ASX ANNOUNCEMENT
31 October 2023

Quarterly Activities Report
30 September 2023

HIGHLIGHTS

- **Application for the inaugural Trident Lithium Project drill program lodged with the NSW Resource Regulator.**
- **Up to 19 reverse circulation holes of 150 metres depth planned to test under outcropping lithium mineralised pegmatites at *Trident, Sceptre, Lady Don*, and the broader *Triumph* Area, including the recently identified *Stag* and *Gloria* pegmatites.**
- **Placement undertaken in September, raising over $2.8 million before costs with strong support received from institutional and sophisticated investors.**
- **Geochemical sampling programs undertaken at the Trident Lithium Project with multiple high-grade lithium assays of up to 8.72% Li_2O returned from rock-chip sampling at *Trident, Sceptre, Lady Don* and *Triumph.***
- **Detailed geological mapping defines classic-zoned LCT-pegmatites at known lithium mines.**
- **New large zoned LCT pegmatites mapped at *Gloria* and *Stag,* south of *Lady Don* and *Triumph* to be drill tested in the upcoming drill program.**
- **New large pegmatites that are continuous and extend for several kilometres were identified at *Typhoon* and *Carnival* to the west and north of *Trident.***
- **New airborne geophysical datasets processed to assist geological mapping and drill targeting.**
- **Environmental and Cultural Heritage Assessments completed over a broad area at Trident.**
- **Subsequent to the reporting period, NSW Resource Regulator has approved the proposed 3,000 metre RC drilling program on Stelar Metals Trident Lithium Project in NSW.**
- **Stelar's first hard-rock lithium drilling program is scheduled to commence in early November**

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Critical minerals explorer Stelar Metals Limited (**ASX:SLB**) ("**Stelar**" or the "**Company**") is pleased to provide its Quarterly Activities Report for the Quarter ended 30 September 2023 (Quarter). Stelar is ready to discover highly prized minerals of lithium and battery metals needed to support the move to decarbonise the world that is experiencing unprecedented demand.

The Company's focus this Quarter has been advancing the Trident Lithium Project near Broken Hill in New South Wales. The Trident Project extends over a 20km strike length of the Euriowie Tin Pegmatite Field, which is prospective for hard-rock lithium mineralisation (Figure 1). Mapped LCT-type pegmatites vary in size but can be up to 100 metres wide and extend in outcrop for over 1 kilometre in length. Trident was one of Australia's first lithium mining provinces, with pegmatites that have historically been mined for lithium and tin, highlighting both the fertility and large scale of the lithium-rich pegmatite system at Trident.

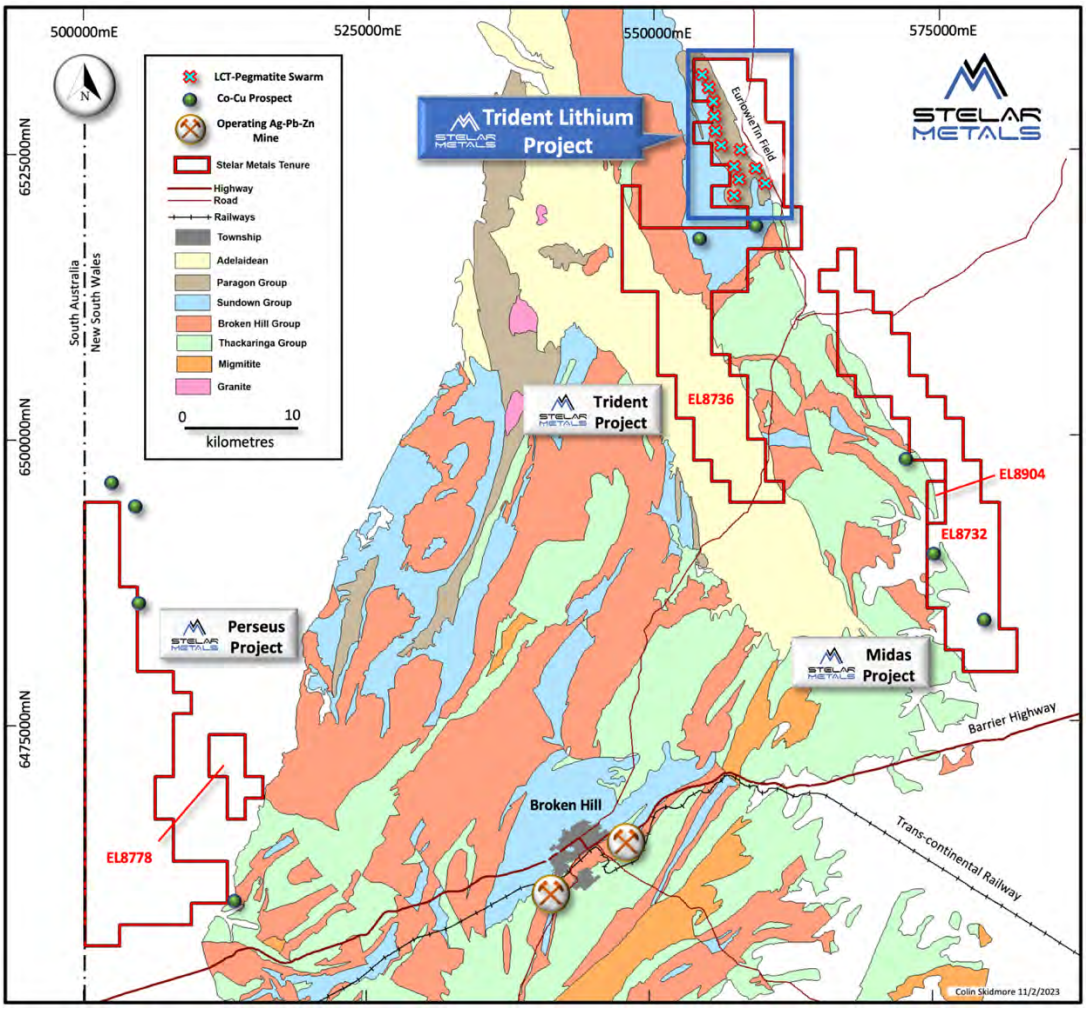

Figure 1: Location of Stelar's tenements and Trident Lithium Project near Broken Hill in NSW on simplified geology.

During the Quarter, the Company has been active at Trident, progressing the project towards an inaugural drill program scheduled to be completed Q4-2023. Work has included detailed geological mapping of the zoned LCT pegmatites, rock-chip and soil sampling, and environmental and cultural heritage studies culminating in the lodgement of a Drilling Application with the NSW Resource Regulator in September 2023.

Subsequent to the reporting period, the NSW Resource Regulator has approved the proposed inaugural drill program at the Trident Lithium Project. Additionally, all proposed areas have all been cleared for drilling by the Wilyakali Aboriginal Corporation.

NSW - Trident Lithium Project

Abundant pegmatite dykes, sills, veins and plugs dominated by quartz-albite-muscovite, intrude the rocks of folded Paragon and Sundown Groups within the Euriowie Pegmatite Field (Figures 1 and 2). The 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.

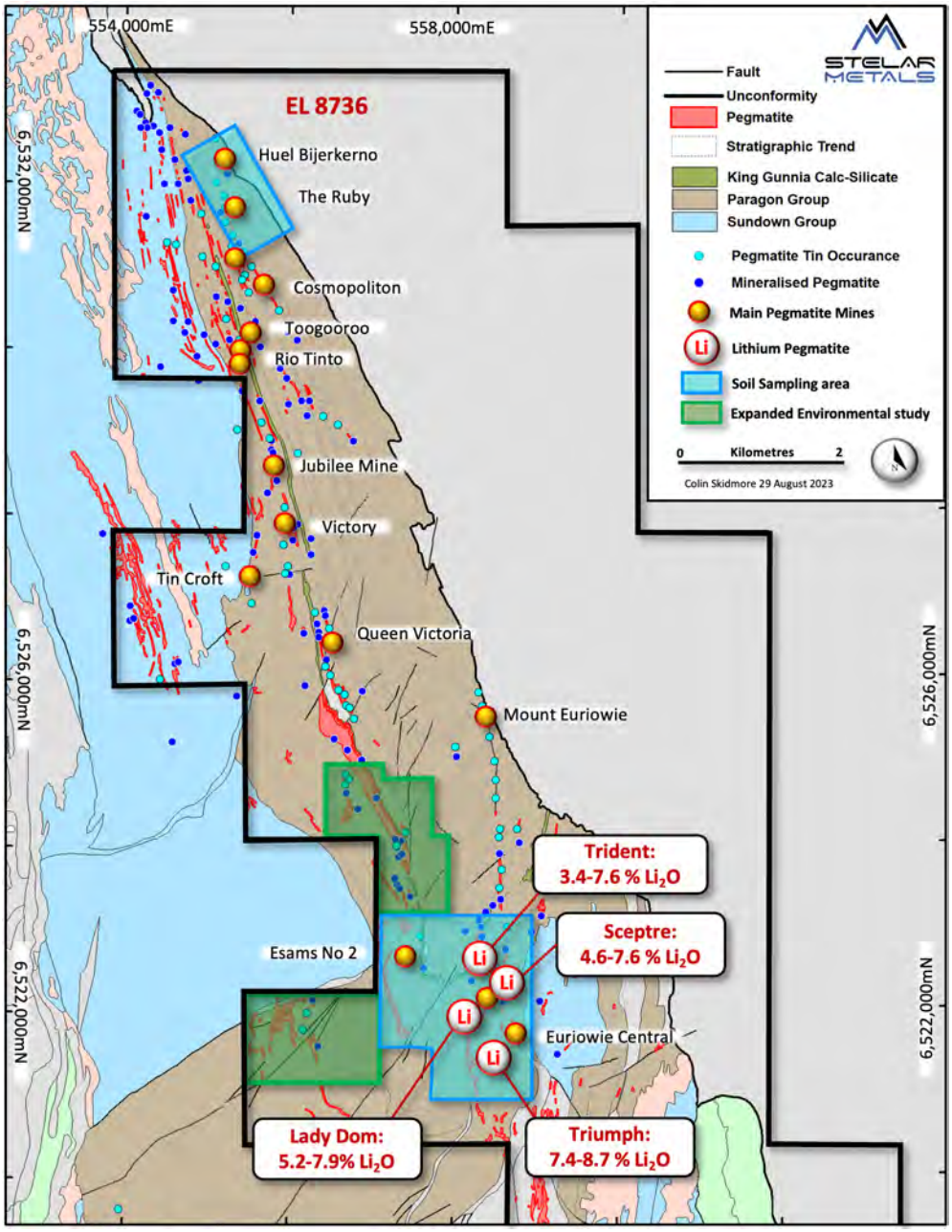

Figure 2: Trident Lithium Project showing the location of mapped pegmatites, mineral occurrences, soil sampling areas, Stelar's rock chip assay results, and expanded Environmental Assessment study areas.

Stelar's experienced lithium industry interpretation is consistent with previous explorers 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 the potential to host economic quantities of lithium.

Historic mining in the 1940s–1960s recovered amblygonite ore (lithium phosphate mineral) from Trident. Exploration in 2016 mapped visible lithium minerals in pegmatite outcrops that 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.

Trident Geological Mapping

The Company's geological team has mapped the main pegmatites in the Southern Trident Area (Figures 3 and 4). The mapping defines the pegmatite surface outlines, internal zonation and mineralogy. The pegmatite zonation mineralogy mapped at the Trident Lithium Project is consistent with the traditional LCT-pegmatite zonation in most economic hard-rock pegmatite lithium deposits. Structural mapping is also being undertaken to understand better the sub-surface orientation and potential morphology to optimise future drill targeting.

Figure 3 (top), illustrates the detailed mapping over the Trident Lithium Mine, which later faults have disjointed. The pegmatite is well-zoned and conforms with traditional zonation found in most economic hard-rock pegmatite lithium deposits. The pegmatites comprise an outer zone of coarse muscovite dominant feldspar-quartz pegmatite, which variably transitions to no micas and massive perthitic feldspar (albite) – quartz pegmatite. A course tourmaline-rich pegmatite occurs in the southern area only at Trident. Zones of chlorite and sericite alteration are evident in several of the historic small excavations through this zone, which transitions to include massive clots of amblygonite and potentially other exotic minerals such as caesium-bearing beryl which would have been incompatible in the evolving fractionated pegmatite melt.

Structurally, the Trident pegmatite dips steeply east with a recorded southerly plunge. Polyphase folding is evident at both micro- and macro-scale, as is pinching-and-swelling commonly found at lithium deposits such as Greenbushes and Finniss.

Within the excavations at Trident, due to subsequent weathering and reburial by mine waste, it is difficult to assess the extent of coarse clay inclusions that may potentially have resulted from the weathering of spodumene and feldspars. Immediately adjacent to the mineralised zone is a barren quartz core, which can be reliably mapped along the length of the pegmatite. In some instances, however, the mineralised quartz-feldspar zone can be encapsulated by barren quartz. Evidence of metasomatism extends up to tens of metres from the pegmatites into the Paragon Group metasedimentary schist country rock.

Detailed mapping has also been completed at *Sceptre, Lady Don, Triumph, Stag* and *Gloria (*Figure 3 - bottom). New large, zoned pegmatites have been mapped south of *Triumph* at *Stag* and *Gloria* that appear semi-continuous with the *Lady Don* and *Triumph* folded pegmatite system. Stag and Gloria's zonation is more complex, with multiple quartz cores and mappable units within the Intermediate Zone. It is noted that there has been very little historical mining in this southern area, with only two shallow pits evident at *Triumph* and the single isolated Euriowie Central Shaft on the margin of *Herald*. The scale and internal zoned mineralogy elevate the prioritisation of this area for drilling in the inaugural drill program.

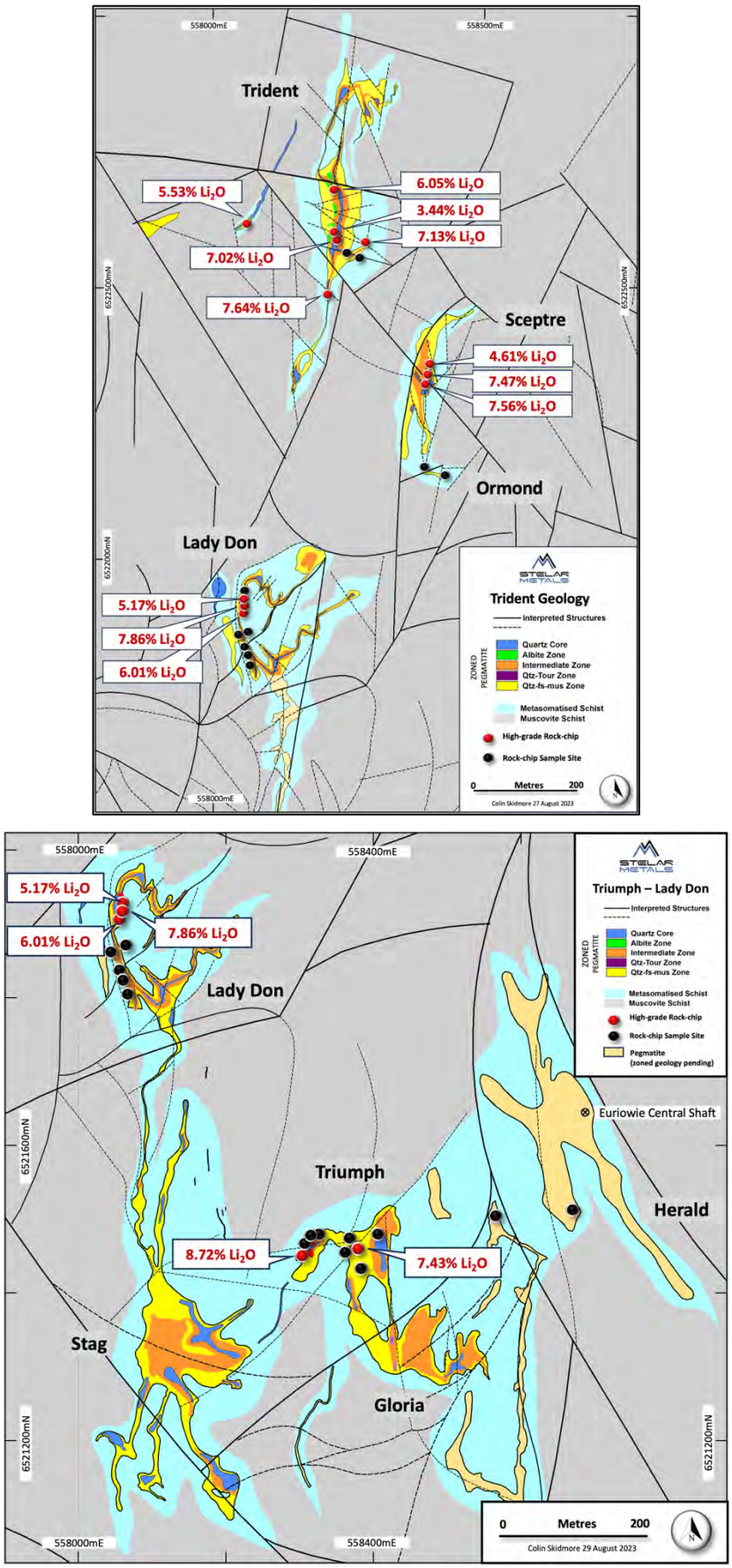

Figure 3: Rock Chip sampling and detailed zoned pegmatite mapping. Top: Trident, Sceptre, Lady Don and Ormond . Bottom: Triumph Area showing the newly recognised large *Stag*, *Gloria* and *Herald* pegmatites.

Reconnaissance mapping has also identified large new pegmatite systems to the west and north of the main Trident area (Figure 4). *Typhoon* towards the western border of EL 8736 includes thick massive pegmatites that wrap into a major east-north-east trending structure that crosses the tenement. Quartz cores and mineralogy consistent with Intermediate zones were noted. Splays of this major structure may also accommodate granitic plutons, which could contribute to the sources of lithium within the Euriowie Pegmatite Field. *Carnival*, located north of *Esams No 2*, has been walked out and extends for nearly 3 kilometres before terminating on a major cross-cutting structure on the north. Again, quartz cores and heterogeneous Intermediate zones were noted along the extent of the *Carnival* pegmatite, with further mapping and sampling required.

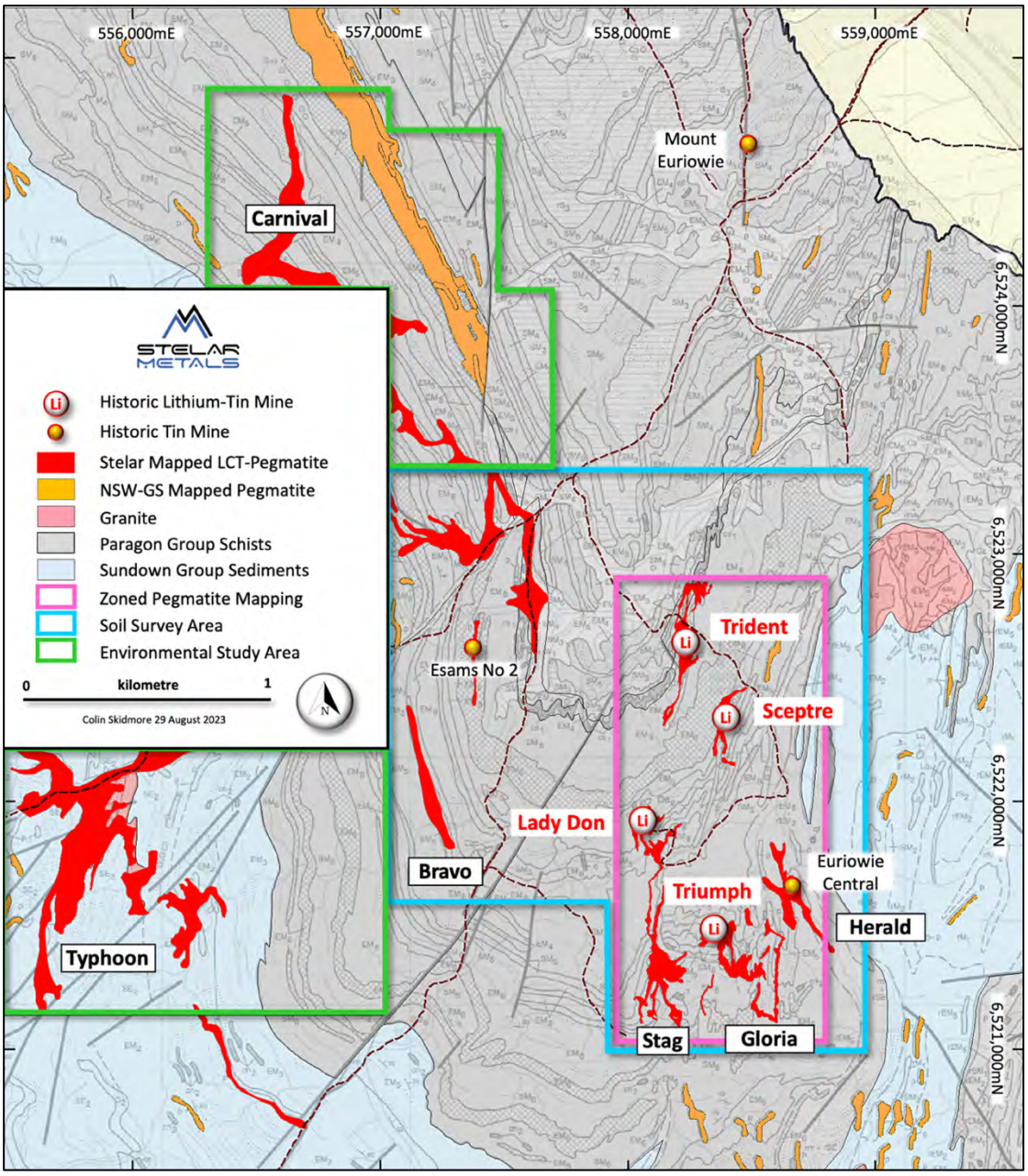

Figure 4: Southern Trident Area – Distribution of SLB mapped pegmatites, NSW-GS mapped pegmatites, detailed mapping areas, soil sampling area and extended environmental assessment area on simplified NSW-GS 1:25,000 geology.

Trident Rock-chip Sampling

Rock chip samples, including mine waste specimens, were collected on reconnaissance field visits in July and August 2023 to confirm lithium mineralisation near the historic workings and test regional exposures of pegmatite (Figure 3 and Table 1). Samples were submitted to Intertek in Adelaide for 4-acid digest, and 48-element analysis using ICP OES and MS. Over-range samples were sent to Perth for lithium analysis by sodium peroxide fusion in a zirconium crucible.

The majority of the high-grade lithium rock chips are also elevated in phosphorous, indicating the presence of coarse amblygonite (lithium-aluminium phosphate) crystals at the surface. At *Triumph*, purple lepidolite (lithium phyllosilicate) has also been recognised in hand specimens. In large lithium pegmatite systems, amblygonite and lepidolite commonly occur in association with spodumene (lithium-aluminium silicate), typically the primary economic lithium mineral extracted in modern lithium mining operations. However, spodumene is relatively unstable in the oxidised weathering environment and quickly weathers to smectite clay. Spodumene is often only identified in the system after deeper drilling.

Amblygonite is interpreted as a strong indicator of lithium fertility for spodumene and other lithium minerals within the large 20km x 10km pegmatite system at Trident because lithium mineralisation in pegmatite systems is zoned. For example, amblygonite was mined historically from lithium pegmatites at the Finniss Lithium Project (ASX:CXO) in the NT and also from the Groto Do Cirilo (NASDAQ : SGML) and Salinas Lithium Projects (ASX:LRS) in Minas Gerais in Brazil, which are now world-class spodumene mining districts.

Trident Soil Sampling

Soil sampling was undertaken in two areas within the Euriowie Pegmatite Field (Figure 2). In the Northern Area, 1,212 soil samples (including QAQC) were collected on 40-80m spaced east-west traverses over *Huel Bijerkerno* and *The Ruby* historic tin mines. This area was selected as very little historical exploration work has been done. Yet, Huel *Bijerkerno* was one of the largest and most productive tin mines in the Euriowie Tin Field. In the Southern Area, 1,772 soil samples (including QAQC) were collected on east-west soil traverses, which extended over *Trident, Sceptre, Lady Don, Triumph, Esams No 2, Stag, Gloria* and *Herald* pegmatites.

Routine analysis of soil samples was done by Niton XL5 plus portable XRF calibrated for REE and Cs. For verification purposes and QAQC, a single line of soils over the Trident Lithium Mine was collected at the start of the program, which was initially analysed in-house using the Company's portable XRF and then sent to Intertek in Adelaide for multi-element analysis using the same analysis technique as the rock-chips. Whilst portable XRF cannot detect light elements such as lithium, other LCT-pegmatite associated elements such as Cs-Rb-Sn-Ta along with the major rock-forming elements and ratios such as rubidium levelled potassium, provide meaningful datasets to assist with prioritisation of pegmatites for detailed investigation. Table 2 shows that the main outcropping pegmatite at the Trident Lithium Mine returned over 1,500 ppm Li, consistent with the nearby rock-chip results.

Sample Number	Easting	Northing	Li_2O %	Li ppm	K/Rb	Cs ppm	Rb ppm	Sn ppm	Ta ppm	P %
Trident Rock-chips										
R4013	558223	6522591	**7.02%**	32,600	40	2.1	30.76	28.6	24.35	19.1%
R4014	558211	6522488	**7.64%**	35,500	34	3.43	40.85	44.5	69.44	19.3%
R4019	558061	6522620	**5.53%**	25,700	40	0.88	6.52	29.8	19.81	18.1%
R4020	558279	6522582	**7.13%**	33,100	35	6.11	61.37	32.9	16.77	19.1%
R4021	558245	6522566	0.04%	204.2	63	25.09	80.22	23.6	15.04	0.14%
R4022	558269	6522556	0.48%	2,225.1	62	0.17	1.33	23.5	41.02	15.8%
R4025	558225	6522681	**6.05%**	28,100	80	2.76	10.89	32.6	43.55	14.7%
R4053	558222	6522597	**3.44%**	16,000	35	1.64	30.43	17.7	36.88	16.17%
Lady Don Rock-chips										
R4040	558047	6521861	0.01%	25.2	24	21.26	138.86	14.7	8.07	0.4%
R4041	558062	6521826	0.01%	23.3	36	10.9	60.65	8.8	14.56	0.19%
R4042	558059	6521836	0.01%	31.4	17	43.27	362.09	45.8	39.44	0.21%
R4045	558062	6521868	0.01%	43.3	34	16.35	120.26	21.5	5.09	0.16%
R4046	558058	6521939	0.02%	87.5	57	59.63	1,208	62.2	1.82	0.38%
R4052	558070	6521805	0.01%	45.9	35	15.96	70.67	13	5.73	0.07%
R4061	558057	6521932	**5.17%**	24,000	38	8.11	197.4	31.4	88.75	16.79%
R4062	558056	6521922	**7.86%**	36,500	98	2.24	35	32.4	65.57	18.81%
R4065	558054	6521908	**6.01%**	27,900	35	28.35	192.68	35.5	68.06	17.19%
Sceptre / Ormond Rock-chips										
R4049	558391	6522328	**7.56%**	35,100	32	5.14	41.17	36.5	138.54	18.23%
R4050	558393	6522334	**7.47%**	34,700	40	4.82	36.01	39	65.8	18.51%
R4060	558398	6522357	**4.61%**	21,400	33	9.08	132.48	30.6	54	15.53%
R4047	558426	6522155	0.01%	43.4	55	21.3	408.33	84.2	1.25	0.32%
R4048	558390	6522170	0.02%	70.5	34	47.91	193.91	28.2	32.26	0.36%
Triumph Rock-chips										
R4028	558383	6521433	0.01%	24.9	38	5.4	109.05	11.5	6.74	0.16%
R4029	558363	6521459	0.1%	473.2	22	1394.81	3411.9	257.1	42.63	0.22%
R4030	558364	6521457	0.16%	759.8	28	433.11	2774.4	242.5	49.44	0.04%
R4031	558367	6521455	0.08%	354.4	52	67.1	1,462.78	80.6	1.52	0.25%
R4032	558367	6521455	-	21.5	56	81.65	1,620.74	26.4	1.69	0.18%
R4033	558379	6521463	0.01%	34.5	62	54.2	1,404.48	16.9	2.35	0.21%
R4034	558369	6521471	0%	11.2	62	56.14	1,232.57	9.9	0.73	0.14%
R4059	558370	6521459	0.13%	612.6	48	26.6	656.97	113.8	4.14	1.85%
R4066	558373	6521461	**7.43%**	34,500	69	3.26	51.74	26.6	10.88	18.83%
R4035	558316	6521452	0.01%	41.8	69	27.38	1,098.84	25.2	1.07	0.18%
R4036	558306	6521454	-	13.3	70	43.99	1,067.26	14.9	0.7	0.16%
R4037	558317	6521467	-	5.5	74	89.83	1,287.01	10.2	1.16	0.16%
R4038	558325	6521474	-	11.8	84	33.04	908.49	12.9	0.9	0.16%
R4039	558406	6521480	-	10.4	62	59.8	1,188.92	20.9	7.45	0.18%
R4056	558311	6521452	**8.72%**	40,500	132	0.73	5.09	29.9	21.29	19.65%
R4057	558315	6521456	0.01%	35	83	21.77	1,116.33	10.3	0.39	0.21%
R4058	558306	6521458	0.57%	2,636.4	38	31.78	673.92	117	3.64	12.7%
R4026	558672	6521513	-	11.8	87	3.53	44.23	8.4	3.12	0.11%
R4027	558565	6521504	-	11.6	34	18.27	127.47	14.5	2.74	0.03%
Esams No 2 Rock-chips										
R4054	557385	6522677	0.03%	153.6	70	47.16	212.81	73.3	9.03	0.38%
R4055	557382	6522646	0.14%	636.5	42	8.09	194.7	22.4	13.77	12.31%

Table 1: Reconnaissance rock-chip assay results for selected elements.

Sample Number	Easting	Northing	Li ppm	K/Rb	Cs ppm	Rb ppm	Sn ppm	Ta ppm	P ppm
403002	558100	6522600	57.4	150	11.44	104.2	1.9	1.31	182
403004	558110	6522600	55.6	146	12.63	124.59	3	0.67	225
403005	558120	6522600	52.6	150	11.68	130.74	2.8	0.68	249
403006	558130	6522600	59.6	170	14.71	157.31	3.5	0.48	296
403007	558140	6522600	81.1	139	25.66	179.68	6.2	1.02	445
403008	558150	6522600	76.6	137	23.79	161.69	5.3	4.45	369
403009	558160	6522600	80.9	127	27	176.06	5.8	7.02	416
403010	558170	6522600	101.5	103	31.98	219.28	11.3	2.28	341
403011	558180	6522600	119.1	87	41.59	260.38	14.4	11.12	388
403012	558190	6522600	158.5	86	37.49	233.47	12.6	37.42	1232
403013	558200	6522600	123	108	47.3	266.41	8.2	5.22	377
403014	558210	6522600	**1,504.7**	37	17.65	160.5	8.5	4.27	2.3%
403015	558220	6522600	**1,756.8**	29	80.62	672.8	33.2	57.7	3.1%
403016	558230	6522600	**212.4**	20	126.11	525.09	51.1	**1,481.41**	3,161
403017	558240	6522600	**207.9**	50	82.02	408.52	29.2	190.62	873
403018	558250	6522600	199.3	57	75.94	382.05	32.5	56.73	560
403019	558260	6522600	219	56	72.74	371.26	21.5	40.68	523
403020	558270	6522600	159.1	34	63.77	370.37	33	22.1	501
403021	558280	6522600	**381.7**	26	137.01	959.76	93.5	30.02	481
403022	558290	6522600	139.6	27	63.36	387.88	37	42.15	919
403023	558300	6522600	177.8	74	54.06	276.93	17.9	36.51	379
403025	558310	6522600	176.3	79	52.35	264.3	16.1	8.63	415
403026	558320	6522600	158.7	76	49.42	259.82	17.4	8.53	395
403027	558330	6522600	100.6	101	52.75	265.97	16.5	43.18	406
403029	558340	6522600	161.7	38	106.82	676.94	130.3	25.56	1,479
403030	558350	6522600	101.6	77	42.21	211.07	21.5	7.11	496
403031	558360	6522600	128.4	80	49.27	248.73	25.3	20.97	409
403032	558370	6522600	78.1	124	32.39	187.06	11.6	10.86	407

Table 2: Orientation soil assay results (selected elements).

Trident Geophysical Processing and Interpretation

In collaboration with SensOre Limited (ASX:S3N), who were granted funding through the NSW Critical Minerals and High-Tech Metals Activation Fund, high-resolution magnetics and 256 channel radiometric datasets were collected over the entire Euriowie Pegmatite Field in May 2023, which Thomson Aviation flew. The 2,160-line kilometre airborne survey was flown on 40m spaced east-west flight lines with a nominal 40m terrain clearance and included 400m north-south tie-lines.

David McInnes of Montana Geoscience has completed advanced processing of the new raw datasets to generate an extensive suite of high-level derivatives and an initial regional structural interpretation, as illustrated in Figure 5. These derivatives of the high-resolution geophysics will underpin a comprehensive analysis of the regional structural framework to identify and prioritise a large number of structural pegmatite targets and assess its influence on the morphology and orientation of the prospective lithium pegmatites.

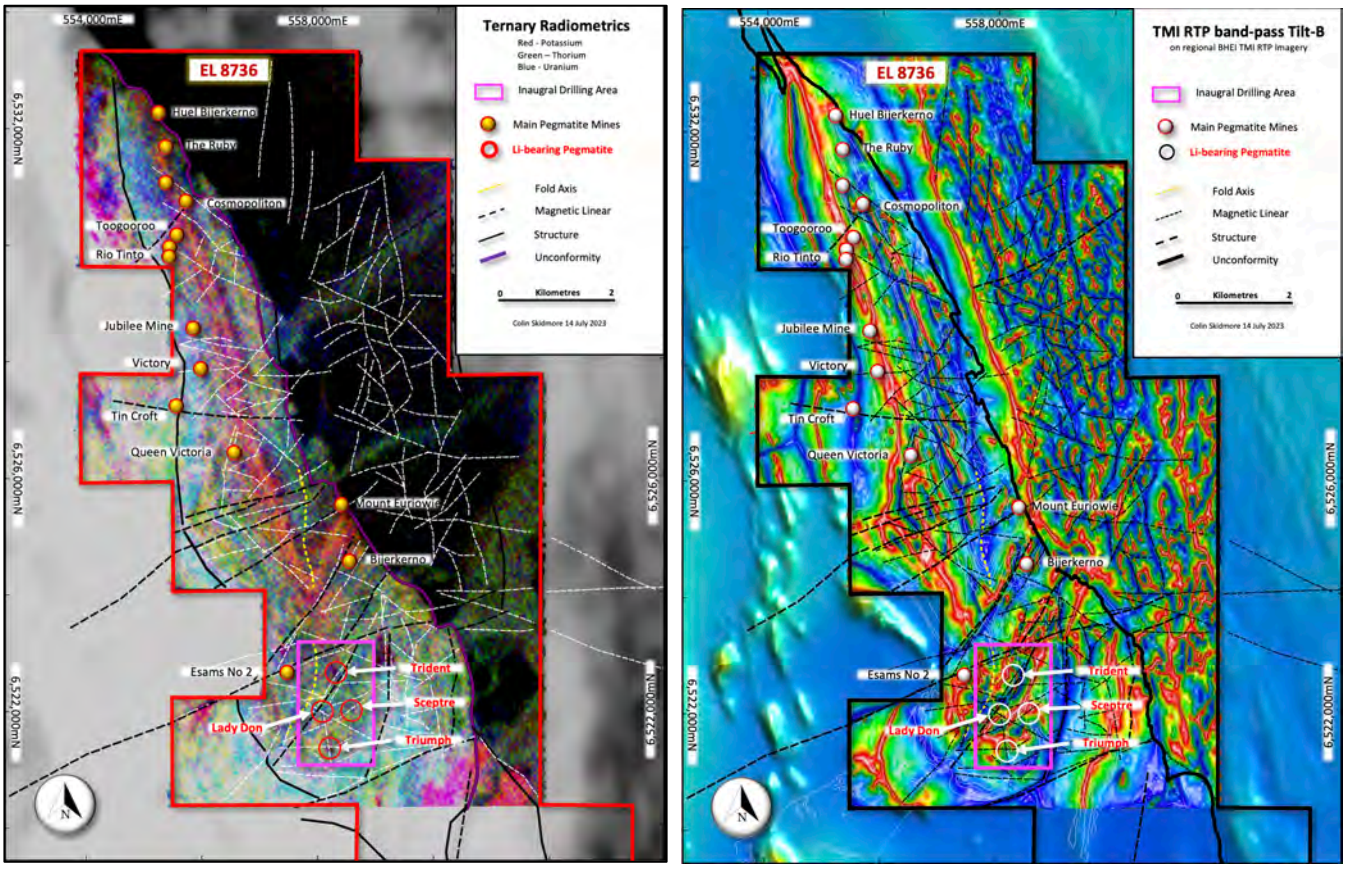

Figure 5: Ternary K-Th-U radiometric imagery (left) and Derivative processed magnetics (right) with preliminary regional structural interpretation.

SensOre, who is looking for new approaches for remote sensing of lithium-related minerals, is still processing the recently acquired geophysical and geochemical datasets using advanced Artificial Intelligence (AI) and Machine Learning.

Trident Drilling Approvals

The Company engaged Hughes Mining Services and Orthosa Mineral Exploration Services to assist and coordinate the "*Approval to Undertake Assessable Prospecting Operations*" (APO) drilling application submission to the NSW Resources Regulator. During the Quarter, the Company compiled the necessary supporting documentation to support a drilling approval under the NSW Resources Regulator's tiered and streamlined "Complying Exploration Activity" (CEA) assessment process. This process uses the self-assessment that the company undertakes to expedite approvals in areas where the potential impact on the environment, ecological communities and habitats, as well as Cultural and European heritage, is considered and can be demonstrated to be low.

Several Environmental Assessment Studies using a Broken Hill based, BAM-accredited ecologist and botanist were completed, and Environmental and Heritage Consultants from Dubbo assisted with cultural and heritage desktop studies. The Company has engaged with the Traditional Custodians and Pastoral Lease Holders, with the cultural heritage clearances being completed in early October.

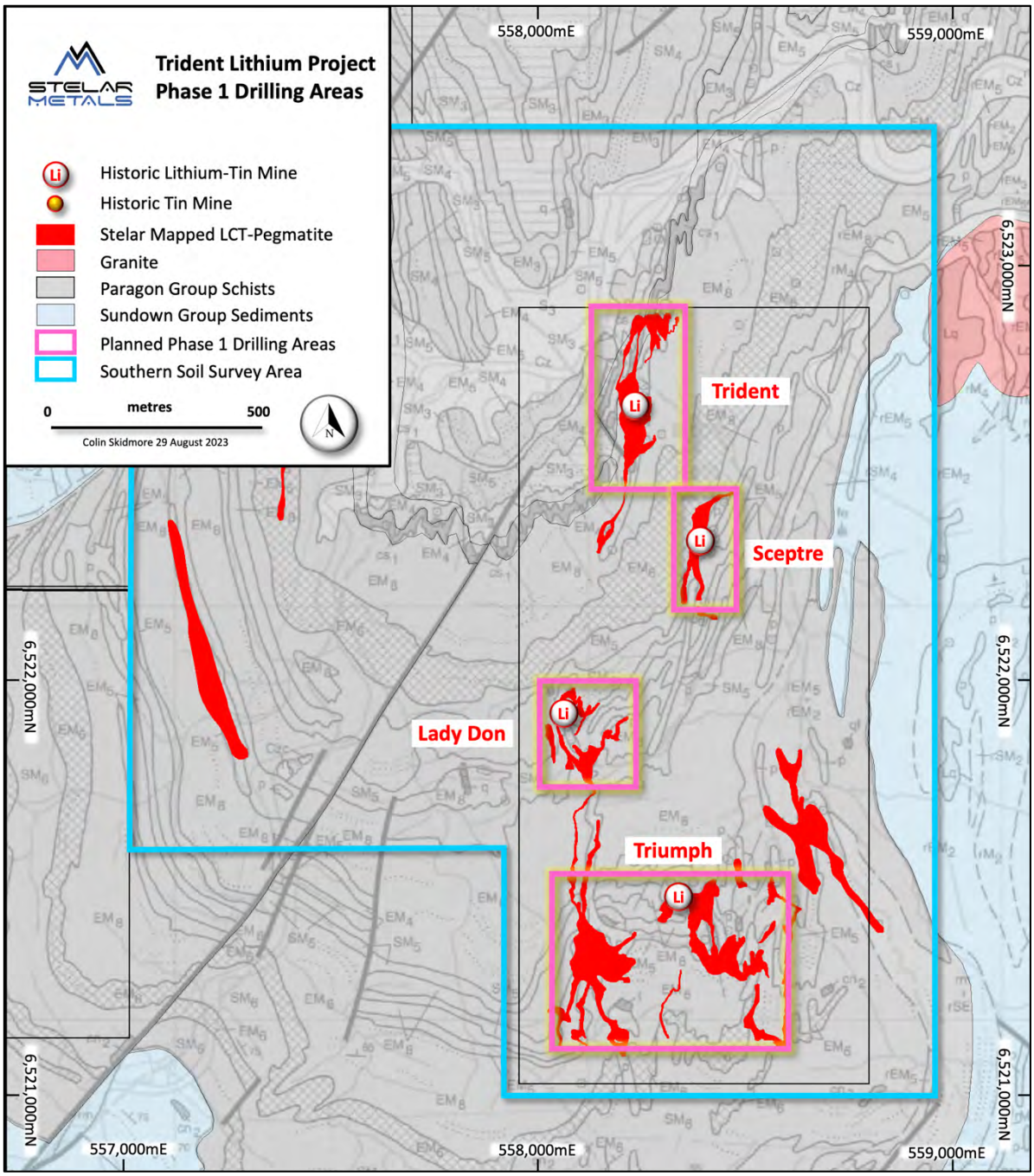

Figure 6: Trident Lithium Project showing the Phase 1 planned drill areas over *Trident, Sceptre, Lady Don* and *Triumph* Pegmatites

The drilling application, APO0001500, was lodged on 4th September with the NSW Resource Regulator for up to 19 drill sites to undertake a nominal 3,000 metres Reverse Circulation (RC) drilling program to test to depths up to 150 metres below the surface. The drill program is designed to be flexible to allow an initial assessment of the orientation and morphology of the known lithium-mineralised pegmatites at *Trident, Sceptre, Lady Don, Triumph, Stag and Gloria* (Figure 6). Additionally, targeting beneath the known shallow workings below the oxide zone will provide an opportunity to assess better the lithium mineral zoning in the Trident Pegmatite System and test for the presence of spodumene, which typically weathers away near surface.

Trident - The Next Steps

The Company received drilling approval and completed cultural heritage clearances in early October in preparation for the inaugural drilling program at the Trident Lithium Project, which is scheduled to commence in early November.

Detailed geological mapping of the Trident Pegmatites is ongoing, and expert structural geology consultants will assist in the final drill hole planning.

Reconnaissance mapping of the Euriowie Pegmatite Field will continue in parallel with the upcoming drill program during the next Quarter.

NSW – Midas and Perseus Projects

No work was undertaken this Quarter.

South Australian Projects

No work has been undertaken on the South Australian tenements this Quarter (Figure 7). Tenure renewals for the Linda Project and Torrens Project (Bills Lookout) have been lodged with the South Australian Department for Energy and Mining (DEM).

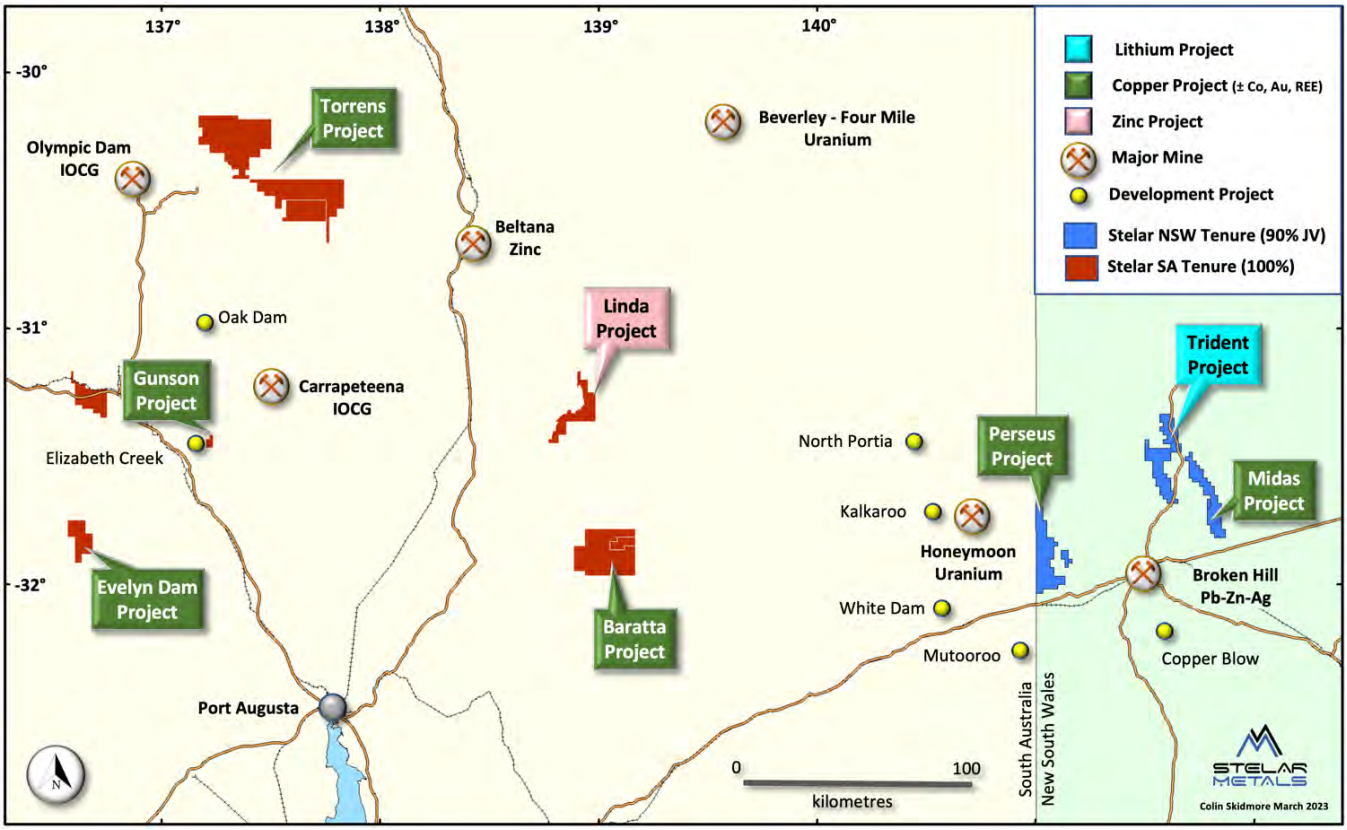

Figure 7: Stelar's exploration projects in South Australia and New South Wales.

Linda and Baratta Projects

Since The Company was listed in March 2022, the Company has been limited to undertaking low-impact work only at both the Linda and Baratta Projects as DEM is unable to consider approving an Exploration Program for Environment Protection and Rehabilitation (E-PEPR), which is required for ground disturbing work including drilling. The E-PEPR process is blocked as the Adnyamathanha Traditional Lands Association (ATLA), who have registered Native Title over a large area in South Australia that includes these projects areas, have been placed in Special Administration since March 2020 and cannot negotiate a Native Title Management Agreement (NTMA). A registered NTMA is a prerequisite for an E-PEPR.

The ATLA Special Administration has already been extended eight times and unless additional extensions are granted it is currently listed to expire on 30 June 2024. Subsequently, the Company is seeking *Retention Status* for the affected tenure so it can retain without expenditure commitments until ATLA can negotiate an NTMA and the Company can seek drilling approvals for both Linda and Baratta Projects.

Torrens Project

Stelar's Torrens Project extends over the northern portion of Lake Torrens, an extensive 5,745km^2 salt lake system in South Australia. Stelar identified potential IOCG geophysical targets located under the salt lake.

In March 2022, when the Company was admitted to the ASX, it was encouraged that Argonaut Resources had been granted drilling approvals in December 2020 and had successfully collared a hole on Lake Torrens at their Murdie Project, targeting IOCG mineralisation to the south of Stelar's tenure. However, in August 2022, the South Australian Supreme Court overturned the decision by the then Premier and Minister for Aboriginal Affairs to allow exploration work, including drilling on Lake Torrens. The Supreme Court's ruling has been listed for appeal, but until this matter is resolved, exploration work cannot be undertaken on the lake surface, and Stelar's targets cannot be tested. Subsequently, the Company plans to apply for *Retention Status* for the Torrens Project.

Gunson Project

This project was granted as two exploration licences in late 2022. The company has engaged with stakeholders, including the South Australian Department for Environment and Water (SADEW) and the Kokatha Aboriginal Corporation (KAC), as it initially plans to collect high-resolution gravity data to define future drill targets.

Evelyn Dam

Stelar's hole EVE002 has been fully rehabilitated, and the drill core has been submitted to the Adelaide Core Library for preservation. The Company is still looking for a joint venture partner to assist in funding a much deeper drill program to test the large Evelyn Dam gravity anomaly.

CORPORATE

Placement

On 22 September 2023, the Company issued 9,046,670 ordinary shares to institutional and sophisticated investors at an issue price of $0.30 per share, raising $2,714,000 before costs. 4,006,246 shares were issued under the Company's remaining capacity under Listing Rule 7.1, and 5,040,424 shares were issued out of the Company's additional placement capacity under Listing Rile 7.1A. In addition, and subject to the receipt of shareholder approval at the upcoming Annual General Meeting to be held on 29 November 2023, 500,000 shares will also be issued to Non-Executive Chairman Mr Stephen Biggins as a participant in the placement. The funds raised from the placement will be used to support the extensive exploration planned at Trident.

Cash

On 30 September 2023, Stelar Metals had a cash balance of $5.452 million.

ASX Additional Information

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

1. **ASX Listing Rule 5.3.1:**

   Exploration and Evaluation Expenditure during the quarter was $225,473. Of this, $199,891 relates to costs associated with the recently acquired NSW Projects, the balance relating to the remaining SA Projects, project generation, and general exploration administration expenditures.

2. **ASX Listing Rule 5.3.2:**

   The Company confirms that there were 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.

4. **ASX Listing Rule 5.3.5:**

   Payment to related parties of the Company and their associates during the quarter was $24,750 in cash. The Company advises that this relates to the remuneration of Directors only. Please see the Remuneration Report in the Company's Prospectus and Annual Reports for further details on Directors' Remuneration.

Use of Funds	Estimate of the first 2 years after ASX Admission $	Actual Expenditure to Jun 2023 $	Actual Expenditure Sept Quarter 2023 $	Balance Remaining $
Evelyn Dam Project Exploration	2,050,000	819,842	5,227	1,224,931
Linda Zinc Project Exploration	1,740,000	327,762	5,638	1,406,600
Torrens Project Exploration	565,000	66,838	2,067	496,095
Baratta Project Exploration	835,000	97,695	5,262	732,043
Gunson Project Exploration	490,000	23,359	7,388	459,253
Acquisition of NSW Projects	-	250,000	-	(250,000)
NSW Projects exploration	-	301,927	199,891	(501,818)
Expenses of the Offer	779,114	626,915	-	152,199
Admin costs and working capital	1,002,216	1,192,235	193,318	(383,337)
Total	**7,461,330**	**3,706,573**	**418,791**	**3,335,966**

Annual General Meeting

The 2023 Annual General Meeting will be held on 29 November 2023 at Grant Thornton House, Level 3, 170 Frome Street, Adelaide, South Australia commencing 11.00am ACDT.

Tenements

Under 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	Stuart 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:

Colin Skidmore
Chief Executive Officer, Stelar Metals Limited

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ABOUT STELAR METALS

Stelar Metals' experienced and successful lithium exploration and development team is targeting the discovery and production of the critical mineral lithium that is rapidly increasing in global demand to enable the world to achieve net zero emissions.

Stelar's Trident Lithium Project is located near mining, industrial, transport and green power infrastructure at Broken Hill in NSW. The Trident Lithium Project extends over the 20km strike length of the Euriowie Tin Pegmatite Field and is highly prospective for hard-rock lithium mineralisation (Figure 1). Mapped LCT-type pegmatites vary in size but can be up to 100 metres wide and extend in outcrop for over 1 kilometre in length. Trident was one of the first lithium and tin mining provinces in Australia, which highlights both the fertility and large scale of Stelar's lithium-rich pegmatite system.

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.

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	30 SEPTEMBER 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 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*	(66)	(66)
	(e) administration and corporate costs	(158)	(158)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	22	22
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (ATO BAS refund May 22 – Apr 23)	-	-
1.9	**Net cash from / (used in) operating activities**	**(202)**	**(202)**

* 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	-	-
	(c) property, plant and equipment	(78)	(78)
	(d) exploration & evaluation (if capitalised)	(222)	(222)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(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**	**(300)**	**(300)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,714	2,714
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	(193)	(193)
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**	**2,521**	**2,521**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,433	3.433
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(202)	(202)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(300)	(300)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,521	2,521

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**5,452**	**5,452**

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	3,430	1,433
5.2	Call deposits	2,022	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)**	**5,452**	**3,433**

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	25
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)	(202)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(222)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(424)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	5,452
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	5,452
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	12.86

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: 31 October 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.