

Report for the Quarter ended 31 March 2024

Highlights:

Heemskirk Tin Project

- The Board approved a detailed work program that includes:
 - Updating the 2019 Heemskirk Scoping Study with the 2023 Mineral Resource Estimate (MRE), which totalled **7.48Mt @ 1.04% Sn (77.87kt contained Tin)**.¹
 - Investigate costs and trade-offs to build a standalone project and or the possibility to toll treat at nearby existing operations.
- The Heemskirk Tin Project continues to rank as the highest-grade undeveloped tin resource in Australia and the third globally.

Corporate

- Non-Executive Chairman, Simon Taylor, appointed Executive Chairman and Non-Executive Director, Andrew Boyd, appointed Executive Director.²
- The Board changes are implemented to drive the transitional strategy from explorer to developer as the Company advances the Heemskirk Tin Project.
- The Company received firm commitments to raise \$3,200,000 via a Placement including the participation of cornerstone investor Nero Resource Fund who participated to the amount of approximately \$2.4 million.³
- Issue price of \$0.008 (0.8 cents) under the Placement, representing a 14.3% premium to the traded price.
- Strong cash position post quarter end of \$4.0 million.

¹ SRZ Announcement 4 September 2023 – Heemskirk Tin Project MRE Update

² SRZ Announcement 27 March 2024 – Strategic Executive Board Changes and Heemskirk Tin Project Update

³ SRZ Announcement 22 February 2024 – Stellar to Raise \$3.2m by way of Placement

Tin Commentary

- Since late 2023, tin prices have steadily increased from a low of US\$22,910/t, to a high of US\$34,025/t on 19 April 2024, representing a 48% increase.⁴
- Supply issues from Myanmar, Indonesia and the Democratic Republic of Congo continue, which has seen LME tin stock levels fall from a high of 8,205 tonnes in mid-December 2023 to a low of 4,045 tonnes in April 2024.⁵
- Global Tin demand forecast to grow strongly, driven by the decarbonisation and electrification of the world. Approximately 50% of all tin is used as solder in electronics whilst a combined 30% of tins application in Solar, AI and batteries is seeing an exponential increase in demand.



LME Spot Tin Price and Stock Levels 4/01/2022 to 19/04/2024 (Source: westmetal.com)

⁴ Sources: Westmetall – https://www.westmetall.com/en/markdaten.php?action=diagram&field=LME_Sn_cash

⁵ Sources: Westmetall – https://www.westmetall.com/en/markdaten.php?action=diagram&field=LME_Sn_cash

Stellar Resources Limited (ASX: SRZ) (“Stellar” or “the Company”) is pleased to present its Quarterly Activities report for the period ended 31 March 2024 (“**March Quarter**”). The Company focus during the reporting period was successfully completing a transformational capital raise to drive the strategy of progressing the world class Heemskirk Tin Project from explorer to developer.

Heemskirk Tin Project

The Heemskirk Tin Project continues to rank as the highest-grade undeveloped tin resource in Australia and the third globally. The total **Mineral Resource Estimate (MRE) of 7.48Mt @ 1.04% Sn (77.87kt contained Tin)**¹ at a cut-off grade of 0.6% Sn sets a solid foundation to advance the project towards production.

The Project is located within a well-established mining district on the West Coast of Tasmania with excellent access to infrastructure including nearby water, renewable power, and access to the port of Burnie 150km to the north via sealed highway for export of concentrate, and an experienced local market for services, mining, processing and labour.

Heemskirk is located 18km to the southwest of the Renison tin mine, the largest and most productive tin mine in Australia and 10km to the east of the Avebury Nickel Mine, which is currently in receivership and transitioning into care and maintenance.⁶

Table 1 – Heemskirk Tin Project Mineral Resource Statement (Sept 2023)¹

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	

By Deposit	Deposit	Tonnes (Mt)	Sn (%)	Contained Sn (t)	Cassiterite % of Total Sn (%)	Cu (%)	Pb (%)	Zn (%)	Resource Date
Sub Total	Queen Hill	2.09	1.18	24,689	96	0.06	0.63	0.34	2023
Sub Total	Severn	4.71	0.91	42,741	99	0.06	0.02	0.04	2023
Sub Total	Montana	0.68	1.54	10,443	96	0.08	0.72	1.42	2019
Grand Total	Heemskirk Tin Project	7.48	1.04	77,872	97	0.06	0.25	0.25	

⁶ Mallee Resources Announcement 8 February 2024 – Transition to Care and Maintenance

Future Work Program

The Executive Board initiated a thorough review of the Heemskirk Tin Project and approved the following work programme to commence, which includes:

- Geophysics and detailed geological modelling – to assist in drill targeting Indicated resource tonnes and new discoveries adjacent to the current resource.
- Infill drilling program – to increase Indicated resource tonnes.
- Metallurgical testwork – to improve recoveries from the 2019 Scoping study.
- Advance Environmental Impact Statement studies
- Updating the previous 2019 scoping study using the 2023 MRE.
- Investigate costs and trade-offs to build a standalone project and or the possibility to toll treat at nearby existing operations.

Corporate

Placement

The Company raised \$3.2 million by way of a Placement of 400 million new shares (“Shares”) to sophisticated and professional investors including cornerstone investor Nero who participated to the amount of \$2.4 million. The issue price of \$0.008, represented a 14.3% premium to the traded price at the close on 19 February 2024.

Participants in the Placement received one (1) unlisted free attaching option for every two (2) Shares allocated in the Placement (“**Attaching Options**”). The Attaching Options have an exercise price of \$0.015 per option and an 18-month term from allotment.

The Placement took place under two-tranches. The first tranche was issued in accordance with the Company’s available placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A for total of 287.3 million Shares (“**Tranche One**”). The second tranche consisted of issuing all Attaching Options and 112.7 million Shares (“**Tranche Two**”). The Tranche Two Shares includes the Stellar director’s commitment to take up \$50,000. Tranche Two and the Attaching Options were subject to shareholder approval, which was obtained at the EGM held on 10th April 2024.⁷

Payments to related parties of the entity and their associates during the March Quarter were \$118k comprising Director and consulting fees as outlined in Section 6 of the attached Appendix 5B.

Board Changes

Mr Simon Taylor (formerly Non-Executive Chairman) was appointed Executive Chairman and Chief Executive Officer (CEO) and Mr Andrew Boyd (formerly Non-Executive Director) was appointed Executive Director with the appointments taking effect immediately.

⁷ SRZ Announcement 10 April 2024 – Results of Extraordinary General Meeting

Tenements

In December 2023, Stellar applied to Mineral Resources Tasmania (MRT) to surrender, consolidate and renew various licences subsequent to a review by the Company's technical team.

During the quarter the following approvals were received from MRT:

- EL13/2018 (Montana Flats) surrender of 17km² of the 24km² area of.
- EL10/2020 (Beaconsfield South) – 100% of tenement surrender.
- EL11/2020 (Bridport Rd) – 88% of tenement surrender.
- EL12/2020 (Pipers River) – 81% of tenement surrender
- EL13/2020 (Lilydale) – 70% of tenement surrender
- EL15/2020 (Scottsdale) – 77% of tenement surrender
- EL16/2020 (Camden Rd) – 44% of tenement surrender
- EL17/2020 (Mt Saddleback) – 59% of tenement surrender
- EL18/2020 (Peppermint Hill) – 65% of tenement surrender
- EL19/2020 (Scamander) – 63% of tenement surrender
- EL2/2021 (Scamander South & Pyengana) – 81% of tenement surrender
- EL3/2021 (Quakers Ranges) – 100% of tenement surrender
- EL3/2022 (Mt Paris and North Scamander) – 37% of tenement surrender
- Consolidation of EL13/2020 and EL16/2020 (now EL16/2020)
- Consolidation of EL15/2020, EL17/2020, EL18/2020 and EL3/2022 (now EL15/2020)
- Consolidation of EL19/2020, EL2/2021 and EL3/2022 (now EL19/2020)

The following applications are still being processed by MRT at the time of writing:

- for a 1-year Extension of Term for the remaining 7km² area of EL13/2018 and for a Retention Licence over the 1.25km² area of EL13/2018 containing the Oonah Tin Mineral Resource and the Zeehan Western historic silver-lead mine / exploration target and other minor mineral occurrences with the objective of holding these areas over a longer period of time.
- A consolidation of the residual components of EL11/2020 and EL12/2020, subsequent to the approved reduction in area above.

The Company currently holds an area of 33.84km² in Mining Leases, Retention and Exploration Licences in the Zeehan region of NW Tasmania and 648km² in Exploration Licences in NE Tasmania.

Region	Description	Tenement Number	Interest Owned (%)	Area (km ²)
NW Tasmania	Mining Lease - Zeehan	ML 2023P/M	100	5.6
	Mining Lease - Tailing Dam, Zeehan	ML 2M/2014	100	2.78
	Mining Lease - Pipeline Route, Zeehan	ML 2040P/M	100	0.06
	Mining Lease - St Dizier, Zeehan,	ML 10M/2017	100	1.4
	Retention Licence - Zeehan	RL 5/1997	100	1
	Exploration Licence - Montana Flats, Zeehan,	EL 13/2018	100	8
	Exploration Licence - Concert Creek - Carbine Hill	EL 29/2022	100	15
NE Tasmania	Exploration Licence - Pipers River	EL 12/2020	100	36
	Exploration Licence - Scottsdale	EL 15/2020	100	208
	Exploration Licence - Camden Rd	EL 16/2020	100	189
	Exploration Licence - Scamander	EL 19/2020	100	186
	Exploration Licence - Bridport Rd	EL11/2020	100	29

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.

– ENDS –

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

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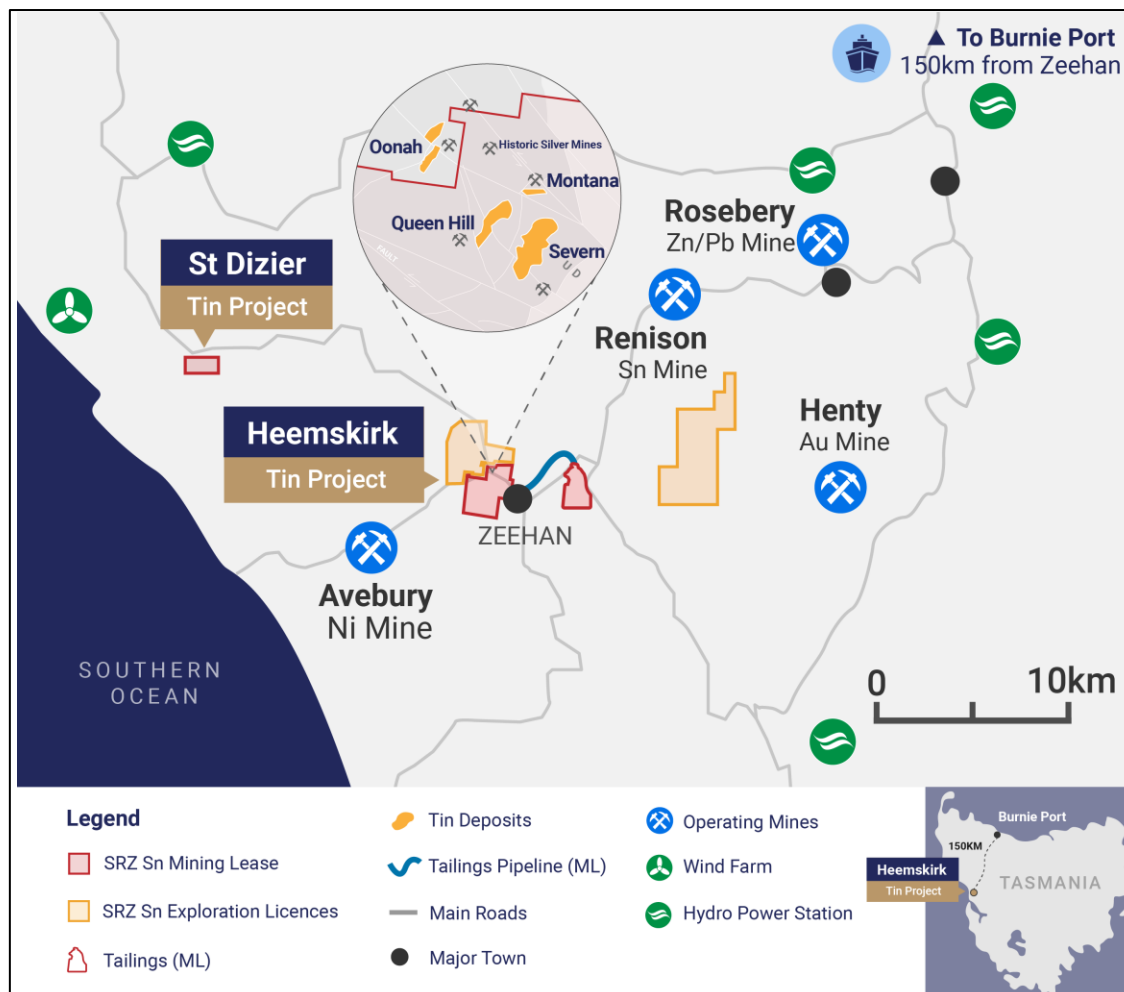
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About Stellar Resources:

Stellar Resources (ASX:SRZ) is focussed on developing its world class Heemskirk Tin Project located in the mining friendly jurisdiction of Zeehan, Western Tasmania. The Company has defined a substantial high-grade resource totalling 7.48Mt at 1.04% Sn, containing 77.87kt of tin. This ranks the Heemskirk Project as the highest-grade undeveloped tin resource in Australia and third globally.

The focus for the Company going forward will be to complete exploration and resource drilling at the Heemskirk Project to further grow the resource and improve the confidence by defining more tonnes in the indicated and measured category. Currently, a large proportion of the resource is classified in the indicated category totalling 3.52Mt at 1.05% Sn for 37kt of contained tin.

Stellar also made a major discovery at its North Scamander Project in September 2023, with a maiden exploration drillhole intersecting a significant new high-grade silver, tin, zinc, lead, and Indium polymetallic discovery. The Company has also delineated multiple down hole conductors via DHEM and FLEM surveys, providing high priority follow up targets.



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")

31 March 2024

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	(169)	(1,134)
(b) development	-	-
(c) production	-	-
(d) staff costs	(86)	(156)
(e) administration and corporate costs	(105)	(529)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	21
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	70
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(354)	(1,728)
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 (9 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)	9	9
2.6	Net cash from / (used in) investing activities	9	9

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,298	3,586
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	(158)	(230)
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)	(8)
3.10	Net cash from / (used in) financing activities	2,136	3,348

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,396	1,558
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(354)	(1,728)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	9	9
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,136	3,348

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 (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	3,187	3,187

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	2,687	996
5.2	Call deposits	500	400
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)	3,187	1,396

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	118
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)	(354)
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)	(354)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,187
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,187
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	9.01
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

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

Date: 22 April 2024

Authorised by: The Board

Notes

- 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.
- 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.

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