

Stelar Metals commences inaugural drilling at large-scale Evelyn Dam Iron Oxide Copper Gold (IOCG) Target

HIGHLIGHTS

- **Titeline's diamond drill rig will commence inaugural works at Stelar's Evelyn Dam IOCG Project this week after completing drilling at Emmie Bluff for Coda Minerals,**
- **Drilling is focused on the large-scale IOCG geophysical target at the Evelyn Dam project which is 100% owned by Stelar Metals,**
- **The drill program will run for 6 weeks to test the nominal target depth of 1500m,**
- **First assay results from drilling are expected during Q3 2022**

Critical minerals explorer Stelar Metals Limited (**ASX:SLB**) ("**Stelar Metals**" or the "**Company**") is pleased to announce today it has commenced the inaugural diamond drilling program at the Evelyn Dam Iron Oxide Copper Gold (IOCG) Project in South Australia's highly prospective Gawler Craton.

Evelyn Dam is one of the largest untested gravity anomalies on the Gawler Craton. The drilling program will run from early June to mid-July and will initially comprise a single deep diamond hole to a nominal depth of 1500m.

Stelar Metals Chief Executive Officer, Colin Skidmore said "We are very excited to begin our inaugural deep hole drill program at the highly prospective Evelyn Dam IOCG project. Our reprocessing of the gravity and magnetic surveys by BHP and others indicate this project has the potential to be a large Olympic Dam style IOCG (iron-oxide copper gold) target and is therefore worthy of deep drill testing."

He continued to note: "This inaugural drill program will see Titeline's drill rig will use the second cleared drill site located to the south of EVE001 drilled by Rio Tinto and is designed as an angle hole to intersect the high-level gravity peak at 1,200-1,500m drilled depth."

The drilling campaign is estimated to take 6 weeks, then the core will be processed on site and shipped to Euro Exploration's Adelaide facility for core-cutting and sampling. The drill assay results are expected within 2-months following submission to the laboratory, during Q3 2022.

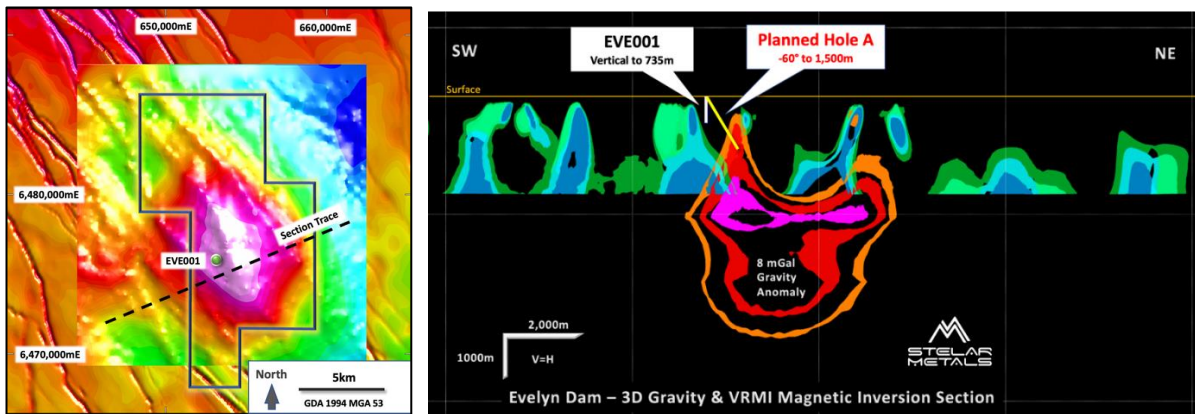


Figure 1: Plan and Cross-section view of the Evelyn Dam gravity anomaly showing the trace of EVE001 and Stelar's planned hole A

Project Background

Evelyn Dam is one of the largest untested IOCG gravity anomalies on the Gawler Craton. Reprocessing of the gravity and magnetic datasets indicate this project has the potential to be a large Olympic Dam style IOCG (iron-oxide copper gold) target and is therefore worthy of deep drill testing.

Australia's major copper mining companies have made discoveries leading to mining a number of large-scale economic IOCG orebodies the Gawler Craton in South Australia where Stelar's Evelyn Dam IOC Project is located. Two-thirds of Australia's copper production is derived from the Eastern Gawler Craton in South Australia from large-scale IOCG deposits operated by BHP and Oz Minerals. The Evelyn Dam Project was previously owned by BHP who relinquished the tenure after completing only geophysical surveys and did not undertake any drilling. After BHP, Rio Tinto joint ventured into the Evelyn Dam Project prior to Stelar Metals purchasing 100% of the Project by as part of its recent IPO.

Evelyn Dam's 8 mGal gravity anomaly has recently been reprocessed and 3D-inversion modelled by David McInnes of Montana Geoscience. The refined modelling, as illustrated in Figure 1, defines a large, dense body that is ~5km in diameter at depth with a pronounced and much shallower peak rising up on its western site to within range of being viably drill tested.

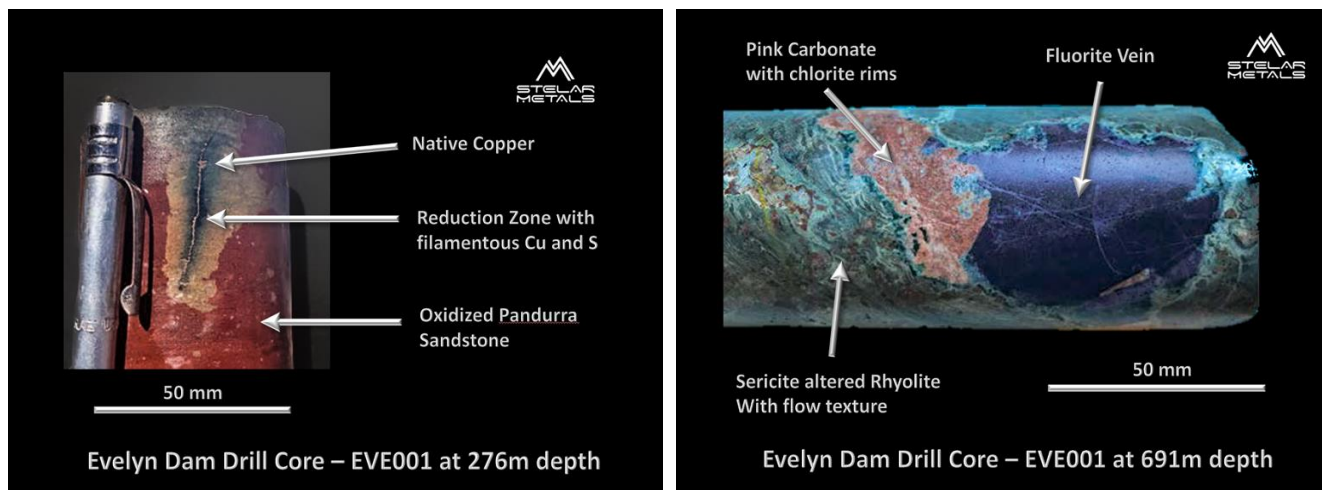


Figure 2: Examples of core from Rio Tinto's drillhole EVE001: Left - visible native copper was recognised in reduces zones within the Pandurra Formation cover; Right – towards the end of hole zones of sericite-chlorite-haematite alteration with coarse pink carbonate and fluorite veining.

Stelar Metals is focused on the discovery of critical metals with projects located in the world class mining region of South Australia (Figure 3). In addition to Evelyn Dam, Stelar Metals is planning upcoming work programs for all of its five exploration projects which includes the Linda Zinc Project, Torrens IOCG Project, Gunson Copper Project and Baratta Copper Project.

Approved by the Board of Stelar Metals Limited.

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ABOUT STELAR METALS

Stelar Metals is ready to discover highly prized minerals of copper and zinc needed to drive the move to decarbonise the world and experiencing unprecedented demand. All five projects are 100% owned by Stelar Metals and are located in South Australia's premier world class exploration and mining district. The Company has an experienced exploration team with a track record of discovery success exploring for commodities that are in increasing demand.

EXPLORATION RESULTS

The information in this announcement that relates to Exploration Results is based on information compiled by Mr Colin Skidmore, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Skidmore is a full-time employee of Stelar Metals Ltd. Mr Skidmore has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code (2012)). Mr Skidmore consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

This announcement includes information that relates to Exploration Results prepared and first disclosed under the JORC Code (2012) and extracted from the Company's initial public offering prospectus which was released on the ASX on 16 March 2022. A copy of this prospectus is available from the ASX Announcements page of the Company's website: <https://stelarmetals.com.au/>.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement. Where the information relates to Exploration Results, the Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

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