



HEEMSKIRK TIN PROJECT

Tin in Tasmania

Stellar Resources AGM

Melbourne 26th October 2017

ASX: SRZ

www.stellarresources.com.au

HEEMSKIRK IS TIN IN TASMANIA

THE AGENDA FOR TODAY



TIN IS AN ENERGY METAL WITH
A BRIGHT FUTURE



HISTORY ADDING VALUE THROUGH
OPTIMISATION OF THE DEVELOPMENT
STRATEGY



HEEMSKIRK TIN'S COMPETITIVE
ADVANTAGES



TIMELINE FOCUSED ON A DRILL – OUT
OF RESOURCES IN SUPPORT OF A
DEFINITIVE FEASIBILITY STUDY



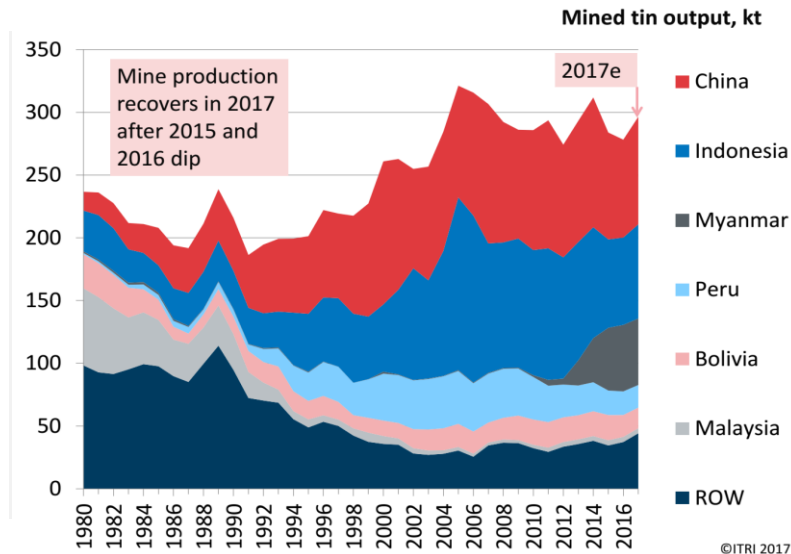
MINING LEASE GRANT ADDS TO
PROJECT MOMENTUM



DARE TO DREAM
CAN HEEMSKIRK BECOME ANOTHER
RENISON?

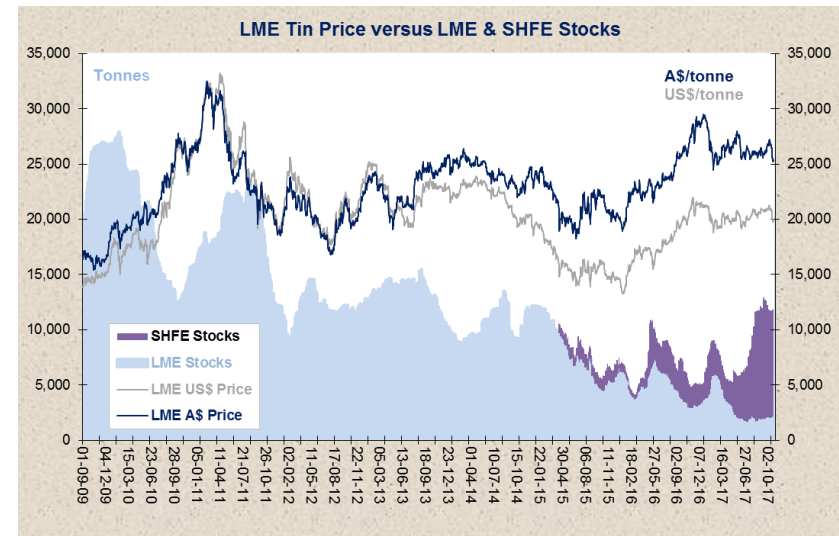
TIN PRICE RECOVERY UNDERWAY

LME TIN PRICE IS 50% ABOVE ITS 2016 LOW



SUPPLY RATIONALISATION DRIVEN BY CHINA AND INDONESIA

- Supply restraint from largest producers China and Indonesia through 2016
- Growth of new supply from Myanmar accommodated by China cutbacks
- Production recovered in 2017 in response to a higher tin price – all growth from existing producers
- Long-term declining trend in mine supply likely to re-emerge in 2018



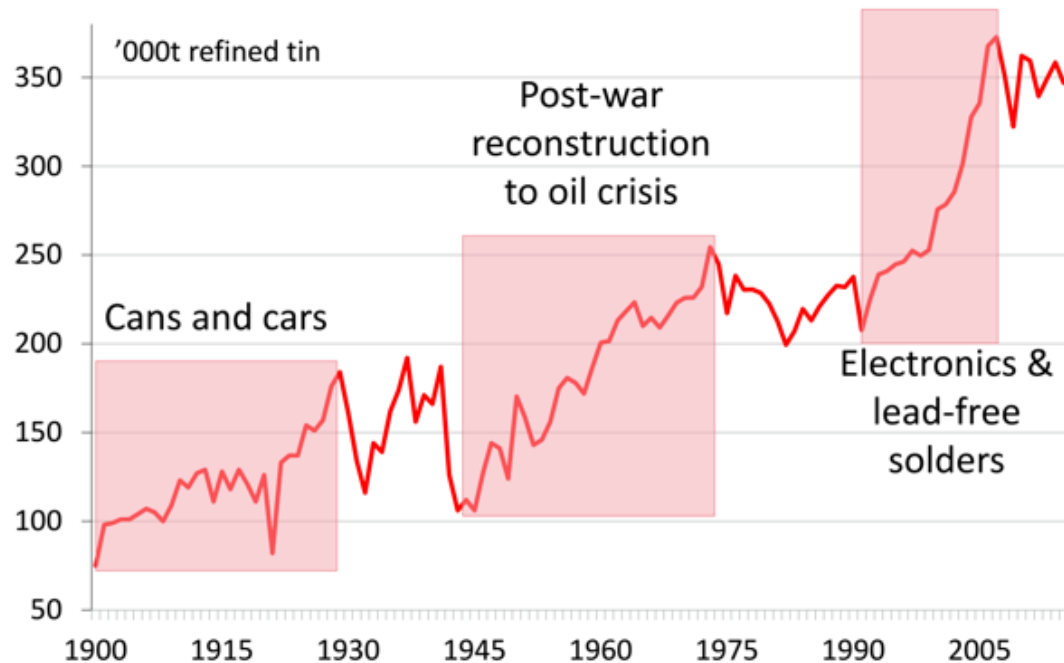
LIMITED GROWTH IN SUPPLY AND LOW STOCKS UNDERPINNING PRICE

- Tin price recovery in 2017 limited by production re-starts in Indonesia
- Stocks remain at historically low levels with greater visibility in China through the SHFE
- All major producers facing rising costs as grade declines
- Natural attrition should offset any growth from re-starts in 2018 - providing potential upside for prices

TIN DEMAND NEXT GROWTH PHASE?

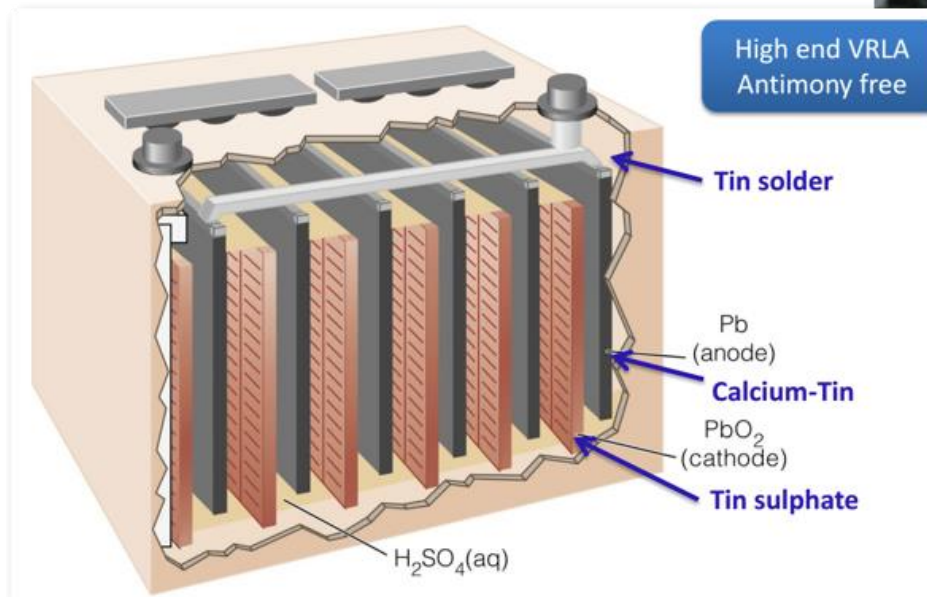
Long-periods of strong growth: Tin demand characterised by long periods of above trend growth driven by new uses

- Emergence of tin in lead acid batteries one example of a new use that could gain more traction
- Current growth pause is mature (10 years)
- Potential for a cyclical recovery in 2018?



VRLA BATTERIES 4TH LARGEST TIN END USE

BATTERY DEMAND REMAINS STRONG IN CHINA



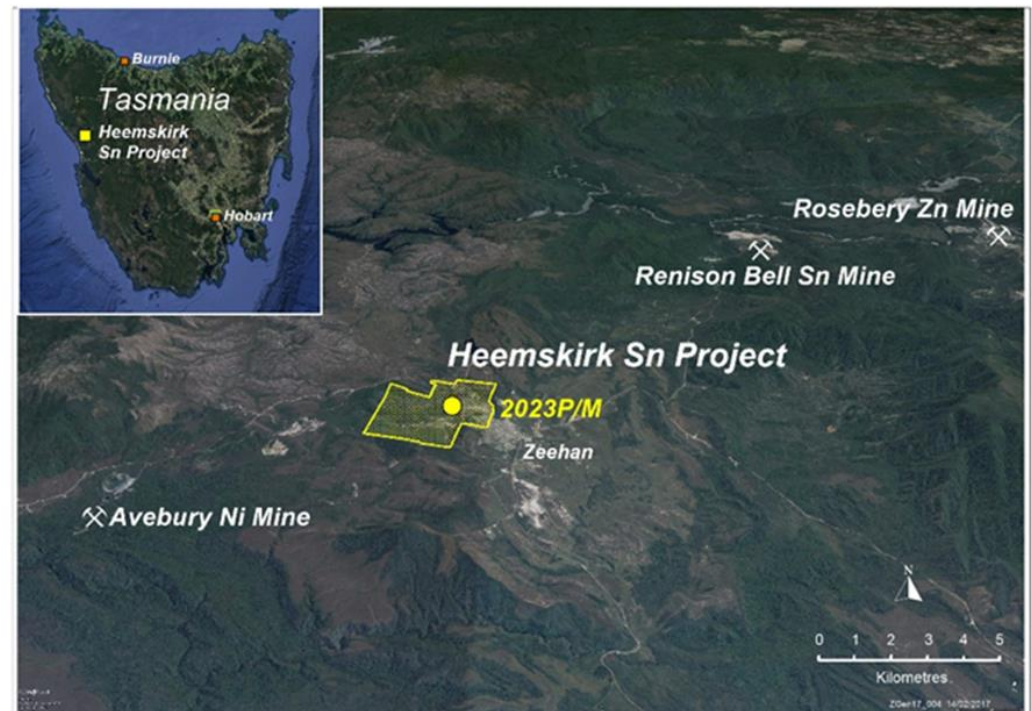
- Growth in traditional uses coming from solder and chemicals
- VRLA battery demand beating predictions with continued strong growth (3%-5% pa)
- China surprised on the upside in 2016 and could do it again in 2018
- Significant research into new uses in the energy economy

PATH FROM DISCOVERY TO DEVELOPMENT

WEST COAST TASMANIA – AUSTRALIA'S LARGEST AND MOST PRODUCTIVE TIN FIELD

EVOLUTION OF A WORLD CLASS TIN PROJECT

- QH tin deposit discovered early 1960s by Gippsland Ltd
- Aberfoyle jv with Gippsland in 1971 – discovered Montana and Severn deposits
- Tin deposits located within Tasmania's most productive mineral field
- Renison, Australia's oldest and largest tin mine is located 18km away to the NE of the Heemskirk project
- Stellar listed on ASX in 2005
- Stellar acquired Aberfoyle's 60% interest for \$1.2m in 2008
- Remaining 40% interest acquired from Gippsland Ltd in 2012 for \$3.5m
- A\$11m spent to date on drilling, geology, metallurgy, environment, mining and processing studies (excludes purchase price)



MINERAL RESOURCE ESTIMATE REVIEWED IN 2016

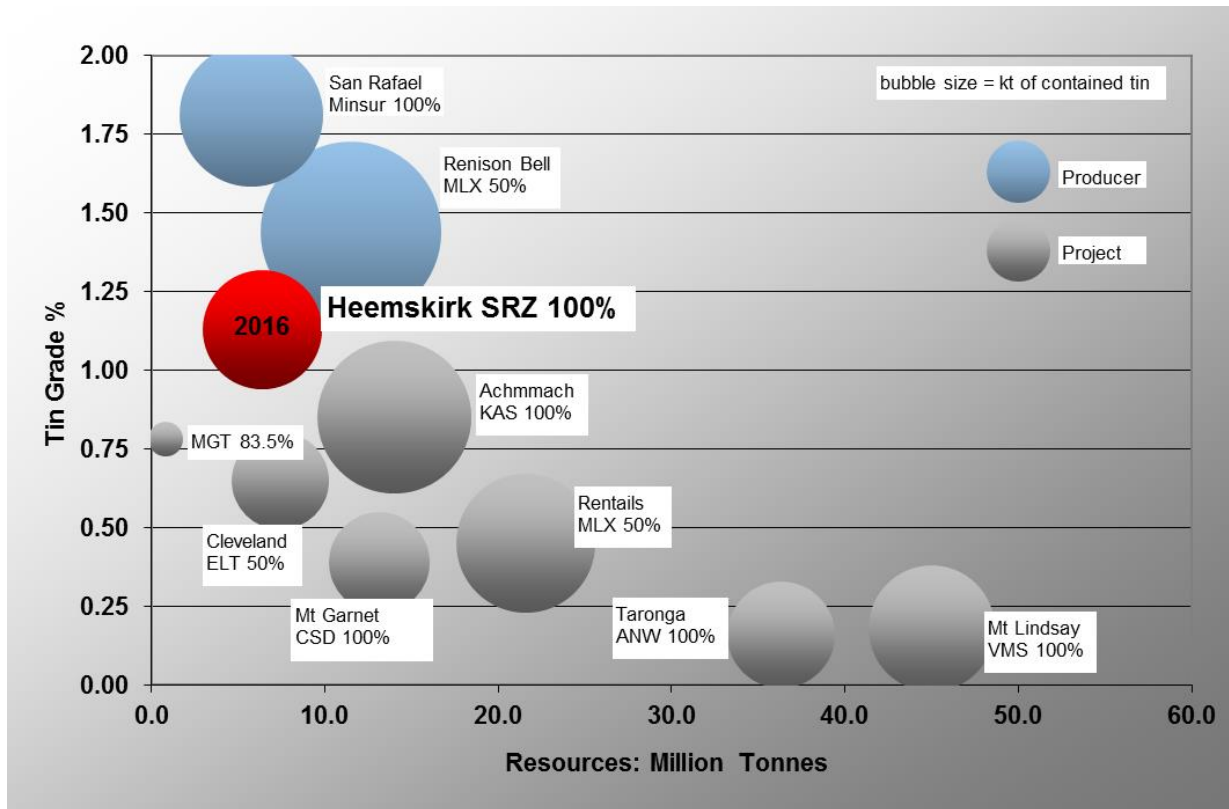
JORC 2012 CONFIRMS RESOURCE QUALITY

- 6.35mt @ 1.13% Sn or 72,000t of contained Sn
- 97% of contained Sn is in the form of cassiterite – the most readily recoverable Sn mineral
- 64% of Indicated Resource in Lower Queen Hill – first deposit in development queue
- LQH Indicated Resource of 0.82mt @ 1.42% Sn is particularly high grade
- All Sn deposits at Zeehan are open at depth and have significant exploration potential
- Next step is infill drilling to confirm the resource model



Cassiterite - SnO_2

HEEMSKIRK – A WORLD CLASS TIN PROJECT



- Heemskirk is well placed on the grade tonnage curve
- Existing underground producers San Rafael and Renison facing declining grade as are other producers
- Many competitors either lower grade or in higher risk jurisdictions
- Competitors with remote projects face higher infrastructure and service costs compared with Heemskirk

Source: public resource and reserve statements

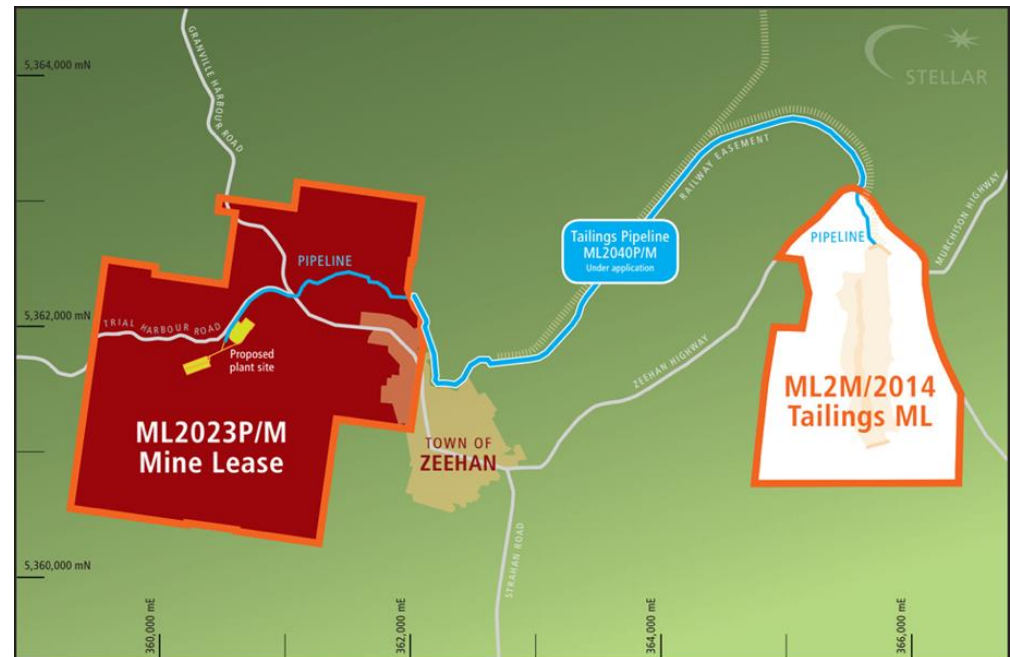
Producers are underground mines that are comparable with Heemskirk

No tonnage and grade information available for underground mines in China and Bolivia or surface mines in Indonesia

MINING LEASE GRANTED

SIGNIFICANT PROJECT MILESTONE THAT INCREASES TENURE AND SECURITY OVER THE RIGHT TO MINE TIN

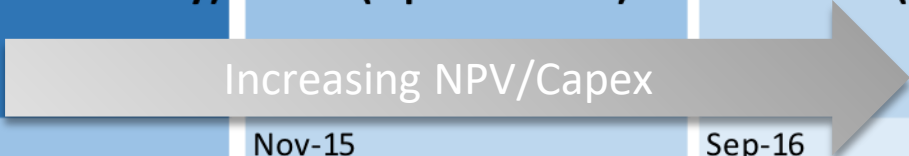
- ML 2023P/M granted to wholly owned subsidiary Columbus Metals Limited
- Term is 12 years to 1st January 2029
- Provides right to carry out mining operations in the lease area in accordance with the Mineral Resources Development Act 1995
- Right to mine tin and all other metallic minerals
- All conditions of the ML can be met through the existing schedule of activities planned by Stellar
- No minimum expenditure commitments
- Tailings pipeline ML 2040P/M under application



PROGRESS THROUGH EARLY HURDLES

SEVERAL STUDIES COMPLETED

FINAL FEASIBILITY REMAINING

Study	PFS (Prelim Feasibility)	OPFS (Optimisation)	Fast Start (Scoping)
	Increasing NPV/Capex 		
Completion	Jul-13	Nov-15	Sep-16
Development Strategy	underground mine all deposits concurrently standalone processing plant	underground mine all deposits concurrently standalone processing plant third party processing	underground mine sequential development standalone processing plant third party processing
Deliverables	Max throughput Op cost 60th percentile mining study - 7yr life recovery 70% Renison - flow sheet adopted	Max throughput Op cost down 10% on PFS optimised fill - 7 yr life recovery up by 4.3% to 73% circuits optimised	1/3 Max throughput OPFS op cost lower scale - 20yr mine life recovery 73% modular smaller plant
Economics	Capex - standalone plant NPV/capex = 0.5	Capex reduced 12% gain on PFS: NPV/capex = 0.9	Capex 50% of OPFS NPV/capex = 1.5
Assumptions	US\$22,000/t Sn, 0.75USD/AUD	US\$22,000/t Sn, 0.75USD/AUD	US\$22,000/t Sn, 0.75USD/AUD

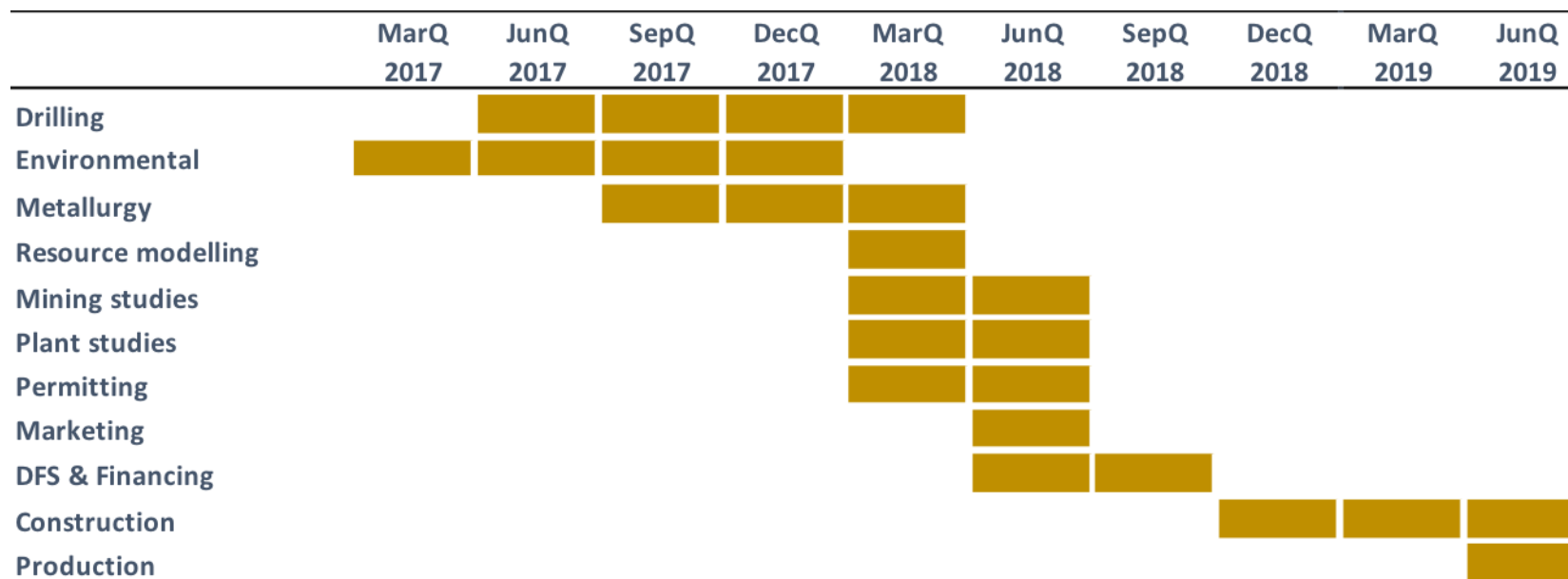
Mining: MiningOne and Polberro Consulting
Metallurgy: ALS Metallurgical and WorleyParsons

Process Engineering: WorleyParsons, GR Engineering and Mincore
Environmental: John Miedecke and Partners

WHAT IS STILL TO BE DONE?
STELLAR TO EMBARK ON A DFS
FOR THE HEEMSKIRK PROJECT ON COMPLETION
OF DRILLING

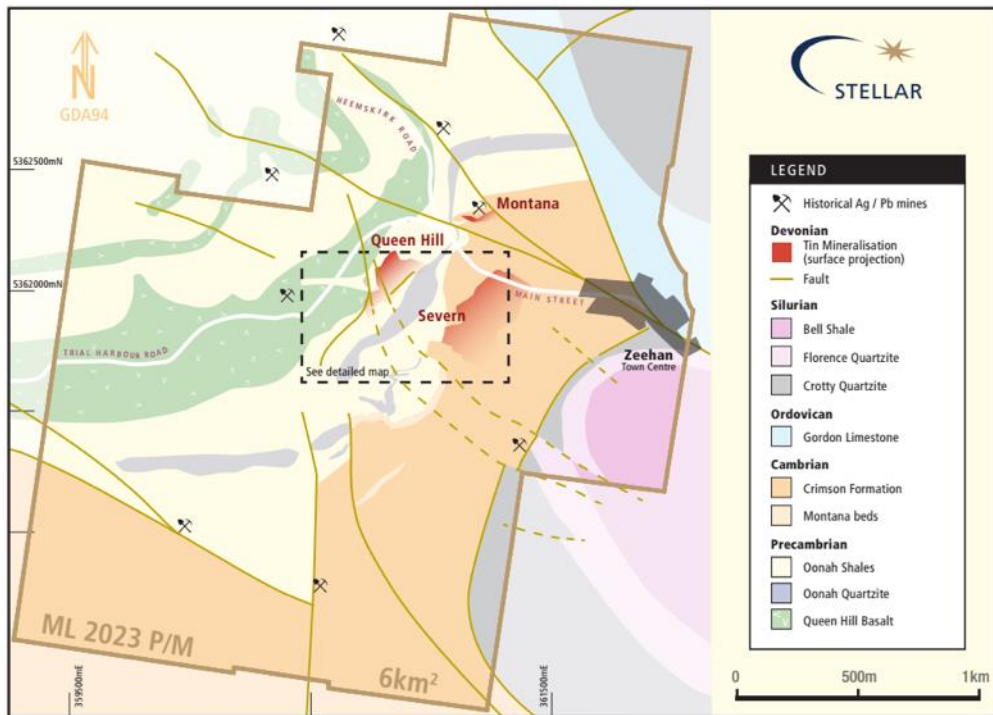
- April 2017 - drilling commenced - news-flow to follow as drilling progresses
- Drilling to provide infill for the two largest deposits Queen Hill and Severn
- Mineral Resource update on completion of drilling will allow the DFS process to commence
- Development Proposal and Environmental Management Plan to follow DFS in 2018

DFS TIMELINE FROM MARCH QUARTER 2017



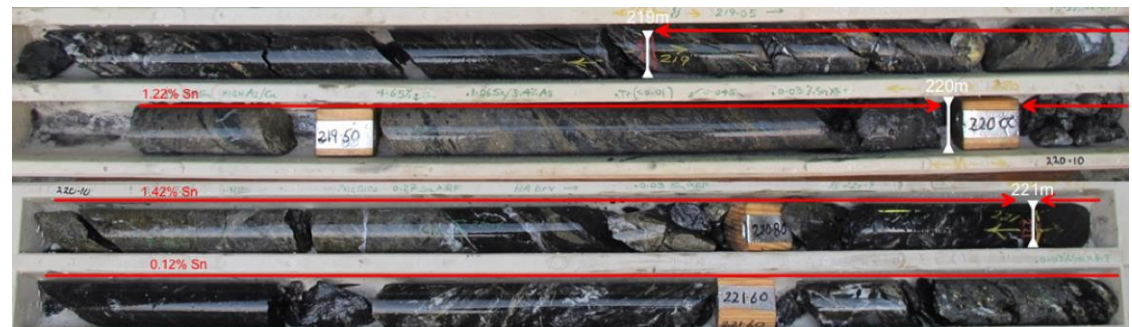
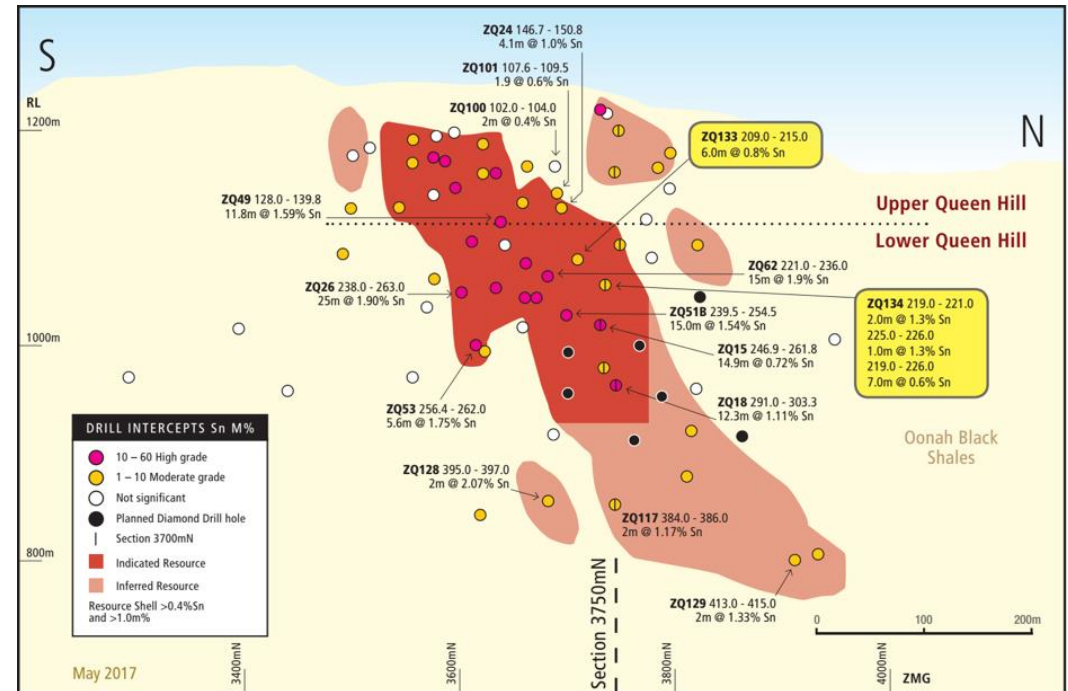
DRILLING PROGRAM UNDERWAY

FOCUS ON LARGEST DEPOSITS
SEVERN AND QUEEN HILL



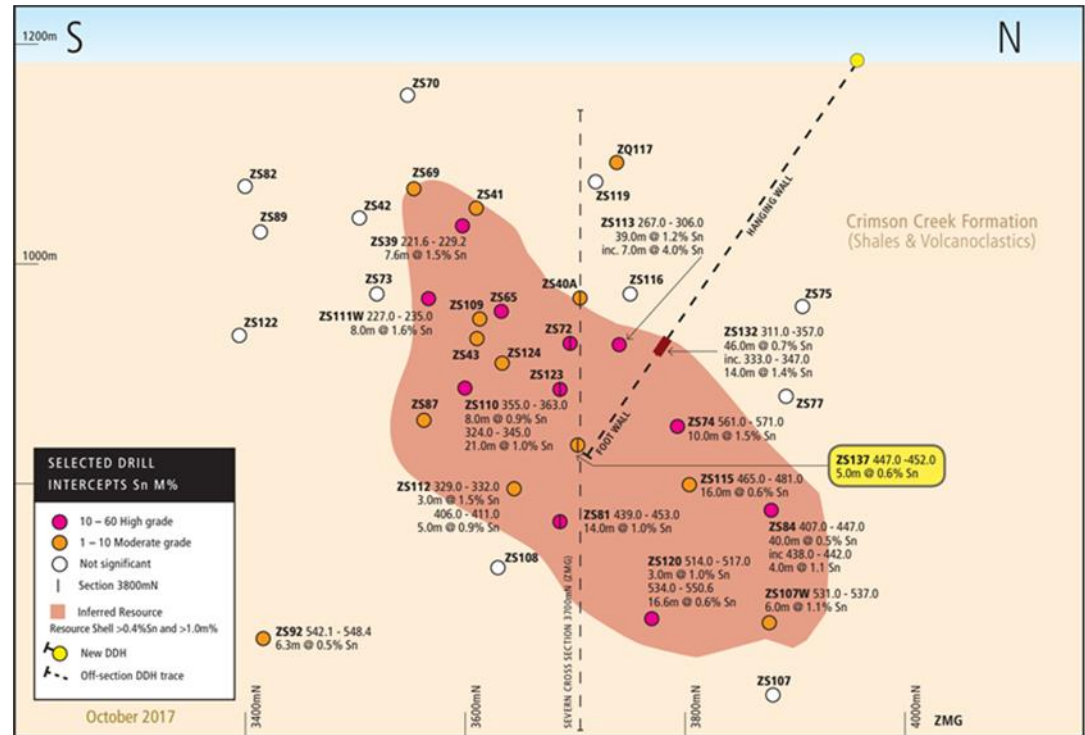
INITIAL DRILLING ON LOWER QUEEN HILL

- ✓ ZQ133 – 6.0m @ 0.8% tin
- ✓ ZQ134 – 2.0m @ 1.3% tin within 6.0m of 0.6% tin
- ✓ Confirmation of geological model - cassiterite tin associated with pyrite/siderite/quartz alteration in a fault zone between black shales and volcanics
- ✓ Base metal zonation above tin mineralisation means high in system
- ✓ Infill drill holes also providing sample for initial comminution testing



DRILLING FOCUS NOW ON SEVERN

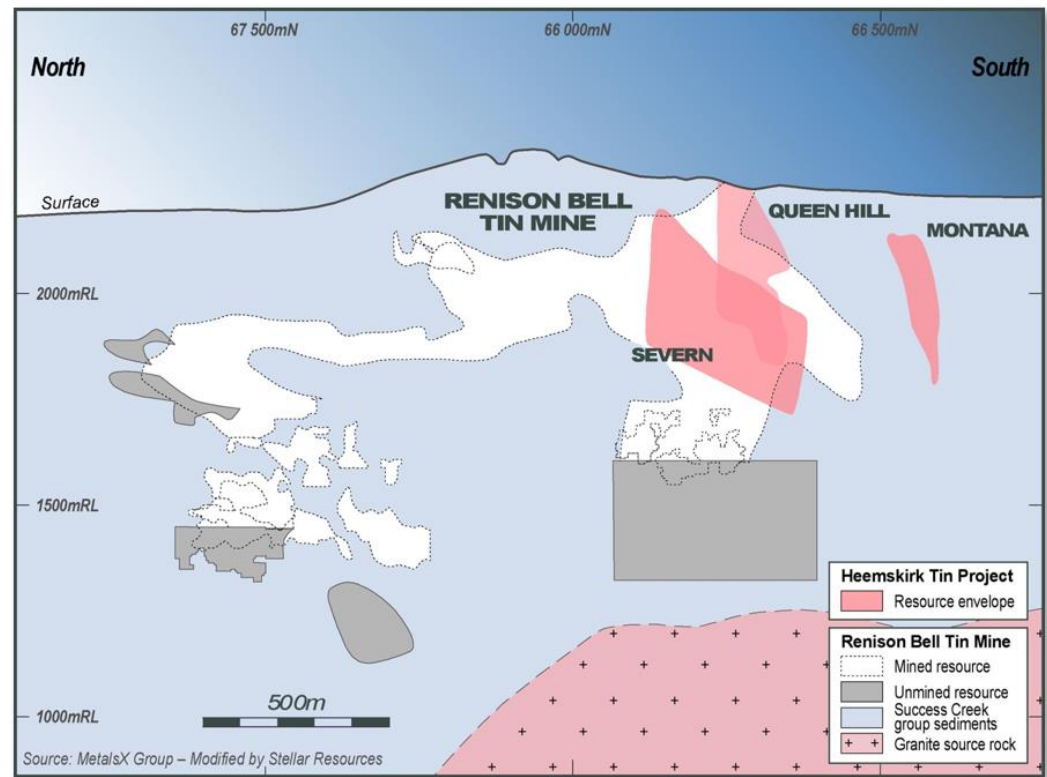
- ✓ ZS132 intersected 14m @ 1.4% tin from 333m to 347m
- ✓ Drill direction at right angles to historical drilling to test vein orientation
- ✓ High-grade veins parallel and at high angle to the deposit strike
- ✓ ZS137 intersected three tin zones: 2m @ 0.7% tin, 3m @ 0.5% tin and 5m @ 0.6% tin
- ✓ Multiple tin zones show continuity with historical drill results above and below ZS137
- ✓ Cassiterite occurs in veins and as void infill



DARE TO DREAM – THE NEXT RENISON?

COMPARISON WITH RENISON SHOWS THAT KNOWN
DEPOSITS AT HEEMSKIRK ARE JUST THE START
MINERALISATION AT RENISON OVER 1200 m
VERTICALLY FROM SURFACE

- Australia's oldest and largest tin mine is located 18km away to the NE of the Heemskirk tin project
- Same geology and structural setting for Heemskirk and Renison
- Renison started with a 5 year mine life in 1965 producing 5ktpa tin – i.e. an ore reserve of 25kt
- Renison has now produced over 250kt tin in the 50 years since it started and has 166kt tin in resources
- New ore is being discovered at Renison today between the north and south deposits
- The Heemskirk deposits are shown superimposed on the Renison long section and at 72kt of tin represent just 20% of the tin found at Renison



DISCLAIMER

FORWARD LOOKING STATEMENT

This presentation may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Stellar Resources Limited's planned activities and other statements that are not historical facts. When used in this report, words such as "could", "plan", "estimate", "expert", "expect", "intend", "may", "potential", "should", and similar expressions are forward-looking statements. In addition, summaries of Exploration Results and estimates of Mineral Resources and Ore Reserves could also be forward-looking statements. Although Stellar Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. The entity confirms that it is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed. Nothing in this report should be construed as either an offer to sell or a solicitation to buy or sell Stellar Resources Limited securities.

COMPETENT PERSONS STATEMENT - RESOURCES

The information in this report that relates to Mineral Resources 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, 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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