



# Heemskirk Tin Project

Highest grade undeveloped ASX-listed tin resource

Annual Tin Conference

November 2014

ASX: SRZ

[www.stellarresources.com.au](http://www.stellarresources.com.au)

# Agenda

- ❑ Company Overview
- ❑ Project Review
- ❑ Exploration Potential
- ❑ Future Milestones

# Strong balance sheet and register



## Financial Information

ASX ticker	SRZ (listed Apr-05)
Number of shares	300.2m
Number of options	25.0m (8.0c ex. price; 26-Feb-17 expiry)
Share price	A\$0.03 (12 mth range: A\$0.027-0.058)
Market capitalisation	A\$9.0m
Cash	A\$3.5m (30-Sep-14)
Enterprise value	A\$5.5m (no debt)

## Ownership Structure

Capetown SA	20.8%
Bunnenberg Family	14.9%
Resource Capital Funds	12.0%
Directors + Management	4.2%
Top 20	70.2%

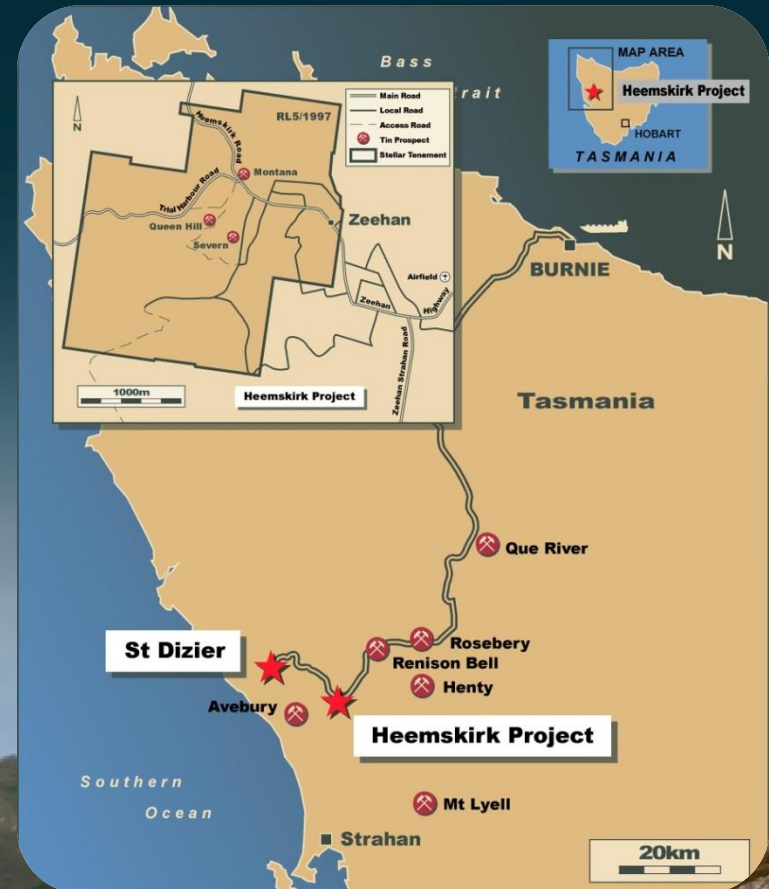
# Experienced team

- ❑ **Phil Harman** (Non-Executive Chairman) geophysicist with 30 years experience in BHP Billiton minerals exploration. Past and present Director of several ASX listed companies.
- ❑ **Peter Blight** (Managing Director) geologist and mining analyst with 30 years experience in the exploration, mining and finance sectors. Previously worked for UBS, UC Rusal and Rio Tinto.
- ❑ **Thomas Whiting** (Non-executive Director) geophysicist and former manager of BHP Billiton exploration. Chairman of Deep Exploration Technologies Cooperative Research Centre.
- ❑ **Miguel Lopez de Letona** (Non-executive Director) is a former management consultant. He is based in Belgium and advises on investment in the mining and oil and gas sectors.
- ❑ **Dr Markus Elsasser** (Non-executive Director) financier and investor in the mineral resource sector based in Germany. Financial adviser to a number of European based investors.
- ❑ **Christina Kemp** (Company Secretary) over 20 years experience as an accountant and senior financial manager for companies in the resources, manufacturing, retail, travel and utility industries.

# Stellar's well located tin assets



- ✓ Tin assets 100% owned
- ✓ High grade Heemskirk + St Dizier
- ✓ Renison-style deposit well known
- ✓ Exciting exploration potential
- ✓ Significant mining district
- ✓ Infrastructure on door step
- ✓ Low political risk
- ✓ Low environmental risk



# Excellent progress to date

- Maximised tin price leverage by moving to 100% ownership in 2012
- Increased resource by 49% to 71,500t contained tin - worth \$1.6bn
- Demonstrated presence of high grade tin including 7m @ 4% tin
- Demonstrated recovery of 70% through bench scale met testing
- Established environmental baseline
- Completed a positive preliminary feasibility study in 2013
- Over \$12 million of project spending to date

# High-grade Heemskirk resource



- 49% increase in contained tin to 71,500 tonnes (from 48,000 tonnes)
- Resource risk reduced through greater geological consistency

Classification	Deposit	Tonnes millions	Grade % tin	Contained Tin tonnes
Indicated	All	1.41	1.26	17,790
Inferred	All	4.87	1.10	53,710
<b>Total</b>		<b>6.28</b>	<b>1.14</b>	<b>71,500</b>
Indicated	Queen Hill	1.41	1.26	17,790
Inferred	Queen Hill	0.19	1.63	3,090
	Severn	4.17	0.98	40,900
	Montana	0.51	1.91	9,710
<b>Total</b>		<b>6.28</b>	<b>1.14</b>	<b>71,500</b>

0.6% tin block cut-off grade

Tonnes rounded to reflect uncertainty of estimate

Estimates prepared by Resource and Exploration Geology

# St Dizier – adds low cost resource



- Add-on resource for the Heemskirk Project
- Open pittable Indicated Resource

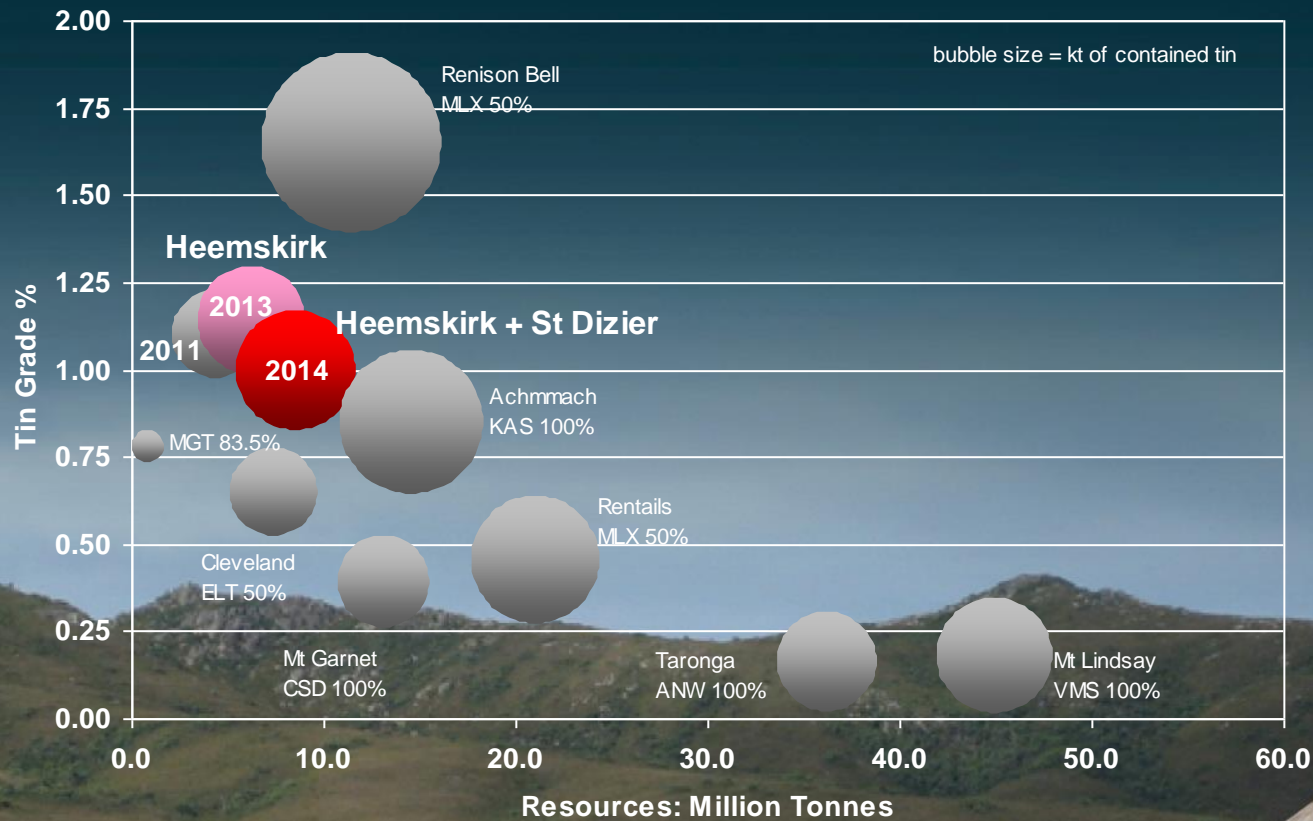
Classification	Millions Tonnes	Sn%	Sol Sn%	WO3 %	Fe %	S%
Indicated	1.20	0.69	0.09	0.04	23.70	2.64
Inferred	1.06	0.52	0.22	0.05	22.22	1.81
<b>Total Resource</b>	<b>2.26</b>	<b>0.61</b>	<b>0.15</b>	<b>0.04</b>	<b>23.00</b>	<b>2.25</b>

1. block cut-off grade of 0.3% Sn
2. tonnes rounded to reflect uncertainty of estimate
3. estimate prepared by Resource and Exploration Geology



# Heemskirk + St Dizier = 85kt tin

Heemskirk: highest grade undeveloped ASX listed tin resource



# Heemskirk 1 of 7 in a field of 157

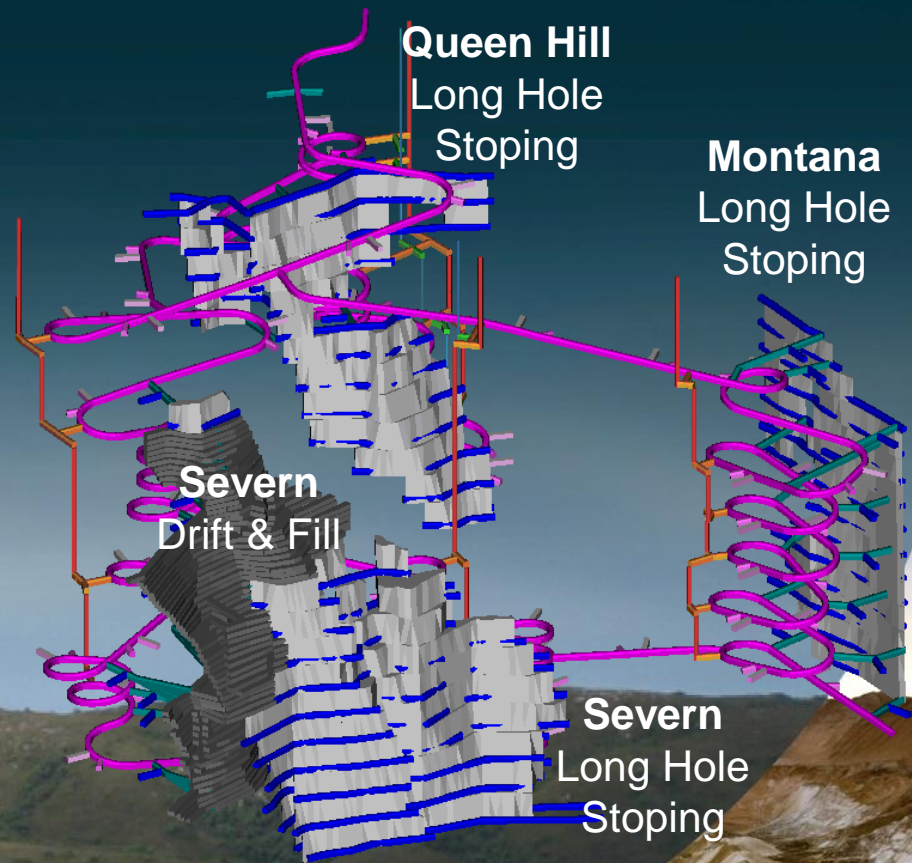


- ❑ BGR – German Federal Institute of Geosciences and Natural Resources has a mandate to report on future supply of critical metals to Government and Industry
- ❑ In 2014 – the well resourced BGR (budget €94m 2014) reported on Tin after studying 157 projects in all tin provinces around the world
- ❑ BGR see a severe tin shortage emerging by 2020 caused by declining supply from traditional sources
- ❑ “Only 7 of 157 known tin projects have a reasonable chance to go to operation by 2020” BGR, May 2014
- ❑ Heemskirk is 1 of the 7 – only 4 of 7 are listed on the ASX

# Positive prefeasibility results

Study completed in July 2013 for an underground mine at Heemskirk treating 600ktpa @ 1.06% tin

- Average annual production of 4,327 tonnes of tin in concentrate @ 48% grade
- Pre-production capital of **A\$127m**
- Minimum mine life of **7 years** on 4mt inventory – expandable to 9 years
- Mine-gate cash production cost of US\$14,389/t tin in concentrate
- Tin recovery of 70%
- NPV<sub>8%</sub> A\$61m & IRR 19% prior to optimisation



# Optimisation: adding value to PFS

PFS represents a base case with significant untested upside

- Improved metallurgical recovery
  - ✓ Increasing overall recovery by 1 percentage point adds \$4.9 million or 8% to NPV
- Increased mine life
  - ✓ Each additional year of life adds \$13 million or 22% to NPV
- Targeting higher grade at Severn
  - ✓ Increasing overall head grade by 10% adds \$49 million or 79% to NPV
- Adding St Dizier to the mine plan
  - ✓ Scoping study underway

# Potential for high grade hits

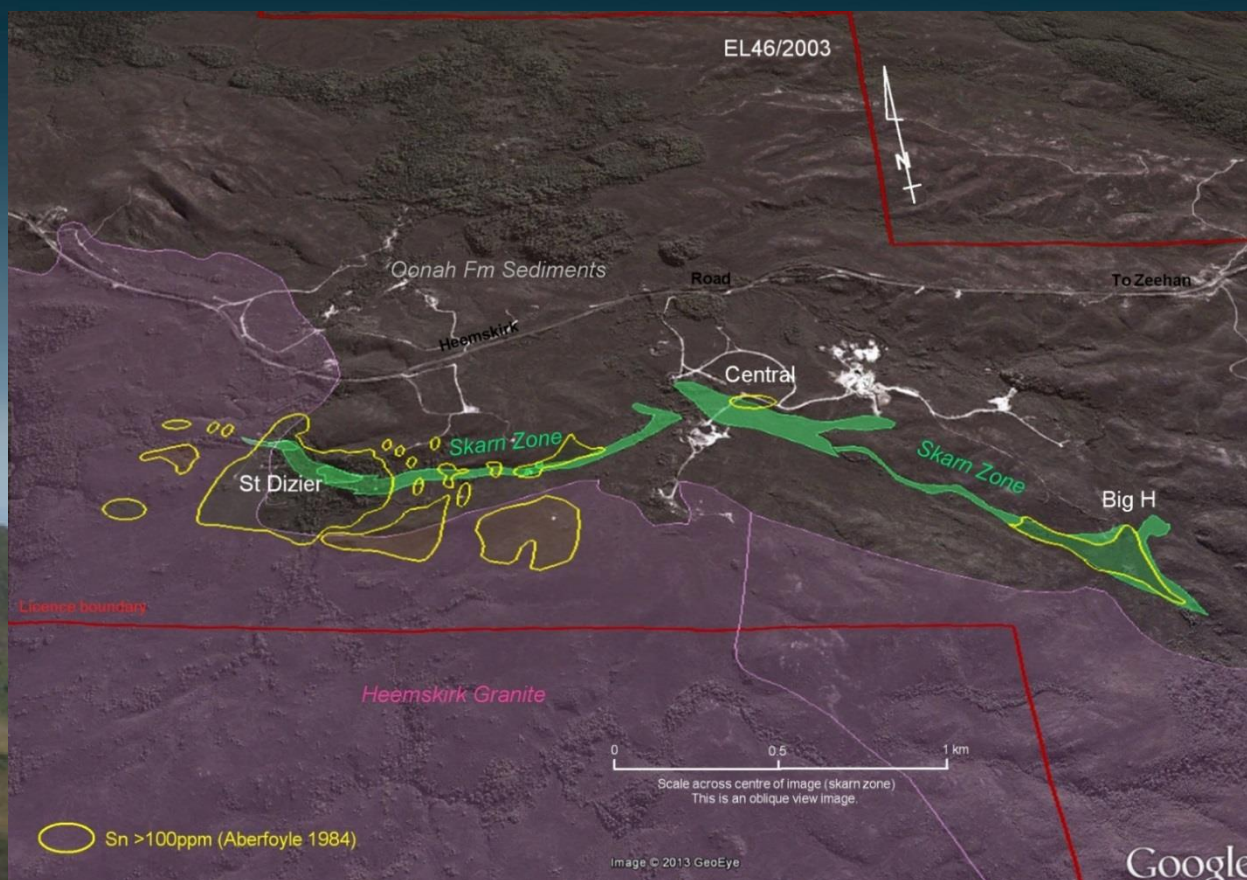
## Key Intersections:

- Queen Hill QH 125 - 32m @ 1.6% Sn
- Severn ZS113 – 7m @ 4.0% Sn
- Montana ZM67 – 8m @ 3.9% Sn



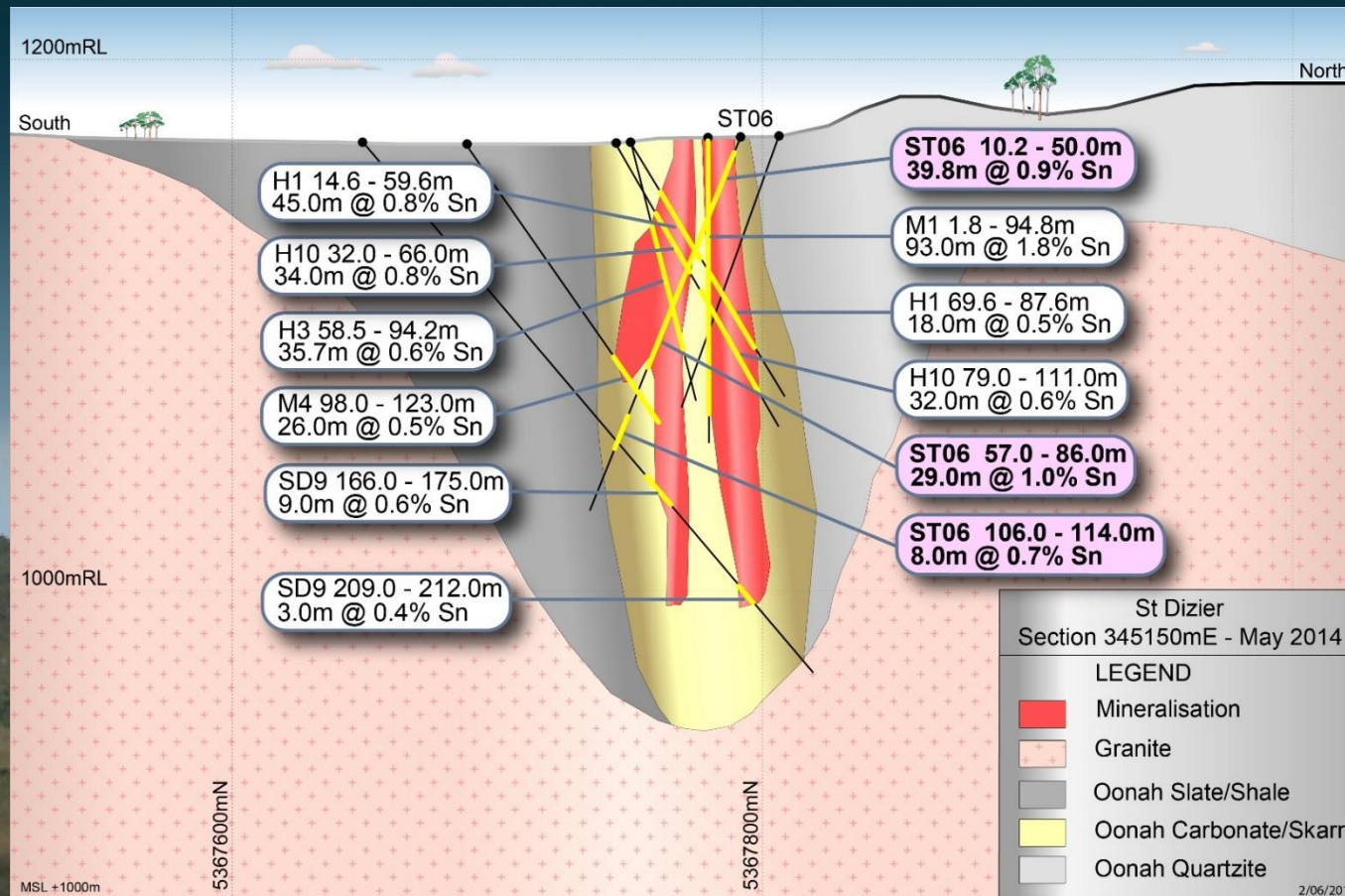
# St Dizier in close proximity

- 20 km from planned process plant via a sealed road
- Low development risk in an area previously mined for alluvial tin



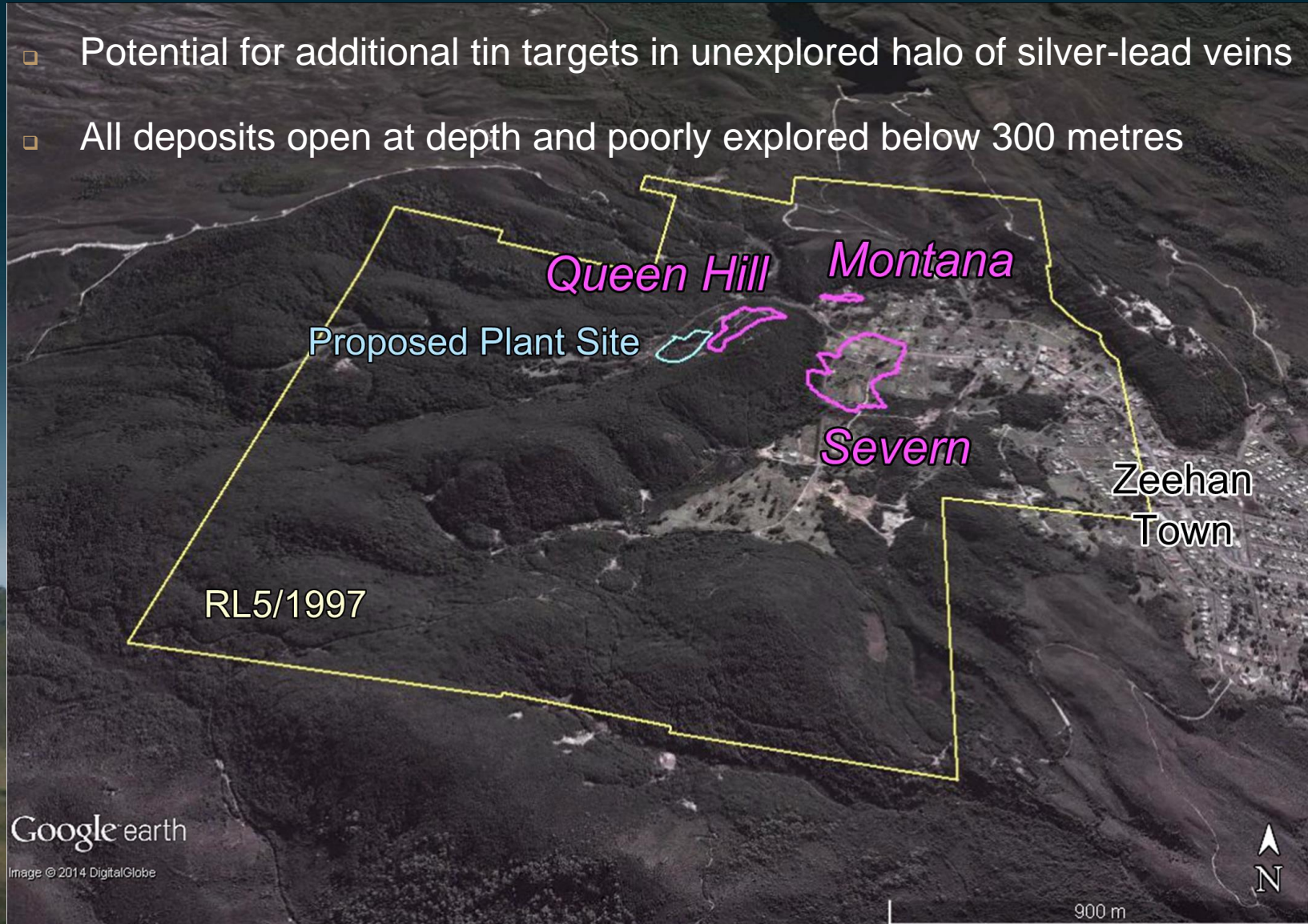
# St Dizier – potential open pit

- Pipe-like tin-magnetite skarn in serpentinised carbonate
- Best grades within 70m of surface



# Outstanding exploration potential

- Potential for additional tin targets in unexplored halo of silver-lead veins
- All deposits open at depth and poorly explored below 300 metres





# Excellent project in a great location

## By the end of 2014

- Notice of Intent Submitted
- Complete metallurgy optimisation
- Complete St Dizier scoping study
- Update PFS outcomes
- Complete geological review
- Commence deep drilling at Severn

## Future Milestones

2015

Commence DFS drilling and studies

2016

Complete financing

Commence project development

2017

Target first production

# Disclaimer



## *Forward Looking Statement*

*This presentation was prepared by Stellar Resources Limited ( the “company”). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the company or as an offer or invitation with respect to those securities. It may contain a number of forward-looking statements. Known and unknown risks and uncertainties, and factors outside of Stellar’s control, may cause the actual results, performance and achievements of Stellar to differ materially from those expressed or implied in this presentation. To the maximum extent permitted by law and stock exchange listing rules, Stellar does not warrant the accuracy, currency or completeness of the information in this presentation, nor the future performance of Stellar, and will not be responsible for any loss or damage arising from the use of the information.*

## *Competent Persons Statement – Heemskirk and St Dizier Mineral Resources*

*The information in this report that relates to Heemskirk Tin Mineral Resources was last reported on 24<sup>th</sup> July 2013 in an ASX release titled “Pre-feasibility Study Advances Heemskirk Tin”. The information was prepared in accordance with the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ by Tim Callaghan of Resource and Exploration Geology. The information in this report that relates to the St Dizier Mineral Resource was announced on 12 March 2014 in an ASX release titled “Heemskirk Tin Project: New Open Pittable Resource at St Dizier”. The information was prepared in accordance with the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (JORC Code) by Tim Callaghan of Resource and Exploration Geology. Tim Callaghan is a Member of The Australasian Institute of Mining and Metallurgy (“AusIMM”), has a minimum of five years experience in the estimation and assessment and evaluation of Mineral Resources of this style and is the Competent Person as defined in the JORC Code. This report accurately summarises and fairly reports his estimations and he has consented to the resource report in the form and context in which it appears.*

## *Competent Persons Statement – Exploration*

*The drill and exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr R.K. Hazeldene who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Hazeldene has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Hazeldene consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.*

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