52	5,512	58	0.05	22.22	1.81
Total Mineral Resource	2.26	0.61	13,786	75	0.04	23.00	2.25

Comparison with the Previous 2022 MRE

The updated Heemskirk Tin Project Indicated Mineral Resource of **3.52Mt @ 1.05% Sn (36,991t contained tin)** is a 24% increase in contained tin in the Indicated Mineral Resource component compared with the November 2022 MRE and a 58% increase compared with 2019 MRE, significantly increasing confidence in the Project³.

The updated Heemskirk Tin Project Total Mineral Resource of **7.48Mt @ 1.04% Sn (77,872t contained tin)** is a minor (5%) decrease in contained tin in the Total Mineral Resource compared with the November 2022 MRE. The minor decrease in contained tin in the Total Mineral Resource is the net result of removal of the Oonah Mineral Resource and an increase in the Queen Hill Mineral Resource³.

Heemskirk Tin Benchmarking – World Tin Resources

Heemskirk is the highest-grade undeveloped tin resource in Australia and the third highest grade undeveloped tin resource globally. Benchmarking of the Heemskirk Tin Project with peer company projects has been undertaken on a Measured and Indicated Resource basis following the September 2023 MRE update, reflecting the significant increase in the Indicated Mineral Resource and the advanced stage of the project³.

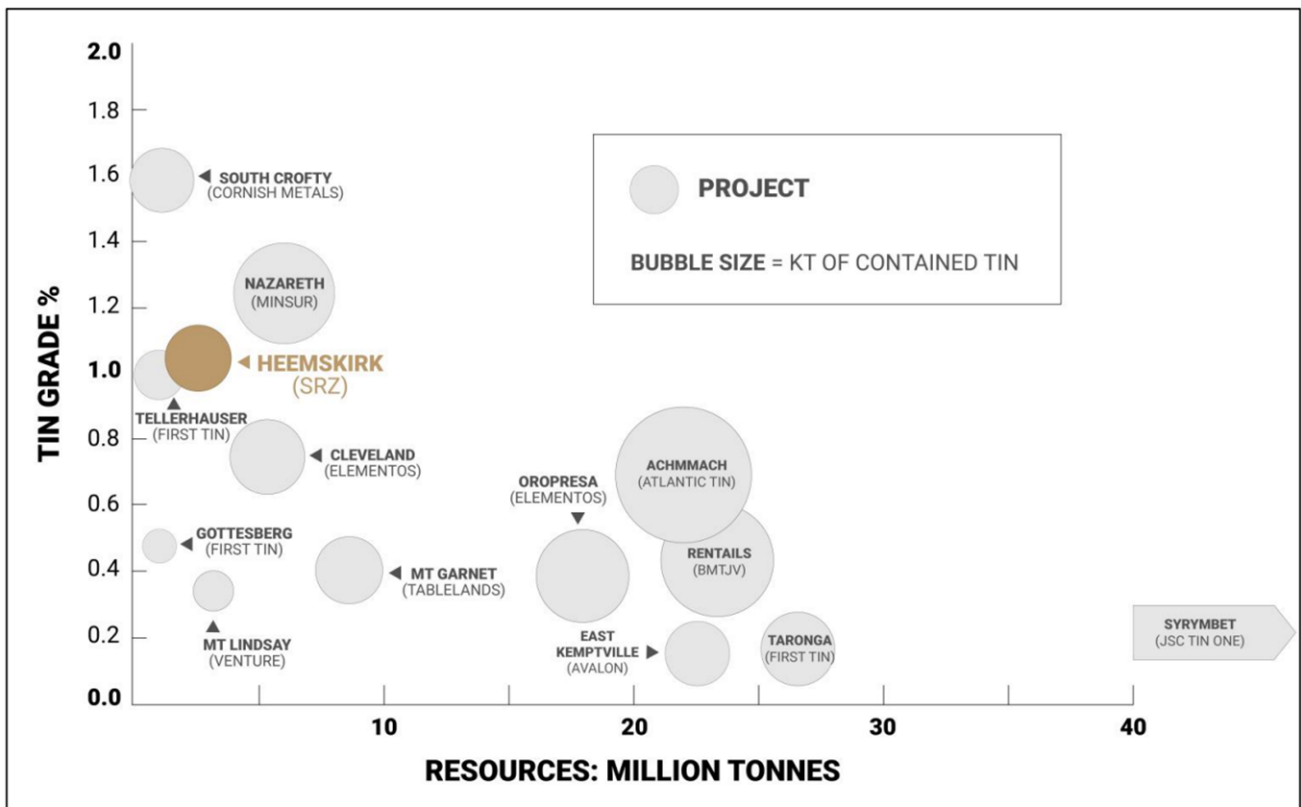


Figure 4 – Benchmarking of Heemskirk Tin Project Measured and Indicated Mineral Resource with peer company projects³

Advancement of Heemskirk Tin Project Development

The substantially increased Indicated Mineral Resource from incorporation of the Phase 2A and 2B drilling results (58% increase in contained tin in the Heemskirk Tin Project Indicated Mineral Resource from 2019 to September 2023 MRE) will provide a foundation for advancement of the project through further studies.

Scamander Advanced Exploration Project

Background – Scamander Mineral Field (EL19/2020)

The Scamander Mineral Field is a regional NW-SE trending mineralised corridor including Pinnacles, the historic Great Pyramid Tin Mine (RL2/2009) and the North Scamander project. It contains a large number of metallic mineral occurrences hosted within folded and faulted Ordovician Mathinna Group sedimentary rocks and is underlain by a strongly fractionated alkali granite. The metalliferous nature of the district, well defined metal zonation and location above the inferred alkali granite suggest that known mineralisation in this area is spatially and genetically associated with the emplacement of the fertile granite⁴.

Significant historic exploration for tin and base metals has been undertaken on Stellar’s Scamander EL EL19/2020 including extensive soil sampling, stream sediment sampling and drilling defining areas of anomalous Sn, Zn, Cu, Ag and Pb mineralisation⁴.

Stellar has ‘first mover advantage’ with the majority of the Scamander Mineral Field ground held within Stellar EL19/2020 (239km²) including the North Scamander Project, Pinnacles and multiple other high-quality targets.

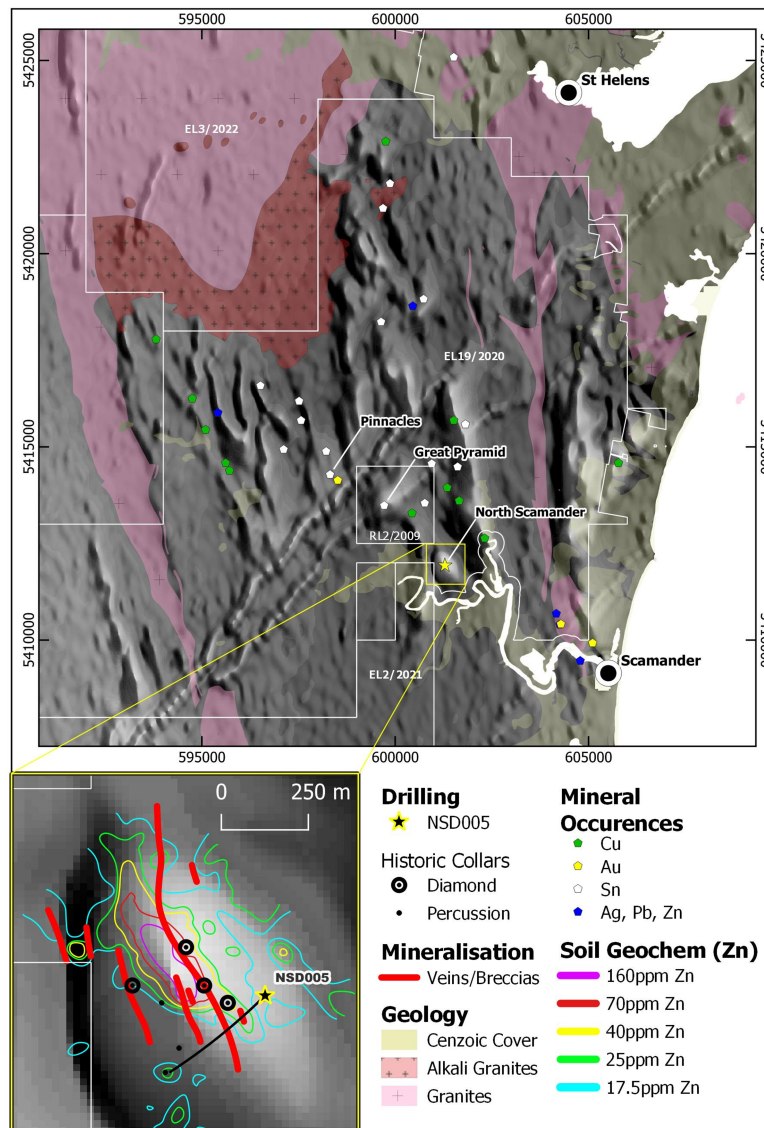


Figure 5 - Scamander Mineral Field (EL19/2020) – Geology, mineral occurrences, and Zn soil geochemistry overlain on regional magnetics⁴

North Scamander Project – New High-Grade Polymetallic Discovery in Exploration Hole NSD005

Upper Vein-Breccia Zone⁴

In September 2023, results from maiden exploration drillhole NSD005, completed in August, confirmed a significant new high-grade Ag-Sn-Zn-Pb-In polymetallic discovery at the North Scamander Project⁴.

Significant intercepts within the Upper Vein-Breccia Zone intersected in NSD005 included:

- 32.0m @ 141 g/t Ag, 0.34% Sn, 3.8% Zn, 2.0% Pb, 77 g/t In and 19 g/t Ga from 130.0m
- Including 5.0m @ 495 g/t Ag, 1.04% Sn, 5.2% Zn, 7.1% Pb, 113 g/t In and 23 g/t Ga from 130.0m
- Including 1.4m @ 353 g/t Ag, 2.29% Sn, 14.2% Zn, 8.8% Pb, 594 g/t In and 29 g/t Ga from 159.7m

Individual assay results within this outstanding intercept included; **1,035 g/t Ag, 5.75% Sn, 27.6% Zn, 21.2% Pb, 1,070 g/t In and 37 g/t Ga.**

The Upper Vein-Breccia Zone contains sphalerite, galena, minor chalcopyrite, and associated pyrite hosted in massive veins, semi-massive veins, hydrothermal breccia and associated stringer-style veins.

The high-grade multi-commodity North Scamander discovery has similarities with the Sn-Ag polymetallic systems of world-class Bolivian Tin Belt.

Significant grades of critical minerals Indium and Gallium were also recorded. The 77g/t average Indium grade over 32m compares favorably with Indium grades in known Indium-Base Metals deposits globally.

A cross section on the North Scamander project showing hole NSD005 and historic holes is shown in Figure 6. A plan of the North Scamander project showing hole NSD005, and the historic holes is shown in Figure 7.

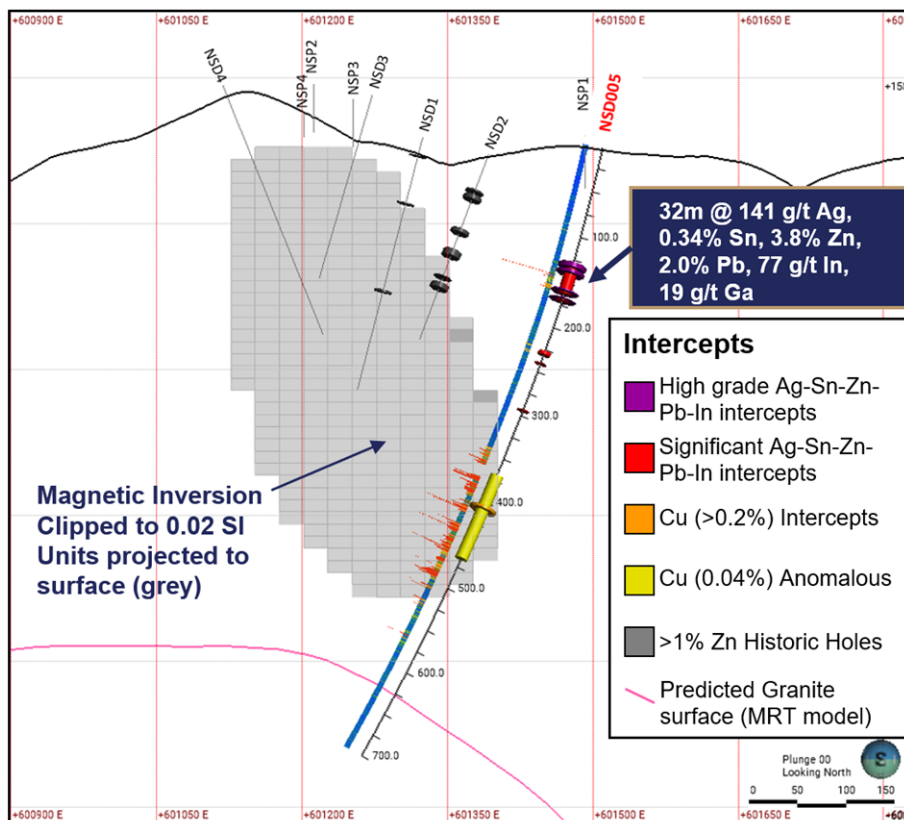


Figure 6 - North Scamander Cross section 5,411,900mN (+/-250m section slice) looking north, showing discovery hole NSD005 and historic drilling. Magnetic susceptibility shown on downhole histogram⁴

Lower Stockwork Zone⁴

Results for the Lower Stockwork Zone intersected in NSD005 returned anomalous copper levels including 96.0m @ 0.04% Cu from 369.0m consistent with the pyrrhotite +/- chalcopyrite stockwork veining logged.

These results confirm a change in mineralisation style and metal tenor from the sulphide vein and breccia hosted Ag-Sn-Zn-Pb-In mineralisation in the Upper Vein-Breccia Zone to pyrrhotite-dominant stockwork-hosted low-grade Cu mineralisation in the Lower Stockwork Zone. Results have also confirmed the regional scale geophysical anomaly, with high magnetic susceptibility readings recorded in the Lower Stockwork Zone corresponding with presence of pyrrhotite. The Lower Stockwork Zone results are interpreted as a possible 'near-miss' indicator of a potential tin system, or the low-grade margins to a copper-dominant system, with the core of the regional scale magnetic anomaly yet to be tested.

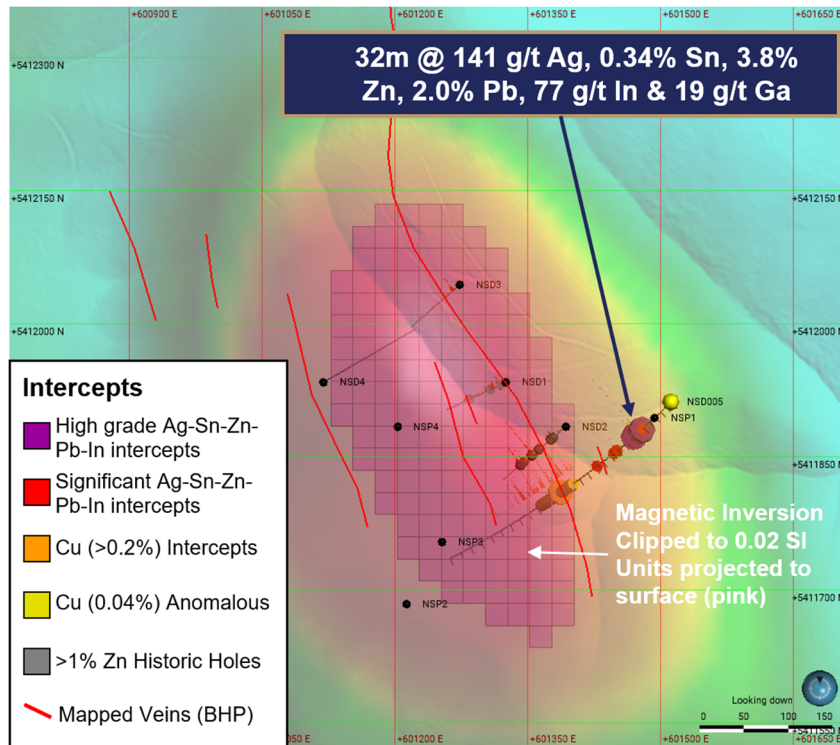


Figure 7 - North Scamander Plan showing regional magnetics (colour scale), Discovery Hole NDS005 with magnetic susceptibility shown on downhole histogram & historic hole⁴

Follow up Drill Targets

The North Scamander Project is prospective for three styles of mineralisation⁴:

1. High grade polymetallic vein and breccia-hosted Ag-Sn-Zn-Pb-In systems (NSD005 Upper Zone), that tend to be offset from the magnetic anomaly. This will be the immediate focus for follow up drilling at North Scamander.
2. Stockwork-hosted Cu (and possibly Sn) mineralisation, coincident with pyrrhotite and therefore the main magnetic anomaly at North Scamander, which is yet to be fully tested.
3. Greisen-style potential Sn-Li mineralisation associated with the preserved granite cupola at depth.

Forward Work Plan

Drillhole NSD005 is co-funded by a \$70,000 Tasmanian Government EDGI grant with payment expected in the December 2023 Quarter once final reports are submitted and approved by Mineral Resources Tasmania.

A downhole electromagnetic (DHEM) survey at North Scamander is planned for October 2023, with results expected to assist in planning of follow-up drilling.

Northeast Tasmania Exploration Project

NE Tas – A Continuation of Victorian Western Lachlan Fold Belt

Gold deposits in northeast 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.

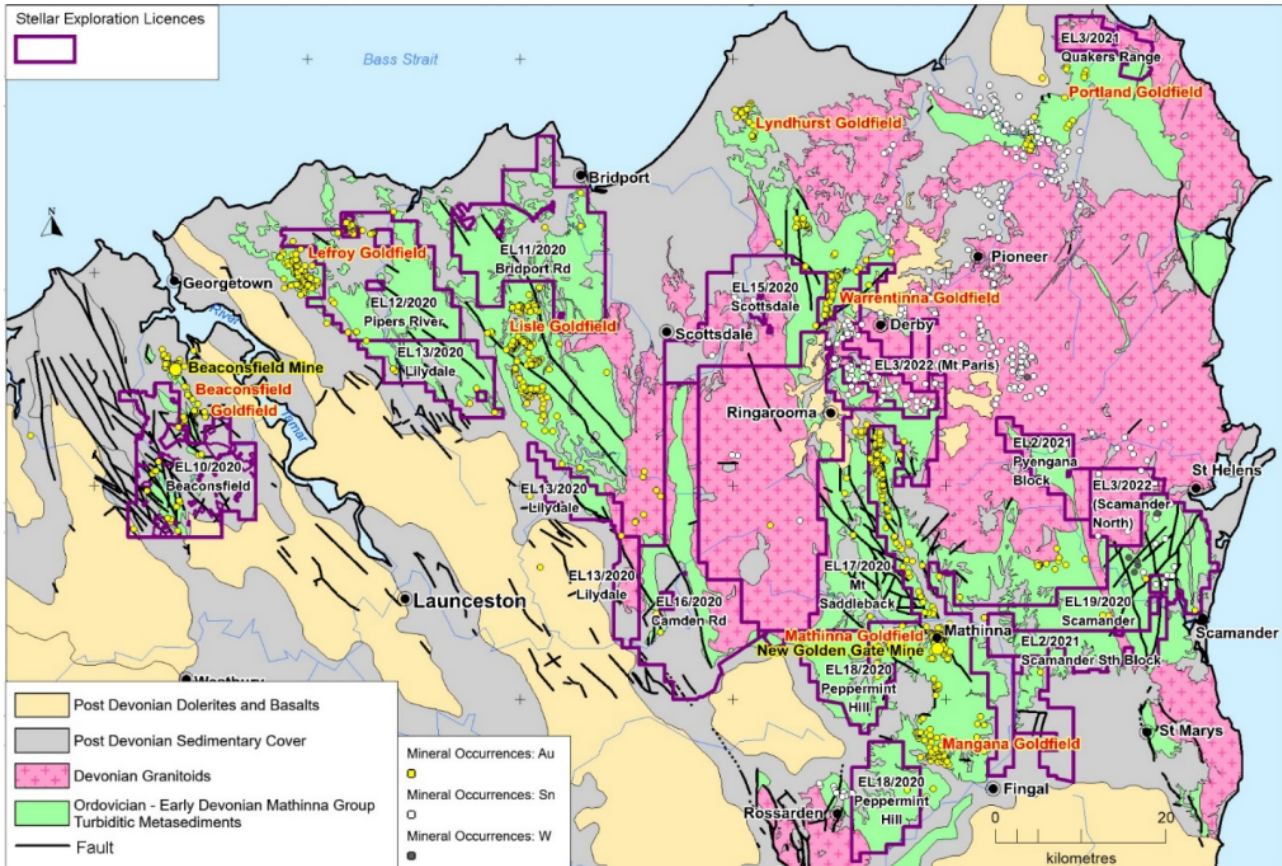


Figure 8 – Stellar’s tenement holdings overlain on geology and mineral occurrences

Stellar holds twelve Exploration Licences covering a combined area of 2,212 km² in NE Tasmania, which is prospective for gold, tin, base metals and lithium as shown in Figure 8 above.

Eleven of Stellar’s twelve EL’s (EL10/2020 to EL18/2020, EL2/2021 and EL3/2021) are prospective for Victorian style Orogenic Gold and for Intrusive Related Gold Systems (IRGS).

There are ~77 recorded historic gold occurrences and ~83 tin and base metals occurrences over Stellar’s Exploration Licences in NE Tasmania.

EL19/2020 (Scamander) is highly prospective for tin and base metals with significant historic exploration including drilling undertaken over the licence area (see Scamander Advanced Exploration Project section above).

NE Tasmania Priority Targets

Approximately twenty-two medium to very-high priority desktop exploration targets within Stellar’s northeast Tasmania EL’s as shown in Figure 9 have been identified by Stellar’s technical team led by Dr Josh Phillips

following a comprehensive analysis of the historic exploration data. The majority of these priority targets are orogenic gold and IRGS gold targets, other than the Scamander advanced tin and base metals targets on EL19/2020 and lithium-tin targets on EL3/2022, EL19/2020, EL15/2020 and EL17/2020.

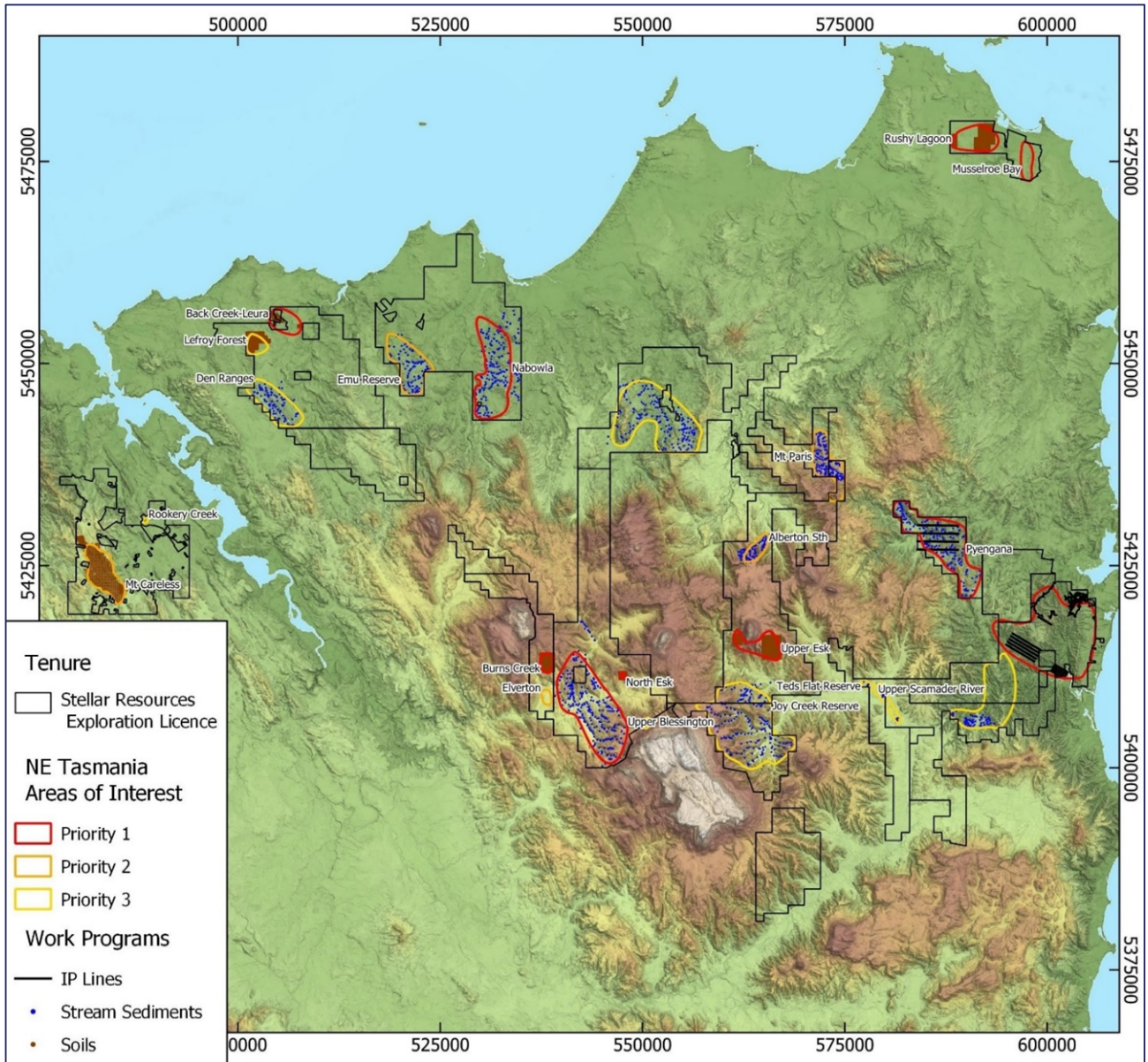


Figure 9 - Priority Exploration Targets and Planned Work Programs within Stellar's Northeast Tasmania EL's

Gold Exploration Targets

Surface geochemistry sampling programs have been ongoing over priority gold targets in NE Tasmania during the quarter with results to be included in a NE Tasmania gold exploration update announcement planned in the December 2023 quarter.

Lithium – Base Metals Targets

A number of lithium-base metals targets have been identified along the margins of four late-stage alkali granites within EL3/2022, EL17/2020, EL15/2020, EL19/2020, EL3/2021 and EL18/2020. Surface geochemistry sampling and mapping programs over these lithium-base metals targets commenced in December 2022 and are ongoing. Evaluation will be finalised when all results are received with a NE Tasmania lithium-base metals exploration update announcement planned in the December 2023 quarter.

Concert Creek – Carbine Hill (EL29/2022) VMS Exploration Targets

Stellar won a competitive application process in December 2022 for EL29/2022 over the Concert Creek – Carbine Hill area located approximately 10km east of Zeehan, Tasmania, considered highly prospective for volcanogenic massive sulphide (VMS) style Pb-Zn-Cu-Ag-Au deposits⁷.

The EL29/2022 title was formally granted to Stellar in September 2023.

EL29/2022 is located in the Mount Reid Volcanics, renowned for hosting major VMS deposits including four major mines within 11km as shown in Figure 10⁷:

- Rosebery Zn-Pb Cu-Ag-Au mine (VMS style deposit) 11 km northeast,
- Henty Au mine (VMS Style deposit) 8 km southeast,
- Historic Hercules Ag-Pb-Zn-Au mine (VMS style deposit) 5 km east,
- Renison Sn mine 7 km north, and
- Stellar’s Heemskirk Sn project and the town of Zeehan 10 km to the West.

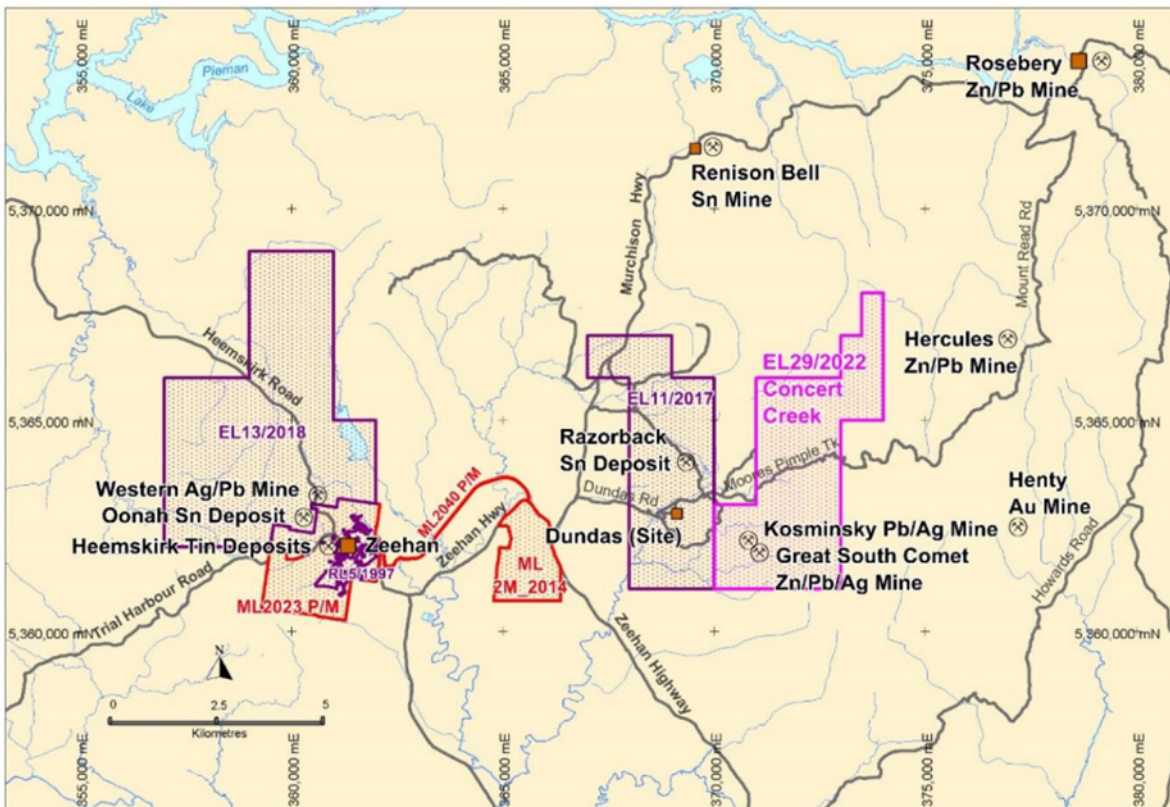


Figure 10 – Location of EL29/2022 with Stellar Resources tenements and nearby mines⁷

Highly Prospective VMS Style Pb-Zn-Cu-Ag-Au Drill Targets

Three drilling targets (Carbine Hill East, Carbine Hill West and Evenden) have been identified within EL29/2022 based on EM anomalies from airborne electromagnetic conductivity anomalies with modelled conductor plates and anomalous Pb and Zn surface geochemistry results as shown in Figure 11⁷.

A reconnaissance surface geochemistry program and drilling access planning is scheduled in the December 2023 quarter.

Drilling of the Carbine Hill East and Evenden targets is scheduled in the March 2024 quarter.

Drilling costs of the Carbine Hill East and Evenden holes will be co-funded by Tasmanian Government Exploration Drilling Initiative Grants (EDGI) in place (\$55,000 grant for Carbine Hill East and \$63,000 grant for Evenden drilling).

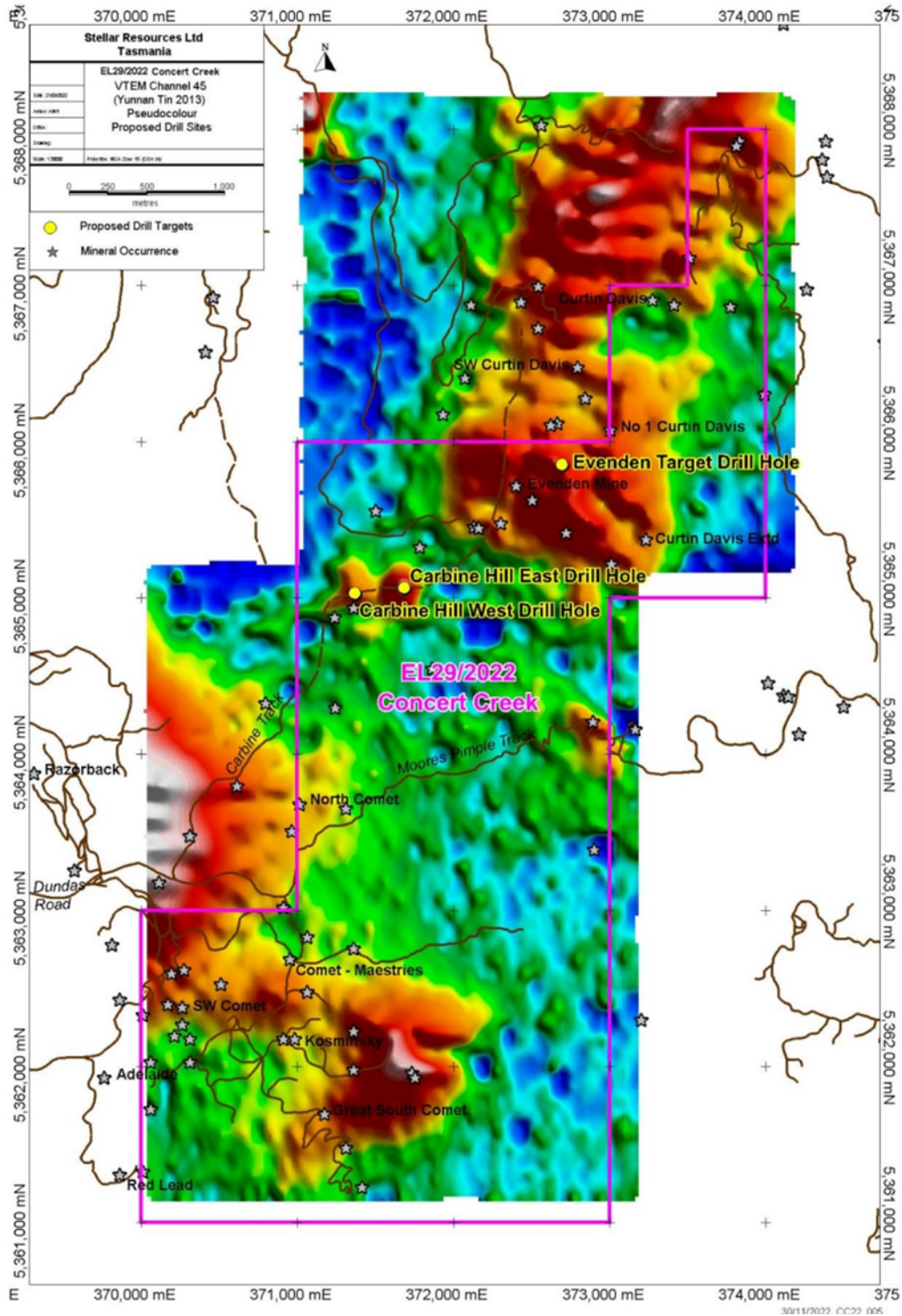


Figure 11 – EL29/2022 2013 VTEM_Ch45 with Carbine Hill East and West and Evenden drill targets and historic mining occurrences⁷

Corporate

Cash balance at 30 September 2023 of \$0.68 million.

Payments to related parties of the entity and their associates during the September Quarter were \$107,000 comprising Director and consulting fees as outlined in Section 6 of the attached Appendix 5B.

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

- Exploration & Evaluation expenditure - \$673,255
- Employee, administration and corporate costs - \$214,975

Capital Raising

Firm commitments have been received to raise \$1.0 million before costs in a placement announced on 20 October 2023. The placement is being undertaken at an issue price of \$0.009 (0.9 cents), an 18% discount to the closing share price prior to the placement. Stellar's Directors are participating in the placement up to \$170,000 subject to shareholder approval at the Company's AGM to be held on 30 November 2023.

The placement was led by Taylor Collison Limited who's fees include the issue of 10 million Broker Options at and issue price of \$0.015 per option (a premium of 66.6% of the placement price) and which will expire three years from the date of issue. Issue of the Broker Options are subject to shareholder approval at the Company's AGM to be held on 30 November 2023.

Share Purchase Plan

A Share Purchase Plan was announced on 26 October 2023 targeting to raise \$0.5 million, with eligible shareholders able to participate on the same terms as the recent placement.

Board Changes

During the quarter, Mr Simon Taylor assumed the role of Non-Executive Chairman. Mr Simon O'Loughlin continues on as Non-Executive Director.

Tenements

Description	Tenement Number	Interest Owned (%)
Mining Lease - Zeehan, Tasmania ^{*1}	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, Zeehan, Tasmania	ML 10M/2017	100
Exploration Licence - Mt Razorback, Zeehan, Tasmania	EL 11/2017	100
Exploration Licence - Montana Flats, Zeehan, Tasmania	EL 13/2018	100
Exploration Licence – Beaconsfield South, NE Tasmania	EL10/2020	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 - 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
Exploration Licence – Quakers Ranges, NE Tasmania	EL3/2021	100
Exploration Licence – Mt Paris and North Scamander	EL3/2022	100
Exploration Licence – Concert Creek - Carbine Hill	EL29/2022	100

^{*1} ML2023P/M is subject to a Vendor Royalty of 0-2% of the Net Realised Price (defined as the Net Smelter Return minus Allowable Deductions including; smelting and refining costs, concentrate transport costs, marketing and administration costs, taxes, State royalties and carried forward deductions). No royalty is payable if the Net Realised Price is <A\$25,000/t. When the Net Realised Price is A\$25,000/t the royalty rate shall be 1.0% of the Net Realised Price. When the Net Realised Price is between A\$25,000/t and A\$30,000/t, the royalty rate will increase by 0.0002% for every additional \$1 increase in the Net Realised Price (e.g. If the Net Realised Price were A\$26,250/t, the Royalty rate would be 1.25% of the Net Realised Price). If the Net Realised Price is A\$30,000/t or more, then the Royalty rate will be 2.0% of the Net Realised Price.

Footnotes / Live Links

1 SRZ Announcement, 21 February 2023 – Robust Tin Results from Initial Phase 2B holes at Severn

2 SRZ Announcement, 31 July 2023 – Outstanding Tin Results from Severn Hole ZS162

3 SRZ Announcement, 4 September 2023 – Heemskirk Tin Project MRE Update Increases Indicated Resource by 24%

4 SRZ Announcement, 19 September 2023 – New High Grade Polymetallic Discovery

5 SRZ Announcement, 20 July 2023 - Further Tin Results From Resource Drilling At Heemskirk

6 ASX Announcement, 12 March 2014 – New Open Pittable Resource at St Dizer

7 SRZ Announcement, 6 December 2022 – Exploration Licence Granted Over Prospective VMS Targets

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:

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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 2023

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	(673)	(673)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(55)	(55)
	(e) administration and corporate costs	(160)	(160)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	11	11
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	(877)	(877)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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	-	-
	(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	-	-
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	1,558	1,558
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(877)	(877)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
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	677	677

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	477	358
5.2	Call deposits	200	1,200
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)	677	1,558

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	107
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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 <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)	(877)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(877)
8.4 Cash and cash equivalents at quarter end (item 4.6)	677
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	677
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.772
<p><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></p>	
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?	
<p>Answer: The entity does not expect the current level of net operating activity will be maintained as it currently expects a reduction in the level of operating activity with a commensurate reduction in net operating cashflows.</p>	
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?	
<p>Answer: Subsequent to the end of the quarter the Company announced that it completed a Placement raising \$1,000,000 before costs. In addition, the Company has launched a Share Purchase Plan to raise up to \$500,000 to eligible shareholders.</p>	
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?	
<p>Answer: The entity expects to be able to continue to meet its operations and meet its business objectives as a result of the actions contemplated in items 8.8.1 and 8.8.2 above.</p>	
<p><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></p>	

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: 27 October 2023

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.