ASX ANNOUNCEMENT
28 April 2023

Quarterly Activities Report
31 March 2023

HIGHLIGHTS

- **Stelar signed a binding agreement with Everest Metals Corporation Limited (ASX:EMC) on 15 February 2023 to acquire a 90% interest in 4 large granted exploration licences with significant lithium, cobalt and copper potential in New South Wales.**
- **The Trident, Midas and Perseus Projects are located near world-class mine infrastructure at Broken Hill in NSW.**
- **Historical records confirm the Trident Lithium Project hosts lithium-rich LCT-Type fractionated pegmatites that are highly anomalous in Li-Ce-Ta-Sn-Rb.**
- **Trident Lithium Project extends over 15km of strike with more than 250 known mineral occurrences that have historically been worked for tin and tantalum with individual pegmatites over 1km in length and up to 100m wide.**
- **Multiple historic mines in the Euriowie Tin Field have returned high-grade lithium in rock-chips samples collected by previous explorers including:**

Triumph Prospect	**7.63% Li_2O**
Lady Don Mine	**4.45% Li_2O**
Trident Mine	**3.88% Li_2O**
Sceptre Mine	**1.54% Li_2O**

- **Numerous pegmatite swarms are recorded with visible lithium minerals in outcrop.**
- **Spodumene potential of the LCT pegmatites has never been tested by drilling.**
- **Stelar is now planning the first drilling program targeting lithium on the Trident Lithium Project.**

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Critical minerals explorer Stelar Metals Limited (**ASX:SLB**) ("**Stelar Metals**" or the "**Company**") is pleased to provide its Quarterly Activities Report for the quarter ended 31 March 2023 (Quarter). Stelar is ready to discover highly prized minerals of lithium and battery metals needed to drive the move to decarbonise the world that are experiencing unprecedented demand.

During the Quarter, Stelar acquired three new critical mineral projects in New South Wales located near Broken Hill including the Trident Lithium Project in Joint Venture with Everest Metals Corporation Limited (**Everest**). Additionally, the Company has five projects that are 100% owned by Stelar Metals that are located in South Australia's premier world class exploration and mining district (Figure 1).

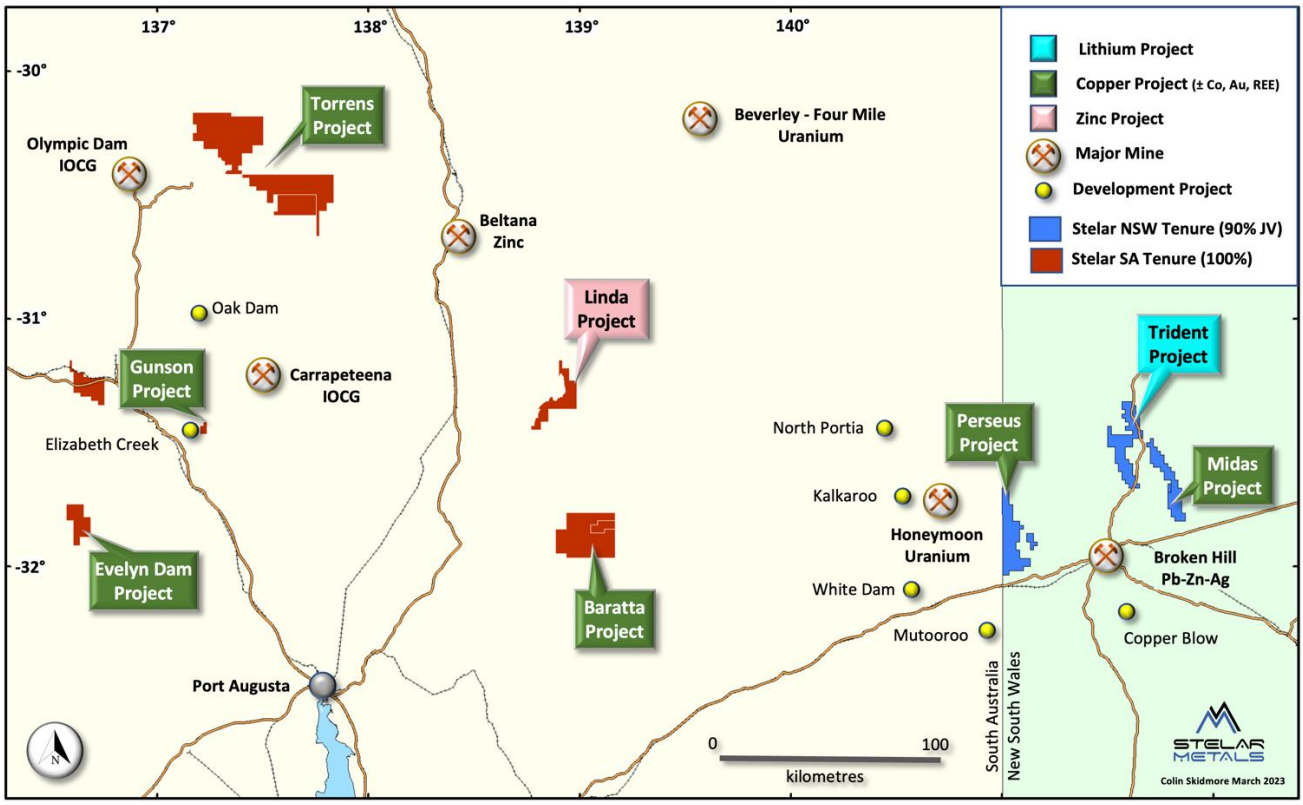

Figure 1: Stelar's exploration projects in South Australia and New South Wales.

New South Wales Projects

Stelar Metals Limited has entered into a binding agreement with Everest to acquire 90% equity of their New South Wales exploration licences which includes the Trident, Midas and Perseus Projects located in the Broken Hill Block, NSW (Figure 2). These Projects are considered prospective for lithium, cobalt, and copper. Everest's NSW Projects include four granted exploration licences covering 719km^2 in the Curnamona Province near Broken Hill.

The Trident Lithium Project (EL 8736) is considered prospective for lithium mineralisation associated with abundant pegmatite swarms that were historically mined for tin-tantalum along a 15km corridor known as the Euriowie Tin Field.

Lithium minerals have been reported by previous explorers in the historic shallow pits that were historically exploited for tin. Stelar notes that these lithium bearing pegmatites have never been drilled according to open-file reports and that the potential for spodumene, the economic lithium mineral which generally is only present at depth as it oxidises and is leached near surface, has thus never been tested.

In addition, there are numerous anomalous cobalt and copper rock chip assay results reported by previous explorers in the northern part of the Trident Project that warrant further exploration work.

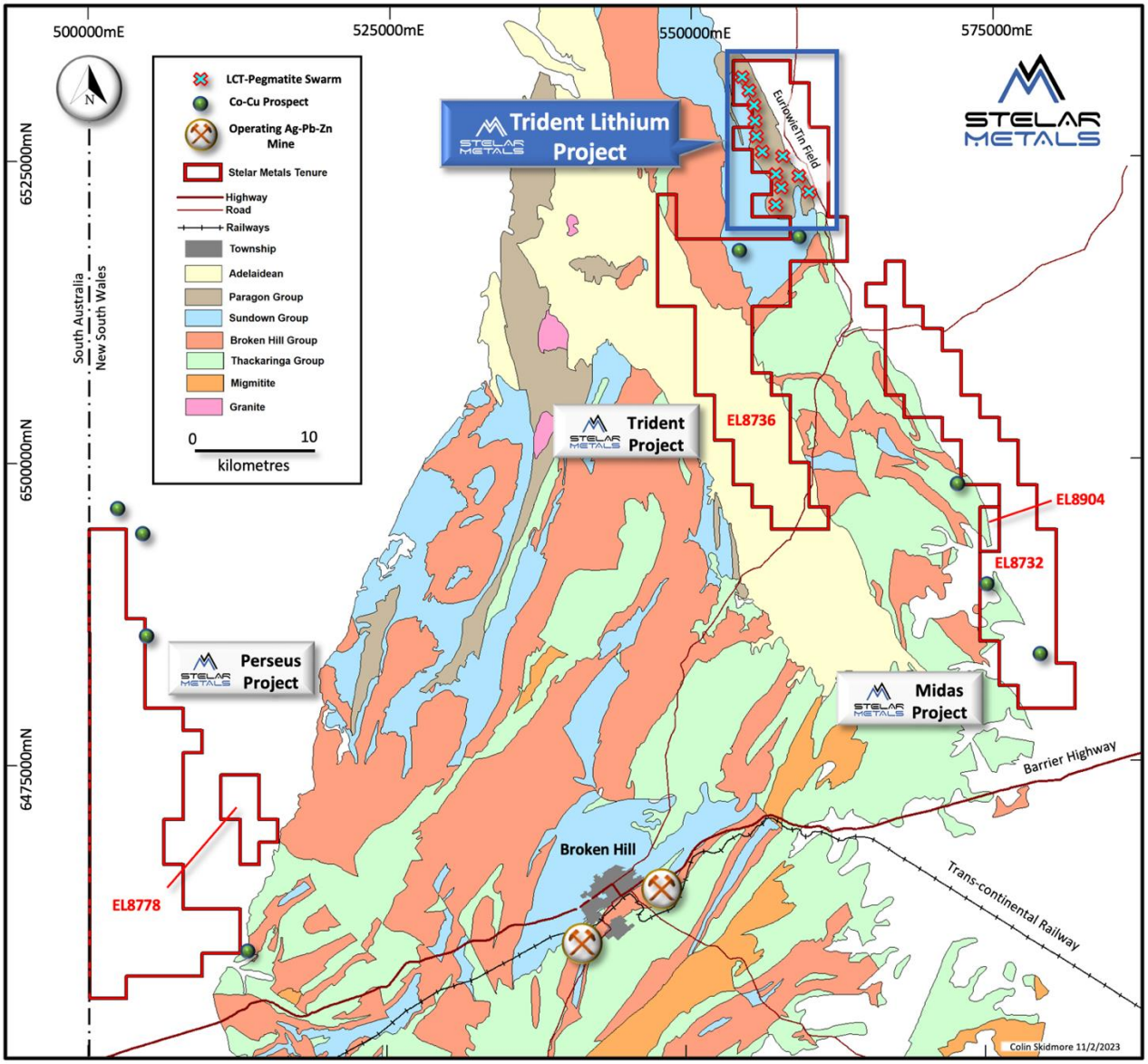

Figure 2: Location of Stelar's tenements and Trident Lithium Project near Broken Hill in NSW on simplified geology.

Trident Lithium Project

One of the largest number of recorded pegmatites in NSW occur in the Curnamona Province and the majority of those are found in the Euriowie Tin Field, where tin was historically mined for over a hundred years. Most of the large hard-rock lithium spodumene deposits and mines around the globe (e.g. Greenbushes, Pilgangoora, Wodgina, Finniss) are associated with historic tin and tantalum mining from pegmatites. However, interest and exploration in lithium in these tin-tantalum pegmatites only commenced in Australia recently due to the high demand of this critical metal for lithium batteries which are needed for electric vehicles (EVs) and global electrification.

Similar to the early-stage exploration at Core Lithium's Finniss Lithium Project, historical lithium exploration is very limited and there has been no previous drilling into the main lithium bearing pegmatites within the Trident Lithium Project. However, the lithium prospectivity at Trident is very exciting as previous exploration data confirms the Euriowie pegmatites are lithium-rich LCT-type and include high-grade lithium surface assay results from the broad cluster of historic tin mines.

Summary of Key Agreement Terms

1. Stelar paid $250,000 cash to Everest on the signing of the agreement.
2. Stelar will issue[1] 1,187,085 fully paid shares (**Stelar Shares**)[2] to Everest that are equal in value to $250,000.
3. An additional milestone payment will be made to Everest within 24 months from the date of the agreement (**Milestone Payment**), once either;
   a. drilling commences at the Midas Project; or
   b. drilling approvals are granted by the NSW regulators for drilling at the Trident Lithium Project.
4. The Milestone Payment will comprise, at Everest's sole election, either;
   a. Stelar issuing[1] 2,374,169 Stelar Shares[2] to the value of $500,000 to Everest; or
   b. a cash payment by Stelar to Everest of $500,000.
5. Stelar became the manager of the Projects and 90% legal title will be transferred to Stelar's subsidiary BR2 Pty Ltd. Everest will retain free-carry for their 10% equity until such time that Stelar presents a Feasibility Study and a Decision to Mine.
6. After the free-carry period Everest will either contribute 10% to all ongoing costs or default to a 1.5% Net Smelter Royalty.

The key terms of the agreement for Stelar to acquire a 90% interest in these three Projects includes:

[1] Note the issue of the Stelar Shares will be deferred until the legal transfer of title of the exploration licences to Stelar's subsidiary BR2 Pty Ltd has been completed.

[2] Calculated at a share price of $0.2106 being the volume weighted average price of Stelar's fully paid shares as traded on the ASX over the 10 trading days immediately prior to the date of the agreement.

Summary of Historic Lithium Exploration

Abundant pegmatite veins, dykes, sills, veins and plugs dominated by quartz-albite-muscovite, intrude the rocks of the folded Paragon and Sundown Groups within the Trident Project (Figure 3).

Trident pegmatites can be tabular to podiform to highly irregular in shape and often show zonation, pinch-and-swell structure, boudinage and folding and vary in size but have been reported to be up to 100 metres wide and over 1 kilometre in length.

Stelar's experienced lithium industry interpretation is consistent with previous explorers (Lepidoco and Carpentaria) that the Euriowie pegmatites are LCT-Type due to the presence of lithium-bearing minerals and anomalous caesium and tantalum along with other accessory minerals that are commonly found in LCT pegmatites. The quantity and scale of the Euriowie pegmatites indicate the Trident Project has potential to host economic quantities of lithium.

Historic exploration in 2016 mapped visible lithium minerals in pegmatite outcrops (Figure 4) and returned high-grade lithium assays from rock-chip samples confirming previous explorers' earlier LCT-Type pegmatite classification with highly anomalous Li-Cs-Ta-Sn-Rb assay results (Tables 1 and 2). The soil sampling provided some indication to scale of the surface footprint anomalism as illustrated in Figure 5, where at the Trident Pegmatite, the lithium anomaly was 160m wide (>100ppm Li) with a 80m wide core (>200ppm Li).

Prospect	Description	Historic Rock Chips
Triumph Mine	Operated as a mine circa 1888. Workings consisted of numerous pits and costeans targeting pegmatites that vary from 1m to 5m in width. Historic records show amblygonite occurrences of 30t - 40t. Mapping and geochemical sampling activities conducted from the 1980s.	Up to **7.63% Li_2O**
Lady Don Mine	Mining leases from 1884 to the mid-1970s. At least 500t of ore mined from shallow pits, shafts, and adits. Reports of folded pegmatite from 2m and up to 20m wide.	Up to **4.45% Li_2O**
Trident Mine	Mining leases held over the area from 1884 to the early 1980s. Recent geological mapping, rock chip and stream sediment sampling. Goldrim Mining Australia Limited carried out exploration focussed on tantalite and tin. Government mapping indicate pegmatites up to 60m wide and 300m long.	Up to **3.88% Li_2O**
Sceptre Mine	Mining leases held over the area from 1884 to the mid-1970s. The mine was operated for tin, amblygonite, and beryl. The main ore body was reported to extend approximately 230m with a central width of 40m. The historic mine consists of numerous pits and shafts.	Up to **1.54% Li_2O**

Table 1: Summary of selected 2016 Euriowie Tin Field Workings with peak rock-chip lithium results.

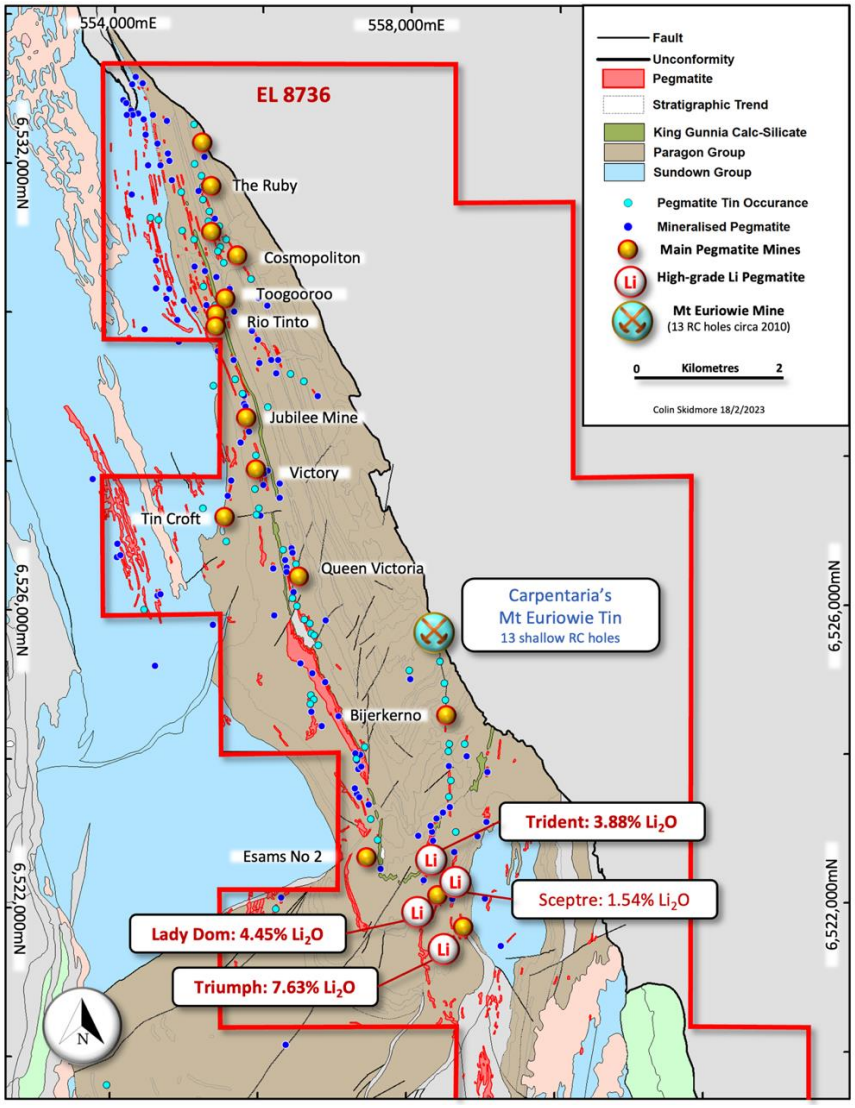

Figure 3: Trident Lithium Project showing distribution of pegmatites and known mineral occurrences.

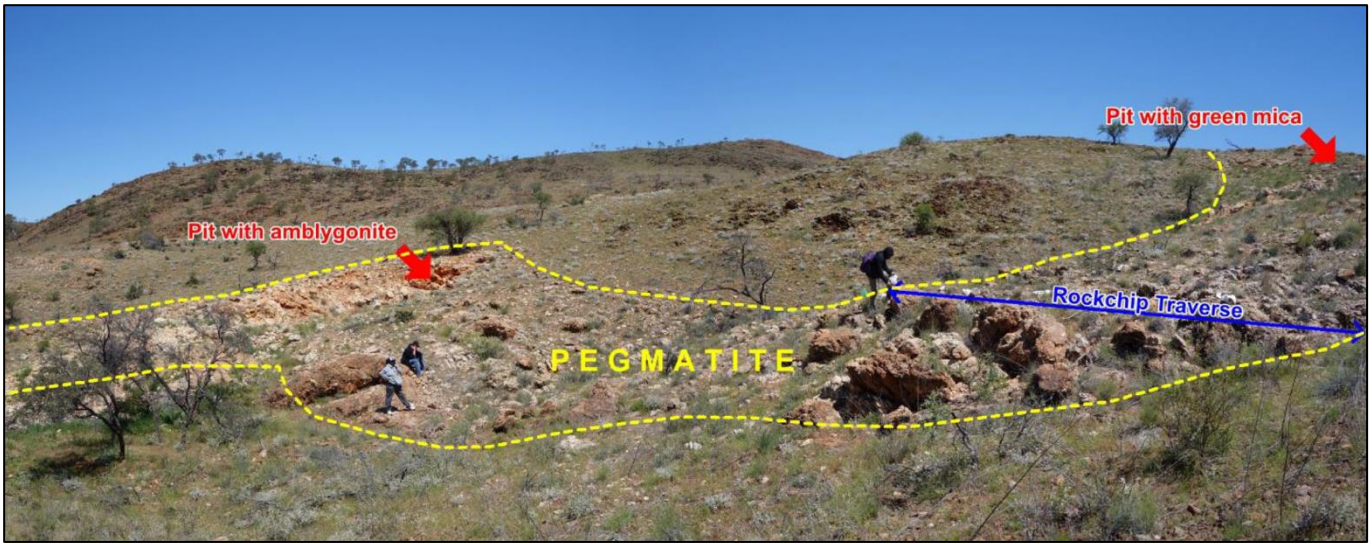

Figure 4: Looking SSW at the Triumph Prospect showing historic 2016 rock-chip sampling and visible lithium mineral sample locations.

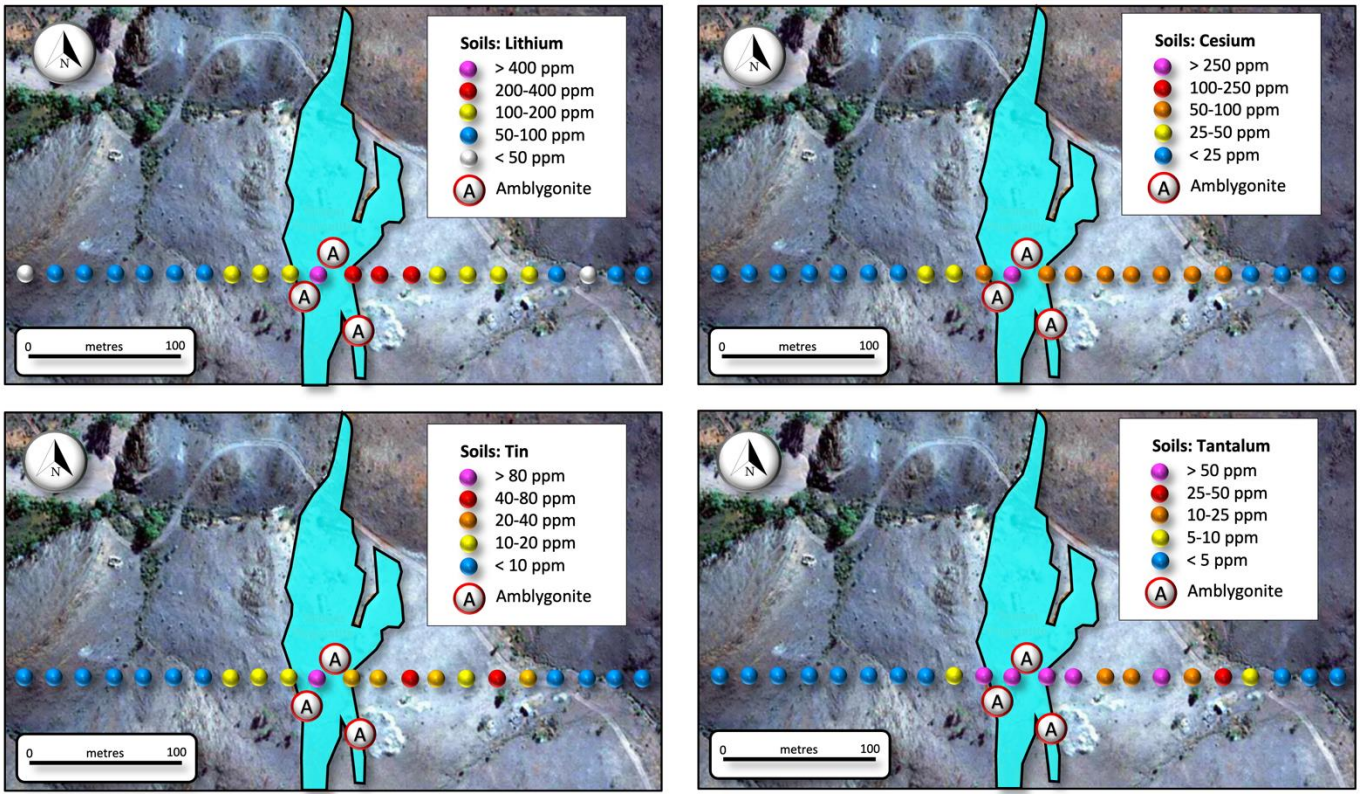

Figure 5: Trident Prospect showing 2016 orientation soil sampling with thematic Li-Cs-Ta-Sn on ortho-imagery.

The Next Steps

Stelar has commenced engagement with stakeholders to secure land access and is planning reconnaissance field visits to map and resample the known lithium bearing pegmatites in Q2-2023. Land access is subject to a final assessment, however with previous work having occurred over a number of years at the site along with perpetual lease hold arrangements in place, Stelar is confident of achieving a speedy resolution.

Stelar is investigating geophysical techniques that could potentially map the morphology of pegmatites at depth to optimize targeting for future drill testing.

Once Access Agreements are in place the company will commence the process of seeking drilling approvals with the NSW regulators in the coming months with an aim to commence an initial drilling program in Q3-2023 to confirm pegmatite orientation, mineralogy, and grade distribution before embarking on a deeper more comprehensive drill program to evaluate resource potential.

Mineralisation Styles

Hard-rock lithium deposits mined from LCT-type pegmatites, such as those mined in Australia at Greenbushes and Core's Finniss Project contribute to more than half of the world's lithium supply.

Stelar believes the Euriowie pegmatites are LCT-Type due to the presence of lithium-bearing minerals and anomalous caesium and tantalum along with other accessory minerals that are commonly found in LCT pegmatites. The quantity and scale of the Euriowie pegmatites indicate the Trident Project has potential to host economic quantities of lithium.

The majority of known mineral occurrences within the Euriowie Inlier, including most of the historically operated hard-rock Euriowie Tin Field, are located within the Trident Project area where tin mineralisation (cassiterite ore) was mined from sub-vertical, dyke or irregular shaped pegmatites. The NSW Geological Survey's metallogenic database records approximately 250 mineral occurrences and historically operated small-scale mines within the northern part of EL 8736 (Figures 2 and 3).

The central and southern portion of the Trident Project is also considered prospective for copper, cobalt and gold mineralisation.

Previous Exploration

Tin was first discovered in the Euriowie Tin Field in 1884 and continued to be intermittently worked on small scales, up until the 1970's. In addition to cassiterite the main tin mineral, tantalite-columbite and lithium bearing minerals such as amblygonite (lithium phosphate), lepidolite (lithium mica) and spodumene (pseudomorphs) were also reported in the pegmatites. Several of the pegmatites, such as the Trident Mine, were also worked for small quantities amblygonite ore for a short time in the 1950's.

Exploration in the Euriowie Block since the 1960's has been conducted by many companies including CRA Exploration, BHP, Pasminco, North Broken Hill, Canyon Resources, Australian Overseas Mining (AOM), Goldrim and Elephant.

Carpentaria Exploration held tenure over the Euriowie Tin Field between 2007 and 2015 and explored for both pegmatite hosted tin-tantalum as well as Mt Isa-style sediment hosted base-metals. Carpentaria recognised 4-types of pegmatites and their extensive surface sampling confirmed that the tin-bearing, quartz-muscovite and albite-quartz-muscovite pegmatites types were all highly-fractionated LCT-type being anomalous in Li-Cs-Ta-Sn-Rb. A fourth unclassified pegmatite type to the north of the main pegmatite field, that lacked zonation, was not considered LCT-type. Carpentaria produced high-quality maps of the individual pegmatites and collected rock-chip samples for assay however it is noted the analytical techniques used may have under-reported the results for key elements including lithium from resistive minerals. Carpentaria undertook the only known drilling program in the Euriowie Tin Field in 2010 and completed 13 shallow RC holes (total 695 metres with an average depth of 53 metres) into one pegmatite (Mt Euriowie) targeting tin mineralisation.

Lepidico Limited acquired the Trident Lithium Project area in 2016 and were the first explorer with a primary focus on the lithium potential of the Euriowie pegmatites. Their exploration work was concentrated on the southern end of the Euriowie Tin Field with on-ground activity limited to only 5 orientation soil traverses over separate pegmatites, pegmatite mapping and 4 short traverses collecting rock-chip samples. Lepidico mapped visible

amblygonite and lepidolite in pegmatite outcrops (Figure 3) and returned high-grade lithium assays from rock-chip samples sampling confirming Carpentaria's LCT-Type pegmatite classification with highly anomalous Li-Cs-Ta-Sn-Rb assay results (Tables 1 and 2). The soil sampling provided some indication to scale of the surface footprint anomalism as illustrated in Figure 4, where at the Trident Pegmatite, the lithium anomaly was 160m wide (>100ppm Li) with a 80m wide core (>200ppm Li).

Exploration Potential

Spodumene, a lithium-rich clino-pyroxene, is the main economic mineral of lithium that is associated with pegmatites and accounts for over half of the world's supply of lithium. Spodumene however, typically weathers to smectite (clay) minerals in the near surface environment leaving pseudomorphs that no longer contain any lithium. Known lithium-bearing minerals in the Euriowie pegmatites, amblygonite and lepidolite, are resistive minerals and thus persist in the outcrop exposures.

As is the case at other hard-rock lithium deposits like Finniss and Greenbushes, previous work has reported spodumene pseudomorphs in the pegmatites, but have often failed to obtain strong surface lithium results in their rock-chip assays when sampling these zones. Stelar believes the main potential for economic lithium at the Trident Lithium Project is at depth where potential spodumene deposits are not oxidised (weathered). Also, the regional Bijerkerno synclinal fold in the southern part of the Euriowie Tin Field, where most the main lithium bearing pegmatites such as Triumph and Lady Don are located, provides the best structural position for pegmatite thickening. Stelar notes that none of the reported lithium-bearing pegmatites on the Trident project have ever been drill tested thus Stelar considers that potential for opportunity for economic quantities of spodumene lithium ore has never been tested.

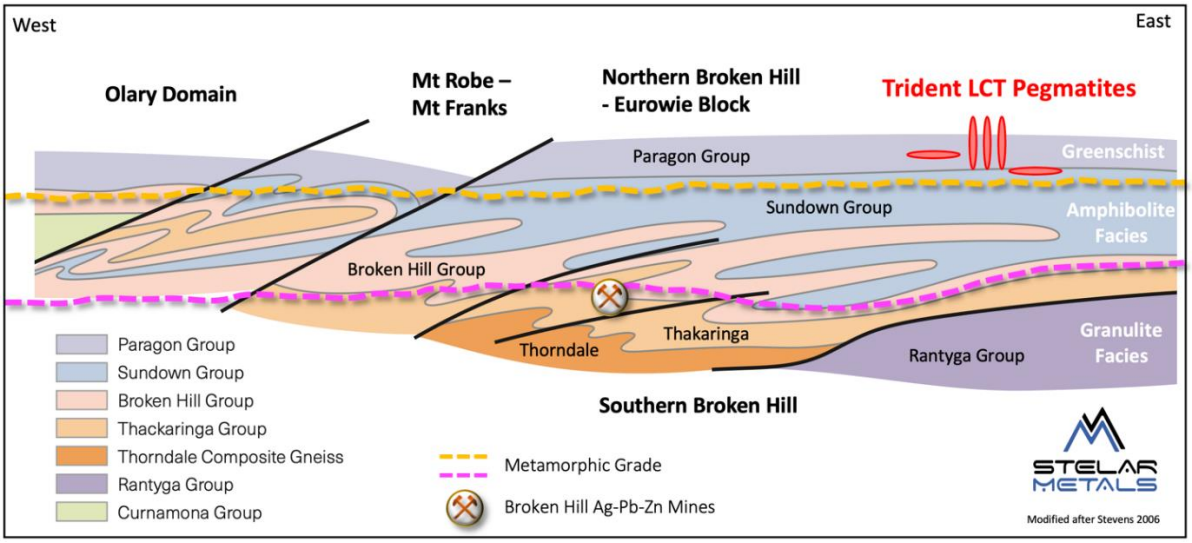

Figure 6: Diagrammatic cross-section illustrating the Broken Hill stratigraphy and distribution of metamorphic grade relative to the conceptualized LCT-pegmatite and sill development at the Trident Lithium Project.

Geological Setting

The Broken Hill Block (BHB) within the Curnamona Craton is an ovoid-shaped craton of Paleoproterozoic to Mesoproterozoic rocks of the (1720-1640Ma) which hosts the world-class Broken Hill stratabound lead-zinc-silver deposits and numerous other metalliferous occurrences. The BHB is extensively mineralised and contains the famous + 200 Mt Ag-Pb-Zn stratabound massive sulphide Broken Hill Deposit.

The Trident Project is located within the northern most part of the BHB known as the Euriowie Inlier. The Euriowie Inlier is separated from the main section of the BHB by a NW trending belt of unconformable, less deformed, Neo-Proterozoic (Adelaidean) cover (Figure 1). The Euriowie Inlier, in the northern portion of EL 8736, is dominated by Sundown and Paragon Group metasediments which are the upper sequences of the Willyama Supergroup that have only experienced lower-intensity green-schist metamorphism during the Orarian Orogeny (~1600Ma) (Figure 6).

Prospect	Easting	Northing	Sample ID	Li_2O %	Cs ppm	Ta ppm	Sn ppm	Rb ppm	P %
Triumph	558372	6521452	PLPEUR025	**7.63**	1.26	3.02	16.3	3.7	>1 %
Triumph	558376	6521466	PLPEUR015	**5.96**	3.58	22.4	27.6	61.7	>1 %
Lady Don	558055	6521929	PLPEUR006	**4.45**	8.18	82	38	203	>1 %
Trident	558240	6522680	PLPEUR004	**3.88**	13.8	27.8	28.6	219	>1 %
Trident	558216	6522596	PLPEUR001	**3.06**	0.2	8.07	14.9	0.6	>1 %
Trident	558225	6522592	PLPEUR002	**2.13**	6.02	6.26	23.3	122	>1 %
Sceptre	558395	6522332	PLPEUR005	**1.54**	22.8	39.3	43.5	417	>1 %
Triumph	558303	6521459	PLPEUR014	0.03	**> 500**	36.6	179	**1980**	0.05
Trident	558247	6522677	PLPEUR003	0.01	1.28	1.81	1.9	148.5	0.1
Lady Don	558061	6521821	PLPEUR007	0.06	**85.1**	1.74	45.8	440	0.11
Lady Don	558139	6521596	PLPEUR008	0.04	26.1	3.06	65.8	319	0.33
Lady Don	558086	6521959	PLPEUR009	0.03	**118.5**	21.7	156.5	**1090**	0.2
Esmans No2	557382	6522613	PLPEUR010	0.03	**105**	**70.9**	64.9	**530**	0.61
Esmans No2	557392	6522733	PLPEUR011	0.02	**100.5**	**65.5**	111.5	**590**	0.5
Mt Euriowie	558485	6524821	PLPEUR012	0.03	**137**	**62.3**	139	**1020**	0.35
Mt Euriowie	558465	6524590	PLPEUR013	0.02	**74.5**	**65.7**	126	**730**	0.23
Not recorded	558686	6521641	PLPEUR016	0.01	13.1	9.93	22.8	233	0.16
Regional Line 1 - 2m composite	558346	6521470	PLPEUR027	0.01	19.2	6.86	47	383	0.15
Regional Line 1 - 2m composite	558346	6521472	PLPEUR028	0.01	7.29	4.86	23.2	167	0.17
Regional Line 1 - 2m composite	558346	6521474	PLPEUR029	0.01	12.6	24.9	20.8	342	0.14
Regional Line 1 - 2m composite	558346	6521476	PLPEUR030	0.01	13.25	6.99	28.5	264	0.13
Regional Line 1 - 2m composite	558346	6521478	PLPEUR031	0.01	10.95	4.85	17.8	339	0.14
Regional Line 1 - 2m composite	558346	6521480	PLPEUR032	<0.01	11.5	2.5	14.9	392	0.12
Regional Line 1 - 2m composite	558346	6521482	PLPEUR033	0.01	15.8	2.55	27	440	0.13
Regional Line 1 - 2m composite	558346	6521468	PLPEUR026	0.01	26.4	5.65	30.4	**670**	0.21
Regional Line 2 - 5m Composite	558945	6520362	PLPEUR017	0.01	17.25	1.86	10.8	290	0.1
Regional Line 2 - 5m Composite	558950	6520362	PLPEUR018	0.04	15.55	2.5	17.7	316	0.18
Regional Line 2 - 5m Composite	558955	6520363	PLPEUR019	0.01	18.45	1.68	12.6	380	0.07
Regional Line 2 - 5m Composite	558960	6520362	PLPEUR020	0.01	12.05	1.52	12.3	233	0.07
Regional Line 2 - 5m Composite	558965	6520363	PLPEUR021	0.01	11.5	1.5	11.2	302	0.08
Regional Line 2 - 5m Composite	558970	6520364	PLPEUR022	0.01	11.05	1.51	12.8	262	0.06
Regional Line 2 - 5m Composite	558976	6520364	PLPEUR023	0.01	8.71	0.96	8.4	236	0.06
Regional Line 2 - 5m Composite	558981	6520363	PLPEUR024	0.01	10.4	1.33	11.5	329	0.09
Regional Line 3 - 10m Composite	558915	6519890	PLPEUR040	<0.01	8.22	3.8	13.3	261	0.11
Regional Line 3 - 10m Composite	558925	6519890	PLPEUR041	0.01	9.02	1.3	11.9	351	0.09
Regional Line 3 - 10m Composite	558935	6519890	PLPEUR042	0.01	13.95	2.21	18	391	0.08
Regional Line 3 - 10m Composite	558945	6519890	PLPEUR043	<0.01	12.45	1.78	12.5	370	0.07
Regional Line 3 - 10m Composite	558955	6519890	PLPEUR044	<0.01	10.95	1.33	10.9	344	0.07
Regional Line 3 - 10m Composite	558965	6519890	PLPEUR045	<0.01	8.34	0.69	8.3	326	0.07
Regional Line 4 - 5m composite	558955	6519175	PLPEUR034	<0.01	12.6	1.25	6.8	177.5	0.06
Regional Line 4 - 5m composite	558960	6519175	PLPEUR035	<0.01	10.2	1.07	7.1	221	0.06
Regional Line 4 - 5m composite	558965	6519175	PLPEUR036	0.01	9.96	0.58	7.2	221	0.06
Regional Line 4 - 5m composite	558970	6519175	PLPEUR037	<0.01	11.3	0.61	7.7	333	0.1
Regional Line 4 - 5m composite	558975	6519175	PLPEUR038	<0.01	9.3	4.94	10.2	227	0.08
Regional Line 4 - 5m composite	558980	6519175	PLPEUR039	0.01	12.5	4.02	10.5	243	0.06

Table 2: Lepidico's (2016-2017) full rock chip results showing Li-Ce-Ta-Sn-Rb-P (Source: NSW GS2018/0298)

CORPORATE

Cash

At 31 March 2023, Stelar Metals had a cash balance of $3.664 million.

ASX Additional Information

The Company provides the following information pursuant to ASX Listing Rule requirements:

1. ASX Listing Rule 5.3.1:

Exploration and Evaluation Expenditure during the quarter was $239,274. Of this, $110,158 relates to initial costs associated with the acquisition during the quarter of the NSW Projects along with $59,719 incurred on completion of field activities at Linda. The balance is in relation to project generation and general exploration administration expenditures. The amount excludes the $250,000 cash payment made to Everest Metals under the terms of the acquisition agreement for the NSW Projects.

2. ASX Listing Rule 5.3.2:

The Company confirms that there was no mine production and development activities for the quarter.

3. ASX Listing Rule 5.3.4:

The Company provides the following comparison between its actual expenditure incurred during the quarter to that of the Statement of Capital Structure included within its Prospectus submitted on the ASX on 16 March 2022.

Use of Funds	Estimate of the first 2 years after ASX admission ($)	Actual expenditure to Dec 2022 ($)	Actual expenditure Mar Qtr 2023 ($)	Balance Remaining ($)
Exploration on Evelyn Dam Project	2,050,000	804,550	5,334	1,240,116
Exploration on Linda Zinc Project	1,740,000	262,736	59,719	1,417,545
Exploration on Torrens Project	565,000	63,609	1,058	500,333
Exploration on Baratta Project	835,000	82,017	5,405	747,578
Exploration on Gunson Project	490,000	20,225	778	468,997
Acquisition of NSW Projects	-	-	250,000	(250,000)
Exploration on NSW Projects	-	-	110,158	(110,158)
Expenses of the Offer	779,114	626,915	-	152,199
Admin costs and working capital	1,002,216	603,710	365,009	33,497
Total	**7,461,330**	**2,463,762**	**797,461**	**4,200,107**

4. ASX Listing Rule 5.3.5: Payment to related parties of the Company and their associates during the quarter was $50,756 in cash. The Company advises that this relates to remuneration of Directors only. Please see the Remuneration Report in the Company's Prospectus for further details on Directors' Remuneration.

Tenements

In accordance with Listing Rule 5.3.3, Stelar Metals provides the following Information concerning Its mining tenements.

The following table lists the Company's mining tenements held at the end of the quarter, and their location:

Holder	Project	Lease	Lease Location	Lease Status
Stelar Metals	Evelyn Dam	EL 5792	Eastern Gawler Craton	Granted
Stelar Metals	Linda	EL 6263	Adelaide Fold Belt	Granted
Stelar Metals	Baratta	EL 6803	Adelaide Fold Belt	Granted
Stelar Metals	Gunson	EL 6812 & EL 6824	Eastern Gawler Craton	Granted
Stelar Metals	Torrens	EL 6572 & EL 6264	Sturt Shelf	Granted
Stelar Metals	Baratta Mine	EL 6863	Adelaide Fold Belt	Granted
SLB|EMC JV	Trident	EL 8736	Broken Hill Block	Granted
SLB|EMC JV	Midas	EL 8732 & EL 8904	Broken Hill Block	Granted
SLB|EMC JV	Perseus	EL 8778	Broken Hill Block	Granted

APPROVED BY THE BOARD OF STELAR METALS LIMITED

FOR MORE INFORMATION:

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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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Appendix 5B

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

Name of entity

STELAR METALS LIMITED

ABN	Quarter ended ("current quarter")
43 651 636 065	31 MARCH 2023

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 (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs*	(98)	(232)
	(e) administration and corporate costs	(163)	(382)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	17	17
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(244)**	**(597)**

* net salaries after recharge to exploration and inclusive of director fees paid

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	(250)	(250)
	(c) property, plant and equipment	(1)	(32)
	(d) exploration & evaluation (if capitalised)	(245)	(1,395)
	(e) investments	-	-
	(f) other non-current assets	-	-

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	-	7
	(d) (investments)/divestments of shares	-	-
	(e) other non-current assets	-	-
2.3	Cash flows-406- from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(496)**	**(1,670)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,404	5,931
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(244)	(597)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(496)	(1,670)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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**	**3,664**	**3,664**

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	1,664	2,404
5.2	Call deposits	2,000	2,000
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)**	**3,664**	**4,404**

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	51
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** *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.*	**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

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(244)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(245)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(489)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,664
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,664
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	7.49

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

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 – item 8.7 not less than 2 quarters

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 – item 8.7 not less than 2 quarters

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 – item 8.7 not less than 2 quarters

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023

Authorised by: The Board of Stelar Metals Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.