

9 July 2024

Dear Shareholder,

Re: Notice of Extraordinary Meeting on 9 August 2024 at 11.00am (AEST)

Notice is given that an Extraordinary General Meeting of Shareholders of Stellar Resources Limited (the “Company”) will be held virtually via a webinar conferencing facility at 11.00am (AEST) on 9 August 2024 (“EGM” or “Meeting”).

The Company will not be dispatching physical copies of the Notice of Meeting. Instead, the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company’s website <http://www.stellarresources.com.au/> or at the Company’s share registry’s website www.InvestorServe.com.au.
- To register for the meeting, please use the following link:
https://vistra.zoom.us/webinar/register/WN_pYIZnQNqR7ikJSZGxqvRKw
- A complete copy of the Meeting Materials has been posted to the Company’s ASX Market announcements page at www.asx.com.au under the Company’s ASX code “SRZ”.
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting materials and the voting instruction form.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at www.InvestorServe.com.au. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry, Boardroom Pty Limited, on enquiries@boardroomlimited.com.au or 1300 737 760 (within Australia) or +61 2 9290 9600 (Outside Australia) between 8:30am and 5:30pm (AEDT) Monday to Friday, to arrange a copy.

Any shareholders who wish to attend the Meeting should monitor the Company’s website and its ASX announcements for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: SRZ) and on it’s website at <http://www.stellarresources.com.au/>. Shareholders are encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Yours sincerely,



Mathew Watkins
Company Secretary
Stellar Resources Limited



STELLAR RESOURCES LIMITED
ACN 108 758 961

Notice of Extraordinary General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 9 August 2024

Time of Meeting:
11:00am (AEST)

The meeting will be held virtually via a webinar conferencing facility. If you are a shareholder who wishes to attend and participate in the virtual meeting, please register in advance as per the instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

The Notice of Meeting has been given to those entitled to receive by use of one or more technologies. The Notice of Meeting is also available on the Australian Securities Exchange Announcement platform and on the Company's website <http://www.stellarresources.com.au/>.

This Notice of Extraordinary General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay.

STELLAR RESOURCES LIMITED

ACN 108 758 961

Registered Office: Level 4, 100 Albert Road, South Melbourne VIC 3205

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of Shareholders of Stellar Resources Limited (the “Company” or “SRZ”) will be held virtually via a webinar conferencing facility **at 11:00am (AEST) on Friday, 9 August 2024 (“Extraordinary General Meeting” or “EGM” or “Meeting”)**.

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form.

Shareholders attending the EGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the EGM.

The virtual meeting can be attended using the following details:

When: Friday, 9 August 2024 at 11:00am (AEST)
Topic: SRZ Extraordinary General Meeting

Register in advance for the virtual meeting:

https://vistra.zoom.us/webinar/register/WN_pYIZnQNqR7ikJSZGxqvRKw

After registering, you will receive a confirmation email containing information about joining the Meeting. As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the Meeting online. The Company will conduct a poll on each resolution presented at the Meeting. The Company will accept questions during the Meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the Meeting by email to mathew.watkins@vistra.com. The Company will address relevant questions during the Meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any shareholders who wish to attend the EGM online should therefore monitor the Company’s website and its ASX announcements for any updates about the EGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: SRZ) and on its website at <http://www.stellarresources.com.au/>.

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

ORDINARY BUSINESS

Resolution 1: Ratification of Placement Shares

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve, ratify and confirm the allotment and issue of 388,350,360 Shares in the Company on 30 May 2024 at an issue price of \$0.019 (1.9 cents) per Share as described in the Explanatory Statement.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 2: Approval to issue Tranche 2 Placement Shares

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of 137,965,429 Tranche 2 Placement Shares to professional and sophisticated investors under the Placement on the terms and conditions described in the Explanatory Statement.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 3: Approval to issue Broker Options in connection with Placement

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval be given to issue up to 10,000,000 unquoted Broker Options (in aggregate), exercisable at \$0.03 each and expiring on 13 August 2026, to the Joint Lead Managers, Taylor Collison Limited and Bell Potter Securities Ltd (or their respective nominees) on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

Resolution 4: Approval to Issue Performance Rights to Simon Taylor

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act, and for all other purposes, approval be given to grant and issue 32,613,750 Performance Rights, and the issue of any Shares in the Company pursuant to the exercise or conversion of such Performance Rights, to Simon Taylor (or his nominee(s)), under the Company’s Equity Incentive Plan, and on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 5: Approval to Issue Performance Rights to Andrew Boyd

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act, and for all other purposes, approval be given to grant and issue 25,666,875 Performance Rights, and the issue of any Shares in the Company pursuant to the exercise or conversion of such Performance Rights, to Andrew Boyd (or his nominee(s)), under the Company’s Equity Incentive Plan, and on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 6: Approval to Issue Zero Exercise Price Options to Simon O'Loughlin

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act, and for all other purposes, approval be given to grant and issue 6,000,000 Zero Exercise Price Options ("**ZEPOs**"), and the issue of any Shares in the Company pursuant to the exercise or conversion of such ZEPOs, to Simon O'Loughlin (or his nominee(s)), under the Company's Equity Incentive Plan, and on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."*

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

BY ORDER OF THE BOARD



Mathew Watkins
Company Secretary
2 July 2024

Notes

1. **Entire Notice:** The details of the Resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Meeting, Shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (AEST) on the date 48 hours before the date of the Meeting. Only those persons will be entitled to vote at the Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.
3. **Proxies**
 - (a) Votes at the Meeting may be given personally or by proxy, attorney or representative.
 - (b) Each Shareholder has a right to appoint one or two proxies.
 - (c) A proxy need not be a Shareholder of the Company.
 - (d) If a Shareholder is a company, it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - (e) Where a Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
 - (f) If a Shareholder appoints two proxies, and the appointment does not specify the proportion or number of the Shareholder's votes, each proxy may exercise half of the votes. If a Shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - (g) A proxy form must be signed by the Shareholder or their attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with the corporation's constitution and Corporations Act.
 - (h) To be effective, proxy forms must be received by the Company's share registry (Boardroom Pty Limited) no later than 48 hours before the commencement of the Meeting, this is no later than 11:00am (AEST) on Wednesday, 7 August 2024. Any proxy form received after that time will not be valid for the scheduled Meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising them to act as that company's representative. The authority may be sent to the Company and/or the share registry in advance of the Meeting.

5. How the Chair will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the Meeting will vote undirected proxies in favour of all of the proposed Resolutions.

6. Voting Exclusion Statements:

Resolution 1

The Company will disregard any votes cast in favour on this Resolution by any person who participated in the issue of shares any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolutions 2 and 3

The Company will disregard any votes cast in favour on any of these Resolutions by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of that person or those persons.

However, this does not apply to a vote cast in favour of any of these Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution(s), in accordance with directions given to the proxy or attorney to vote on the Resolution(s) in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution(s), in accordance with a direction given to the Chair to vote on the Resolution(s) as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution(s); and
 - (ii) the holder votes on the Resolution(s) in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4, 5 and 6

The Company will disregard any votes cast in favour of each of these Resolutions (respectively and separately) by or on behalf of:

- (a) a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Equity Incentive Plan, being the directors Mr Simon Taylor (or his nominee(s)), Mr Simon O'Loughlin (or his nominee(s)) and Mr Andrew Boyd (or his nominee(s)); or
- (b) an associate of person referred to in the preceding paragraph.

However, this does not apply to a vote cast in favour any of these Resolutions by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution(s), in accordance with directions given to the proxy or attorney to vote on the Resolution(s) in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution(s) in accordance with a direction given to the Chair to vote on the Resolution(s) as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution(s); and
 - (ii) the holder votes on the Resolution(s) in accordance with directions given by the beneficiary to the holder to vote in that way.

A further restriction also applies to Key Management Personnel and their Closely Related Parties voting undirected proxies on these Resolutions – see **Restriction on KMPs voting undirected proxies below**.

7. Voting Prohibition Statement:

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not an Excluded Party, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. Enquiries

Shareholders are invited to contact the Company Secretary, Mathew Watkins on +61 3 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

ORDINARY BUSINESS

Background to Resolutions 1 to 3

On 24 May 2024, the Company conducted a placement (“**Placement**”) to raise \$10 million (before costs) in the following tranches at an issue price of \$0.019 (1.9 cents) per share:

- (a) ~\$7.4 million was raised through the issue of 388,350,360 Shares to professional and sophisticated investors on 30 May 2024 (“**Tranche 1**”); and
- (b) ~\$2.6 million is to be raised through the issue of 137,965,429 Shares to professional and sophisticated investors (“**Tranche 2**”).

(together, the “**Placement**”).

Tranche 1 has been issued in accordance with the Company’s available placement capacity pursuant to ASX Listing Rule 7.1 and 7.1A. Tranche Two of the Placement will be subject to shareholder approval.

Taylor Collison Limited and Bell Potter Securities Limited acted as Joint Lead Managers (“**JLMs**”).

The funds raised under the Placement will be used to conduct extensive drilling across the Heemskirk Tin Project to improve the resource category and test for extensions to the known mineralisation. The Company is in the process of completing an updated Scoping Study using the September 2023 using Mineral Resource Estimate. In parallel the Company will advance metallurgical testwork and necessary environmental baseline studies as the Company progresses the Heemskirk Tin Project to development.

Resolution 1: Ratification of Placement Shares

Background

The Company is seeking shareholder approval to ratify the prior issue of 388,350,360 Shares to professional and sophisticated investors on 30 May 2024 (“**Tranche 1**”).

The Shares were issued without shareholder approval from the Company’s existing Placement Capacity under ASX Listing Rule 7.1 and 7.1A.

ASX Listing Rules

ASX Listing Rules 7.1 and 7.1A allow the Company to issue new securities up to 25% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2 applies. 233,010,216 Shares under Tranche 1 were issued from the Listing Rule 7.1 15% facility and 155,340,144 Shares were issued from the Listing Rule 7.1A 10% facility.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 and 7.1A if the issue did not breach ASX Listing Rule 7.1 and 7.1A at the time and Shareholders subsequently approve it. As the issue of those Shares was within the Company’s ASX Listing Rule 7.1 and 7.1A placement capacity, did not fall within any of the exceptions in ASX Listing Rule 7.2, and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue of those Shares pursuant to ASX Listing Rule 7.4 in order to retain as much flexibility as possible to issue additional equity securities over the 12-month period following the issue of the Shares, without having to obtain shareholder approval for such issues under Listing Rule 7.1.

If this Resolution is approved, the prior issue of the Shares under Tranche 1 of the Placement may be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1 and 7.1A. The Company will therefore be able to issue additional equity securities without the Shares the subject of this Resolution counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1 or the 10% facility limit for the purposes of ASX Listing Rule 7.1A.

If this Resolution is not approved, the prior issue of the Shares under Tranche 1 of the Placement will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1. The Company will therefore have the Shares as counting towards the 15% and 10% threshold for the purposes of ASX Listing Rules 7.1 and 7.1A.

ASX Listing Rule Disclosure Requirements

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) 388,350,360 fully paid ordinary shares in the Company were issued and allotted on 30 May 2024 to professional and sophisticated investors, who are not related parties, identified through the bookbuild conducted by the Joint Lead Managers;
- (b) the Tranche 1 Shares were issued at a price of \$0.019 (1.9 cents) per Share; and
- (c) Funds raised from the Placement will be used to conduct extensive drilling and complete an updated scoping study at the Heemskirk Tin Project in western Tasmania.

Board Recommendation

The Board recommends that Shareholders vote in favour of this Resolution.

Voting Intention

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 2: Approval to issue Tranche 2 Placement Shares

Background

As noted in the background above, the Company requires Shareholder approval to undertake Tranche 2 of the Placement. The purpose of this Resolution 2 is to seek that approval.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval, issue or agree to issue more securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period. As the issue of the Tranche 2 Placement Shares would, without shareholder approval, exceed that 15% limit, the Company seeks shareholder approval under Listing Rule 7.1 to issue the Tranche 2 Shares.

If this Resolution is passed, the Company will issue the Shares without using any of its placement capacity under Listing Rule 7.1's 15% limit on issuing equity securities, will retain the flexibility to make future issues of equity securities up to the 15% limit and will raise approximately \$2.6 million before costs.

If this Resolution is not passed, the Company will not be able to issue the Tranche 2 Shares.

ASX Listing Rule Disclosure Requirements

ASX Listing Rule 7.3 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.1:

- (a) 137,965,429 fully paid ordinary shares are being proposed to be issued to professional and sophisticated investors, who are not related parties, identified through the bookbuild conducted by the Joint Lead Managers;
- (b) Tranche 2 Shares will be issued at an issue price of \$0.019 (1.9 cents) each;
- (c) Tranche 2 Shares will rank *pari passu* with all existing securities of their class;
- (d) Tranche 2 Shares will be issued no later than three (3) months after the date of this Meeting (or such later date as may be approved by any ASX waiver or modification of the ASX Listing Rules). It is intended that the allotment will occur on or about 13 August 2024;
- (e) Funds raised from the Placement will be used to conduct extensive drilling and complete an updated scoping study at the Heemskirk Tin Project in western Tasmania.

Board Recommendation

The Board recommends that Shareholders vote in favour of this Resolution.

Voting Intention

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 3: Approval to issue Broker Options in connection with Placement

Background

The Company appointed the Joint Lead Managers, Taylor Collison Limited (ACN 008 172 450) and Bell Potter Securities Limited (ACN 006 390 772), as joint lead managers to the Placement.

The Company has agreed to issue 10,000,000 Broker Options (in aggregate) ("**Broker Options**") as part of the fees payable to the Joint Lead Managers (or their nominees), such proportion to be determined between themselves. The 10,000,000 Broker Options terms and conditions are set out in **Annexure A**.

The purpose of this Resolution is to seek approval for the issue of the Broker Options.

ASX Listing Rules

ASX Listing Rule 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies. The issue of the Broker Options is not within the Company's available placement capacity under ASX Listing Rule 7.1.

If this Resolution is approved, the issue of up to 10,000,000 Broker Options to the Joint Lead Managers (or their nominees) may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the flexibility, if required, to issue additional equity securities without the Broker Options counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1 over the 12-month period following the issue of the Broker Options.

If this Resolution is not approved, the issue of the 10,000,000 Broker Options to the Joint Lead Managers (or their nominees) will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the Broker Options as counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1. This will limit the Company's placement capacity under the Listing Rule 7.1 over the 12-month period following their issue. If the Company does not have the capacity to immediately issue the New Options, the Company will have those issued under its placement capacity once it becomes practicable to do so.

ASX Listing Rule Disclosure Requirements

ASX Listing Rule 7.3 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.1:

- a) 10,000,000 unquoted Options are being proposed to be issued Joint Lead Managers, Taylor Collison Limited (ACN 008 172 450) and Bell Potter Securities Limited (ACN 006 390 772) (or their nominee(s)).
- b) The Broker Options will have an exercise price of \$0.03 (3 cents) each and an expiry date of 13 August 2026. A summary of the Broker Options' terms and conditions can be found under **Annexure A**;
- c) The Broker Options will be issued by no later than three months after the date of this Meeting however are expected to be issued on or around 13 August 2024;
- d) The Broker Options have a Nil issue price. The purpose of the issue of the Broker Options to the Joint Lead Managers is for fees payable to them as joint lead manager for services. No funds will be raised from the issue of the Broker Options.

Board Recommendation

The Board recommends that Shareholders vote in favour of this Resolution.

Voting Intention

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolutions 4, 5 and 6: Approval to issue of Performance Rights and Zero Exercise Price Options to Directors (or their nominees)

Background

Resolutions 4 to 6 provide for a total of up to 58,280,625 unquoted Performance Rights to Executives and unquoted 6,000,000 Zero Exercise Price Options (“**ZEPOs**”) to a Non-Executive Director being granted and issued to Directors under the Company’s Equity Incentive Plan (“**Plan**”), previously approved by Shareholders at the Company’s Annual General Meeting on 8 November 2022, as part of the respective Director’s overall remuneration package.

Proposed Performance Rights and ZEPOs to the Company’s Directors (or their respective nominees) are described below:

The Company proposes, subject to Shareholder approval, to grant:

- a) 32,613,750 Performance Rights to Mr Simon Taylor (or his nominee(s));
- b) 25,666,875 Performance Rights to Mr Andrew Boyd (or his nominee(s)); and
- c) 6,000,000 ZEPOs to Mr Simon O’Loughlin (or his nominee(s)).

With respect of the proposed issue of Performance Rights and ZEPOs the Company engaged a remuneration specialist to seek advice on structuring remuneration for Directors (both Executive and Non-Executive) which closely align with the interest and protection of shareholder interests as well as rewarding KMP for long term sustainable value creation. A thorough process was undertaken in determining the structure, vesting conditions and quantum of the Performance Rights and ZEPOs in line with a market benchmarking activity that was undertaken.

Performance Rights and ZEPOs are proposed to be granted to the Directors which only vest when long sustainable value is created. This occurs when the project milestones are achieved, and the project is effectively de-risked. The grant of the Performance Rights and ZEPOs (and the subsequent issue of Shares) to the concerned Directors is a long-term incentive if pre-agreed milestones (“**Vesting Conditions**”) are achieved over a three-year performance period. It should be recognised that the achievement of these pre-agreed Vesting Conditions will be to the benefit of all Shareholders, and the conversion of the Performance Rights and ZEPOs into Shares can only occur if these benefits are realised. This ensures that the Directors will only be rewarded when the project is de-risked, and value is created for Shareholders.

If these Resolutions are passed, the Company will be able to proceed with the issue of the Performance Rights and ZEPOs to the applicable Director(s) and the applicable Director(s) (or their nominees) will receive their Performance Rights and ZEPOs or potentially shareholdings upon conversion of the Performance Rights and ZEPOs into Shares.

If these Resolutions are not passed, the Company will not proceed with the issue of the Performance Rights and ZEPOs to the applicable Director(s), and the applicable Director(s) (or their nominees) will not receive the Performance Rights and ZEPOs or potential shareholdings upon conversion of the Performance Rights and ZEPOs. The Board will then consider replacing them with cash equivalent if the Company is unable to issue the Performance Rights and ZEPOs for any reason.

Terms of Performance Rights and ZEPOs

The proposed terms of the Performance Rights and ZEPOs reflect a level of remuneration which is considered by the Board to be appropriate given the current stage of the Company’s development while also providing an incentive to retain and adequately motivate the Directors. The principal purpose is to ensure that they are rewarded for sustainable value creation.

The full terms of the Award are subject to the terms of the Company’s Plan Rules. The Performance Rights and ZEPOs proposed to be issued will have a three-year performance period from 1 July 2024 to 30 June 2027 (“**Performance Period**”).

There is no dividend or voting rights attached to the Performance Rights and ZEPOs.

Vesting Conditions

The Performance Rights for each Director will vest in accordance with the achievement of the following Vesting Conditions attached to their Performance Rights (should the below vesting condition per tranche be met each of the vested Performance Rights will become exercisable at the discretion of the holder):

Mr Simon Taylor (or his nominee(s))

Vesting Condition 1 – Project Incentive	
<p>JORC Compliance Mineral Resource The Company reports a Mineral Resource estimate in accordance with the JORC Code, 2012 Edition of at least 45,000 tonnes of Sn in the Indicated Category with a RPEEE (“Reasonable Prospects for Eventual Economic Extraction”) block cut-off grade of 0.6%Sn, as utilised in the September 2023 MRE (<i>lodged on the ASX on 4 September 2023</i>) (see table 1 below for assumptions) on or before 30 June 2025. In addition, service of the Director for a period of 2 years from the date of grant.</p>	<p>10% of the Performance Rights, being 3,261,375 Performance Rights, to vest subject to achievement of these two conditions i.e. project milestone and service condition.</p>
<p>Successful pre-feasibility study (“PFS”) Successful PFS (measured by an internal rate of return greater than 25%) for the Heemskirk Tin Project prepared in accordance with the JORC Code and announced by the Company on or before 30 June 2026. In addition, service of the Director for a period of 2 years from the date of grant.</p>	<p>25% of the Performance Rights, being 8,153,438 Performance Rights, to vest in two tranches subject to achievement of the service condition and project conditions:</p> <ul style="list-style-type: none"> • 4,076,719 Performance Rights to vest on 30 June 2025 (“Vesting Date”). • 4,076,719 Performance Rights to vest on 30 June 2026 (“Vesting Date”).
<p>EIA Company, announcing it has received regulatory approval through completion of EIA to commence mining over any of the area comprising the Heemskirk Tin Project on or before 30 June 2027. In addition, service of the Director for a period of 2 years from the date of grant.</p>	<p>45% of the Performance Rights, being 14,676,187 Performance Rights, to vest in three tranches subject to achievement of the service condition and these conditions:</p> <ul style="list-style-type: none"> • 4,892,063 Performance Rights to vest on 30 June 2025 (“Vesting Date”). • 4,892,062 Performance Rights to vest on 30 June 2026 (“Vesting Date”). • 4,892,062 Performance Rights to vest on 30 June 2027 (“Vesting Date”).

Vesting Condition 2 – Long-Term Shareholder Reward	
<p>A 20-day VWAP target of 4 cents (with a threshold for achieving the target where pro rata vesting occurs as set out below) for the Company’s Shares being achieved on or before 30 June 2027 (“Vesting Date”). In addition, service of the Director in their Executive capacity which commenced on 1 April 2024.</p>	<p>20% of the Performance Rights, being 6,522,750 Performance Rights, to vest subject to achievement of these conditions. In addition, service of the Director for a period of 3 years from the date of grant.</p>

The Performance Rights that are subject to the Long-Term Shareholder Reward performance share price hurdle (per Vesting Condition 2 above) will be eligible to vest and become exercisable into Shares, assuming the relevant performance hurdles are met on or before 30 June 2027 (in addition, to meeting the service condition). The VWAP hurdle target base price has been set based on the 30-day VWAP of \$0.02 (2 cents) per share for the period ending 19 June 2024. The Performance Rights that vest and become exercisable into Shares as per the share price vesting schedule set out below:

- 50% of Performance Rights to be issued on achievement of 40% increase to the 20-day VWAP being 2.8 cents;

- 100% of Performance Rights to be issued on achievement of 100% increase to the 20-day VWAP being 4 cents; and
- the difference between 50% and 100% based on a sliding scale between 2.8 cents and 4 cents.

The vesting of Performance Rights is also subject to the continuing employment of Mr Taylor. Unvested Performance Rights may, in certain circumstances, vest early in accordance with the terms of the Plan Rules, and any Leaver's Policy that may apply from time to time, as approved by the Board.

Mr Andrew Boyd (or his nominee(s))

Vesting Condition 1 – Project Incentive	
<p><u>JORC Compliance Mineral Resource</u> The Company reports a Mineral Resource estimate in accordance with the JORC Code, 2012 Edition of at least 45,000 tonnes of Sn in the Indicated Category with a RPEEE block cut-off grade of 0.6%Sn, as utilised in the September 2023 MRE (lodged on the ASX on 4 September 2023) (see table 1 below for assumptions) on or before 30 June 2025. In addition, service of the Director for a period of 2 years from the date of grant.</p>	<p>10% of the Performance Rights, being 2,566,688 Performance Rights, to vest subject to achievement of these two conditions i.e. project milestone and service condition.</p>
<p><u>Successful pre-feasibility study (“PFS”)</u> Successful PFS (measured by an internal rate of return greater than 25%) for the Heemskirk Tin Project prepared in accordance with the JORC Code and announced by the Company on or before 30 June 2026. In addition, service of the Director for a period of 2 years from the date of grant.</p>	<p>25% of the Performance Rights, being 6,416,718 Performance Rights, to vest in two tranches subject to achievement of the service conditions and project conditions:</p> <ul style="list-style-type: none"> • 3,208,359 Performance Rights to vest on 30 June 2025 (“Vesting Date”). • 3,208,359 Performance Rights to vest on 30 June 2026 (“Vesting Date”).
<p><u>EIA</u> Company, announcing it has received regulatory approval through completion of EIA to commence mining over any of the area comprising the Heemskirk Tin Project on or before 30 June 2027. In addition, service of the Director for a period of 2 years from the date of grant.</p>	<p>45% of the Performance Rights, being 11,550,094 Performance Rights, to vest in three tranches subject to achievement of the service condition and these conditions:</p> <ul style="list-style-type: none"> • 3,850,032 Performance Rights to vest on 30 June 2025 (“Vesting Date”). • 3,850,031 Performance Rights to vest on 30 June 2026 (“Vesting Date”). • 3,850,031 Performance Rights to vest on 30 June 2027 (“Vesting Date”).

Vesting Condition 2 – Long-term Shareholder Reward	
<p>A 20-day VWAP target of 4 cents (with a threshold for achieving the target where pro rata vesting occurs as set out below) for the Company's Shares being achieved on or before 30 June 2027 (“Vesting Date”). In addition, service of the Director in their Executive capacity which commenced on 1 April 2024.</p>	<p>20% of the Performance Rights, being 5,133,375 Performance Rights, to vest subject to achievement of these conditions. In addition, service of the Director for a period of 3 years from the date of grant.</p>

The Performance Rights that are subject to the Long-Term Shareholder Reward performance share price hurdle (per Vesting Condition 2 above) will be eligible to vest and become exercisable into Shares, assuming the relevant performance hurdles are met on or before 30 June 2027 (in addition, to meeting the service condition). The VWAP hurdle target base price has been set based on the 30-day VWAP of \$0.02 (2 cents) per share for the period ending 19 June 2024. The Performance Rights that vest and become exercisable into Shares as per the share price vesting schedule set out below:

- 50% of Performance Rights to be issued on achievement of 40% increase to the 20-day VWAP being 2.8 cents;
- 100% of Performance Rights to be issued on achievement of 100% increase to the 20-day VWAP being 4 cents; and
- the difference between 50% and 100% based on a sliding scale between 2.8 cents and 4 cents.

The vesting of Performance Rights is also subject to the continuing employment of Mr Boyd. Unvested Performance Rights may, in certain circumstances, vest early in accordance with the terms of the Plan Rules, and any Leaver’s Policy that may apply from time to time, as approved by the Board.

The ZEPOs for the Director will vest in accordance with the achievement of the following Vesting Conditions attached to their ZEPOs:

Mr Simon O’Loughlin (or his nominee(s))

Vesting Condition 1 – Service Condition	
<p><u>Service Condition</u> Mr O’Loughlin to remain a Director of the Company during the Vesting Period.</p>	<p>Subject to the service condition being satisfied:</p> <ul style="list-style-type: none"> • 2,000,000 ZEPOs to vest on 30 June 2025 (“Vesting Date”). • 2,000,000 ZEPOs to vest on 30 June 2026 (“Vesting Date”). • 2,000,000 ZEPOs to vest on 30 June 2027 (“Vesting Date”).

With regard to the Performance Rights and ZEPOs (resolutions 4-6) to be granted and issued to the Directors, if the Vesting Conditions are not satisfied by the Vesting Date(s), the entitlement to Shares will lapse unless Corporate Control Event occurs (as defined in the Plan Rules). Based on the vesting conditions, the Board is of the belief that if Corporate Control Event occurs that this will align with the interests of shareholders and would be materially beneficial for both shareholders and holders of Performance Rights and ZEPOs.

All vested Performance Rights and ZEPOs will expire 2 years (if unexercised) from the date of Vesting Date.

There is no ability to re-test whether the performance hurdles have been satisfied after the Performance Period has ended.

Table 1 – JORC Compliance Mineral Resource Key Assumptions

<p>The basis of the adopted cut-off grade(s) or quality parameters applied.</p>	<ul style="list-style-type: none"> • Cut off grades have been determined from mining recoveries (90%), overall metallurgical recoveries (73%), estimated industry costs (\$115/t), prevailing mineral price (US\$22,000) and exchange rate estimations (\$US/\$A0.76). • A block cutoff of 0.6% Sn applied for the reporting of the mineral resources
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These assumptions are as used in the MRE Update announced by the Company on 4 September 2023.

Additional Information

ASX Listing Rule 10.14 requires that the Company not permit a Director or their associates to acquire securities under an “employee incentive scheme” without Shareholder approval (unless an exception applies). The Board is therefore seeking Shareholder approval to grant Performance Rights and ZEPOs to the Directors of the Company on the terms set out above and under the Plan. The Plan constitutes an “employee incentive scheme” under the ASX Listing Rules.

Information provided in accordance with ASX Listing Rule 10.15 and Section 219 of the Corporations Act

Section 219 of the Corporations Act and ASX Listing Rule 10.15 requires that the following information be provided to Shareholders:

- a. The related parties in relation to Resolutions 4, 5 and 6 are respectively Mr Simon Taylor, Mr Andrew Boyd and Mr Simon O’Loughlin.
- b. As Directors of the Company, Mr Taylor, Mr Boyd and Mr O’Loughlin, fall into the category described in Listing Rule 10.14.1.
- c. The maximum number of Performance Rights and ZEPOs to be issued to each of the Directors, subject to the achievement of the Vesting Conditions, is:

- 32,613,750 Performance Rights to Mr Simon Taylor (Resolution 4).
- 25,666,875 Performance Rights to Mr Andrew Boyd (Resolution 5).
- 6,000,000 ZEPOs to Mr Simon O'Loughlin (Resolution 6).

d. The Directors' current remuneration packages are as follows:

Director	Remuneration package details
Mr Simon Taylor	<ul style="list-style-type: none"> • Base salary of \$275,000 (exclusive of superannuation) per annum. • Short Term Incentives (STI), up to a maximum of 30% of the Base Salary, which will be assessed against established and agreed Key Performance Indicators (KPI's) to be determined by the Board at a later date. • Long Term Incentives (LTI), up to a maximum of 70% of the Base Salary, which will be assessed against established and agreed Key Performance Indicators (KPI's) to be determined by the Board at a later date.
Mr Andrew Boyd	<ul style="list-style-type: none"> • Base salary of \$250,000 (exclusive of superannuation) per annum. • Short Term Incentives (STI), up to a maximum of 20% of the Base Salary, which will be assessed against established and agreed Key Performance Indicators (KPI's) to be determined by the Board at a later date. • Long Term Incentives (LTI), up to a maximum of 70% of the Base Salary, which will be assessed against established and agreed Key Performance Indicators (KPI's) to be determined by the Board at a later date.
Mr Simon O'Loughlin	<ul style="list-style-type: none"> • Director fees of \$45,000 (exclusive of superannuation) per annum. • Mr O'Loughlin may be entitled to participate in the Company's Employee Incentive Plan from time to time subject to Board discretion and relevant regulatory approvals.

- e. No securities have been issued to the Directors under the Plan following Shareholder approval at Annual General Meeting on 8 November 2022.
- f. The Performance Rights and ZEPOs will have a three-year performance period from 1 July 2024 to 30 June 2027. The independent valuation attributed to each of the Performance Rights and ZEPOs by the Company are set out below based on the Black Scholes methodology being used for Vesting Condition 1 (Project Incentive) and an option pricing model that incorporates a Monte-Carlo simulation for Vesting Condition 2 (Long-term Shareholder Reward). The value is indicative only, based on assumptions relevant at the date of the calculation, being 21 June 2024. Different assumptions may be relevant at grant date which may alter the value of the Performance Rights and ZEPOs for financial reporting purposes:

Resolution	Name of Director	Quantum and Type of Securities	Indicative fair value per security [#]	Total value
Resolution 4	Simon Taylor	32,613,750 Performance Rights	\$0.016 - \$0.018*	\$574,002
Resolution 5	Andrew Boyd	25,666,875 Performance Rights	\$0.016 - \$0.018*	\$451,737
Resolution 6	Simon O'Loughlin	6,000,000 ZEPOs	\$0.016 - \$0.018*	\$108,000

[#] Volatility used 110%, Risk-free rate ranging from approx. 3.8%-4.0%, dividend yield of nil and underlying security spot price of 1.8 cents.

*Independent Valuation ranges from \$0.018 relating to Vesting Condition 1 (Project Incentives) and \$0.016 in relation to Vesting Condition 2 (Long-term Shareholder Reward)

- g. If Shareholder approval is obtained, the Performance Rights and ZEPOs to the concerned Director(s) will be issued no later than one month after the Meeting, and in any event, no later than 3 years after the date of the Meeting.
- h. The Performance Rights and ZEPOs to Directors will be granted at nil issue price.
- i. The material terms of the Plan can be found under **Annexure B**. To the extent that there is any discrepancy between the terms of the Plan and the contract(s) of employment between the Directors, the terms of the contract(s) will prevail.

- j. The Performance Rights and ZEPOs are unquoted securities. The Company has chosen to issue the Performance Rights and ZEPOs to the Directors for the following reasons:
- the Performance Rights and ZEPOs are unquoted; therefore, the issue of the Performance Rights and ZEPOs have no immediate dilutionary impact on Shareholders;
 - the milestones attaching to the Performance Rights and ZEPOs will align the interests of the Directors with those of Shareholders; and
 - it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights and ZEPOs on the terms proposed.
- k. The number of Performance Rights and ZEPOs to be issued to each of the Directors have been determined based upon a consideration of:
- current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - the remuneration of the Directors; and
 - incentives to attract and [ensure continuity of service/retain the service] of the Directors who have appropriate knowledge and expertise, while maintaining the Company's cash reserves
- The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights and ZEPOs upon the terms proposed.
- l. The purpose of the issue of the Performance Rights and ZEPOs is to provide a performance linked incentive component in the remuneration package for the Directors to align the interests of the Directors with those of Shareholders, to motivate and reward the performance of the Directors in their roles as Directors and to provide a cost effective way from the Company to remunerate the Directors, which will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Directors.
- m. The relevant interests of the Directors in securities of the Company as at the date of this Notice are set out below:

As at the date of this Notice

Director	Shares ¹	Options ^{2, 3}	Performance Rights	ZEPOs
Simon Taylor	22,305,770	2,875,000	Nil	Nil
Andrew Boyd	5,932,391	1,250,000	Nil	Nil
Simon O'Loughlin	16,382,861	500,000	Nil	Nil

Post issue of Performance Rights and ZEPOs to Directors

Director	Shares ¹	Options	Performance Rights	ZEPOs
Simon Taylor	22,305,770	2,1875,000	32,613,750	Nil
Andrew Boyd	5,932,391	1,250,000	25,666,875	Nil
Simon O'Loughlin	16,382,861	500,000	Nil	6,000,000

Notes:

- Fully paid ordinary shares in the capital of the Company (ASX: SRZ).
 - Unquoted Options exercisable at \$0.025 each on or before 11 November 2024.
 - Unquoted Options exercisable at \$0.015 each on or before 18 October 2025.
- n. If the milestones attaching to the Performance Rights and ZEPOs issued to the Directors are met and the Performance Rights and ZEPOs are converted, a total of 64,280,625 Shares would be issued. This will increase the number of Shares on issue from 1,941,751,806 (being the total number of Shares on issue as at the date of this Notice) to 2,006,032,431 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 3.3%, comprising 1.68% by Simon Taylor, 1.32% by Andrew Boyd and 0.31% by Simon O'Loughlin.
- o. No loan will be made by the Company in relation to the grant of the Performance Rights and ZEPOs to the Directors.

- p. Details of any securities issued under the Plan Rules will be published in each annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- q. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan Rules after this Resolution(s) is approved and who are not named in this Notice and Statement will not participate until approval is obtained under that rule.
- r. If approval is given under ASX Listing Rule 10.14, approval will not be sought under ASX Listing Rule 7.1.
- s. the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	2.4 cents	27 May 2024
Lowest	0.6 cents	17 Jan 2024
Last	2.1 cents	27 June 2024

- t. the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 4 to 6.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company’s members in the manner set out in sections 217 to 227 of the Corporations Act; and
 - (b) give the benefit within 15 months following such approval,
- unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Performance Rights and ZEPOs to the Directors constitutes giving a financial benefit and each of the Directors are a related party of the Company by virtue of being a Director.

As the Performance Rights and ZEPOs are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Performance Rights and ZEPOs. Accordingly, Shareholder approval for the issue of Performance Rights and ZEPOs to the Directors is sought in accordance with Chapter 2E of the Corporations Act.

If their respective Resolution is passed and Messrs Taylor, O’Loughlin and Boyd will respectively have a relevant interest in 32,613,750 (Performance Rights), 25,666,875 (Performance Rights) and 6,000,000 (ZEPOs) in the Company.

Board Recommendation

The Board (with the concerned Director abstaining on the Resolution where they are obtaining a benefit) recommends that shareholders vote in favour of each of these Resolutions.

Voting Intention

The Chair of the Meeting intends to vote undirected proxies in favour of these Resolutions.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Voting Prohibitions

Refer to Note 7 for voting prohibitions.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“AEST” means Australian Eastern Standard Time;

“EGM” means Extraordinary General Meeting;

“ASX” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“Board” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“Broker Options” or “Options” mean the Options to be issued to the Joint Lead managers, on the terms set out in Annexure A, being the subject of Resolution 3;

“Chair” means the person appointed to chair the Meeting of the Company convened by the Notice;

“Closely Related Party” means:

- (a) a spouse or child of the member;
- (b) has the meaning given in section 9 of the Corporations Act.

“Company” means Stellar Resources Limited ACN 108 758 961;

“Constitution” means the constitution of the Company as at the date of the Meeting;

“Corporations Act” means the *Corporations Act 2001* (Cth);

“Director” means a Director of the Company;

“EIA” means Environmental Impact Assessment;

“Explanatory Statement” means the explanatory statement which forms part of the Notice;

“Joint Lead Managers” means the joint lead managers to the Placement, being Taylor Collison Limited (ACN 008 172 450) and Bell Potter Securities Limited (ACN 006 390 772);

“JORC” means the Joint Ore Reserve Committee;

“Key Management Personnel” or “KMP” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“Listing Rules” means the Listing Rules of the ASX;

“Meeting” has the meaning given in the introductory paragraph of the Notice;

“MR” means Mineral Resource;

“Notice” means this Notice of Meeting including the Explanatory Statement;

“Performance Period” means the three-year period during which the Performance Rights and ZEPOs’ Vesting Conditions will have to be satisfied, being 1 July 2024 to 30 June 2027.

“ZEPOs” means the Zero Exercise Price Options a Director of the Company, being the subject of Resolution 6;

“Performance Rights” means the Performance Rights to the Directors of the Company, being the subject of Resolutions 4 and 5;

“PFS” means the pre-feasibility study;

“Placement” means the placement announced by the Company on 24 May 2024;

“Plan” means the Company’s Equity Incentive Plan adopted by Shareholders at the Annual General Meeting of 8 November 2022;

“Proxy Form” means the Proxy Form attached to the Notice;

“RPEEE” means Reasonable Prospects for Eventual Economic Extraction as set out in the JORC Code 2012 ;

“Resolution” means a resolution referred to in the Notice;

“Section” means a section of the Explanatory Statement;

“Share” means a fully paid ordinary share in the capital of the Company;

“Shareholder” means shareholder of the Company;

“Share Registry” means Boardroom Pty Limited (ABN 14 003 209 836);

“Sn” means Tin;

“Tranche 1” means the first tranche of Shares issued under the Placement, as defined in the Explanatory Statement;

“**Tranche 2**” means the second tranche of Shares issued under the Placement, as defined in the Explanatory Statement;

“**Vesting Conditions**” means the conditions attached to the Performance Rights and ZEPOs to the Directors, being the subject of Resolutions 4, 5 and 6 and as described in the Explanatory Statement;

“**Vesting Date**” means the date(s) at which the Performance Rights and ZEPOs to the Directors will vest, as described in the Explanatory Statement in relation to Resolutions 4, 5 and 6; and

“**VWAP**” means the volume weighted average price.

Annexure A – Broker Options’ terms and conditions

The Options entitle the holder of the Option (“**Holder**”) to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Holder the right to subscribe for one fully paid ordinary Share.
- (b) The Options will expire at 5.00pm (AEST) on 13 August 2026 (“**Expiry Date**”).
- (c) Any New Options not exercised before 5.00pm (Melbourne time) on the Expiry Date will automatically lapse at that time and be cancelled by the Company.
- (d) The amount payable upon exercise of each Option will be \$0.03 (3 cents) (“**Exercise Price**”).
- (e) The Company will provide to each Holder a notice that is to be completed when exercising the Options (“**Notice of Exercise**”).
- (f) Options must be exercised in multiples of ten thousand (10,000) unless fewer than ten thousand (10,000) Options are held by a Holder in which case all Options held must be exercised at the same time.
- (g) The Options may be exercised by the Holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Company Secretary at Company’s registered office (or such other address notified by the Company to the holder) to be received prior to the Expiry Date. The Notice of Exercise must, among other things, state the number of Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
- (h) A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the applicable Exercise Price for each Option being exercised in cleared funds (“**Exercise Date**”).
- (i) As soon as practicable after the relevant Exercise Date, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
 - (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued on the exercise of the Options.
- (j) All Shares issued upon the exercise of the Options will upon issue rank equally in all respects with the then issued Shares.
- (k) The Options are transferable subject to compliance with the *Corporations Act 2001* (Cth).
- (l) A Holder who holds Options is not entitled to:
 - (i) notice of, or to vote or attend at, a meeting of the shareholders;
 - (ii) receive any dividends declared by the Company; or
 - (iii) participate in any new issues of securities offered to shareholders during the term of the Options,unless and until the Options are exercised and the Holder holds Shares as at the relevant record date for determining entitlements.
- (m) If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Holder of an Option had exercised the Option before the record date for the bonus issue; and

- (ii) no change will be made to the Exercise Price.
- (n) If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency of, and prior to the exercise of any Options, the Exercise Price of an Option will be reduced according to the formula provided in Listing Rule 6.22 (whether or not the Company is listed on the ASX at the time).
- (o) If at any time the issued capital of the Company is reconstructed or re-organised, all rights of an Option Holder are to be changed in a manner required by the Corporations Act and the ASX Listing Rules at the time of the reconstruction or re-organisation.
- (p) Subject to the above, an Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

Annexure B – Summary of the Company’s Equity Incentive Plan Rules

A summary of material terms and conditions of the Company's Plan is set out below. For full details of the Plan, please refer to the Plan itself which is accessible on the Company's website on <https://www.stellarresources.com.au/corporate/corporate-governance/>.

- The Plan sets out the framework for the offer of Shares, Options, Rights, ZEPOs or loan funded shares, and is typical for a document of this nature.
- In making its decision to issue Shares, Options, Rights, or ZEPOs, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or ZEPOs having regard to a range of potential vesting criteria and conditions.
- In certain circumstances, unvested Options, Rights or ZEPOs will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a “bad leaver” as distinct from a “good leaver”.
- If a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested ZEPOs, Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited.
- In certain circumstances, Shares, Rights, ZEPOs or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios as outlined within the plan.
- The total number of Shares that would be issued if each Option, Performance Right and Share under the Plan is exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the Plan, must not, subject to certain prescribed exemptions, at any time, exceed 5% of the total number of the Company’s Shares on issue. Shares issued under the Plan will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares on the ASX.
- The Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares.
- In respect of vested Options, Rights or ZEPOs, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company’s financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration.
- The Plan allows for a cashless exercise of Options or Rights where the Board may permit the participant to exercise Options or Rights by way of a cashless exercise.
- In the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the ZEPOs or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.
- The Board is granted a certain level of discretion under the Plan, including the power to amend the rules under which the Plan is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.

**All Correspondence to:**

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
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YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am on Wednesday, 7 August 2024.**

🖥 TO APPOINT A PROXY ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/srz2024>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am on Wednesday, 7 August 2024**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/srz2024>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 8, 210 George Street
Sydney NSW 2000 Australia

Stellar Resources Limited

ACN 108 758 961

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Stellar Resources Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held **Virtually on Friday, 9 August 2024 at 11:00am** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 4 through to 6 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business. If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Ratification of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to issue Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to issue Broker Options in connection with Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to Issue Performance Rights to Simon Taylor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to Issue Performance Rights to Andrew Boyd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval to Issue Zero Exercise Price Options to Simon O'Loughlin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2024