

DRILLING ACCELERATES AT HEEMSKIRK TIN PROJECT

THREE DIAMOND DRILL RIGS NOW OPERATING

Stellar Resources Limited (ASX: SRZ, “Stellar” or the “Company”) is pleased to announce an update to work programs at its 100% owned Heemskirk Tin Project, in Western Tasmania.

HIGHLIGHTS:

- Diamond drilling program progressing, with 2,723 metres completed in 7 holes of the planned **24-hole program for ~ 9,500m¹**.
- A **third diamond drill rig now mobilised** to site to accelerate the program with first assays expected in November.
- Drilling is targeting the Severn and Queen Hill deposits, focusing on
 - upgrading additional resources to the Indicated category,
 - extending mineralisation along trend, and to
 - provide platforms for down hole electromagnetic (DHEM) surveys.
- **Prefeasibility Study** (PFS) underway with the drilling program providing key study inputs, including samples for metallurgical and ore sorting test work, geotechnical inputs and to provide a platform for hydrological studies.
- **Metallurgical and Ore Sorting** test work programs underway with an initial 489kg of Severn diamond core samples despatched.
- **Successful Ore Sorting** bench scale first pass test work by Stellar in 2018 indicated that 90% of contained tin can be recovered in 50% of the mass (ie 50% of the mass is rejected as waste) with an **increase in head grade from 1.27% to 2.23% tin²**.
- **Environmental Baseline studies** underway.
- The Heemskirk 2023 Mineral Resource Estimate (MRE) amounts to **7.48Mt @ 1.04% Sn (77.82kt contained tin)³** ranking it as the highest-grade undeveloped tin resource in Australia and third globally.
- The Company is well funded with **\$12.3 million in cash** at end of August 2024.

¹ SRZ ASX Announcement 16 July 2024 – Drilling Commenced at Heemskirk Tin Project

² SRZ ASX Announcement 28 February 2018 - Ore Sorting Benefits Heemskirk Tin

³ SRZ ASX Announcement 4 September 2023 – Heemskirk Tin Project MRE Update

Stellar’s Managing Director Mr Simon Taylor commented:

"Work is progressing well at our flagship Heemskirk Tin Project and a significant infill and extensional diamond drilling program is now further accelerated with a third drill rig now mobilised to site. The drilling is designed to accelerate us through Prefeasibility Studies to make Heemskirk development ready.

"Whilst drilling is focused on upgrading additional tonnes from the Inferred to the Indicated Resource category, we are also excited about completing down hole electromagnetic surveys once we have the suitable drill platforms in place to explore for extensions with which to expand the resource.

"In tandem we have sent off the first samples for both ore sorting and metallurgical test work for analysis to assist in achieving better recoveries and data to further help selecting an appropriate plant size.

"The first results from the drilling program should be available in November and results from ore sorting and metallurgical test work over the December and March quarters."



Figure 1 – Diamond Drill Rig at Queen Hill Deposit

Heemskirk Infill and Extensional Drilling:

Stellar is progressing an extensive diamond drill program with 2,723 metres completed in 7 of the holes in the planned 24-hole program for ~9,500m at the Severn and Queen Hill Deposits. The Company has now mobilised a third rig to site to further accelerate the program with first assays expected in November.

The drilling program is designed to progress Heemskirk towards development by providing key technical inputs for the PFS. Work is focused on:

- Upgrading additional resources from the inferred to the indicated category.
- Provision of material for metallurgical test work to further assess the effectiveness of ore sorting, develop ore body variability characteristics to decide on appropriate plant configuration and sizing, and allow assessment of tailings characteristics for design of tailings storage facilities or/and characteristics for backfilling during mining.
- Providing geotechnical rock properties and hydrological inputs to enable further detailed mine design development.
- Several holes are also testing promising targets along trend to further expand the high-grade zones of the resource. Holes around the margin of the deposit will be cased for DHEM providing the opportunity to discover continuations or offsets on mineralised zones around the existing MRE.

Ore Sorting Work Program

In 2017-18 Stellar completed first pass bench scale ore sorting test work^{2 4} using samples from the Severn and Lower Queen Hill tin deposits.

Results from initial work using both TOMRA (2017) and Steinert KSS (2018) technologies were highly encouraging with significant waste rejection and increased head grade with only moderate tin losses.

TOMRA (2017)

Testwork on material from Lower Queen Hill and Severn were undertaken. The Lower Queen Hill sample indicated:

- 79% of contained tin can be recovered in 57% of the mass

and the Severn sample indicated:

- 86% of contained tin can be recovered in 50% of the mass

⁴ SRZ ASX Announcement 12 January 2017 - Heemskirk Tin Ore Sorting Update

Steinert KSS Technology (2018)

In the case of the Severn samples results indicated that:

- 94% of contained tin can be recovered in 63% of the mass (ie 37% of the mass is rejected as waste) with an increase in head grade from 1.3% to 1.9% tin.
- Accepting lower tin recovery of 90% (for example), reduces mass recovery to 50% and increases head grade to 2.2%.
- Minimising mass recovery to 43%, reduces tin recovery to 87% but increases head grade to 2.5%.

Both of these trials were undertaken on small volumes of sample.

Stellar is now extending these initial results by undertaking larger variability sampling and testing over multiple samples to confirm its applicability across the whole deposit. An initial of 489 kg of diamond core from Severn has been sent for metallurgical and ore sorting test work with results expected in the December and March quarters. Further sample from Queen Hill will be tested as core from the current drilling program becomes available.

– ENDS –

This announcement is authorised for release to the market by the Board of Directors of Stellar Resources Limited.

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About Stellar Resources:

Stellar Resources (**ASX:SRZ**) is focused on developing its world class Heemskirk Tin Project located in the mining friendly jurisdiction of Zeehan, Western Tasmania. The Company has defined a substantial high-grade resource totalling **7.48Mt at 1.04% Sn, containing 77.87kt of tin**¹. This ranks the Heemskirk Project as the highest-grade undeveloped tin resource in Australia and third globally.

The focus for the Company is to complete exploration and resource drilling at the Heemskirk Project to further grow the resource and improve the confidence by defining more tonnes in the indicated and measured category. Currently, a large proportion of the resource is classified in the indicated category totalling 3.52Mt at 1.05% Sn for 37kt of contained tin.

Stellar also made a major discovery at its North Scamander Project in September 2023, with a maiden exploration drillhole intersecting a significant new high-grade silver, tin, zinc, lead and Indium polymetallic discovery. The Company has also delineated multiple down hole conductions via DHEM and FLEM surveys, providing high-priority follow up targets.

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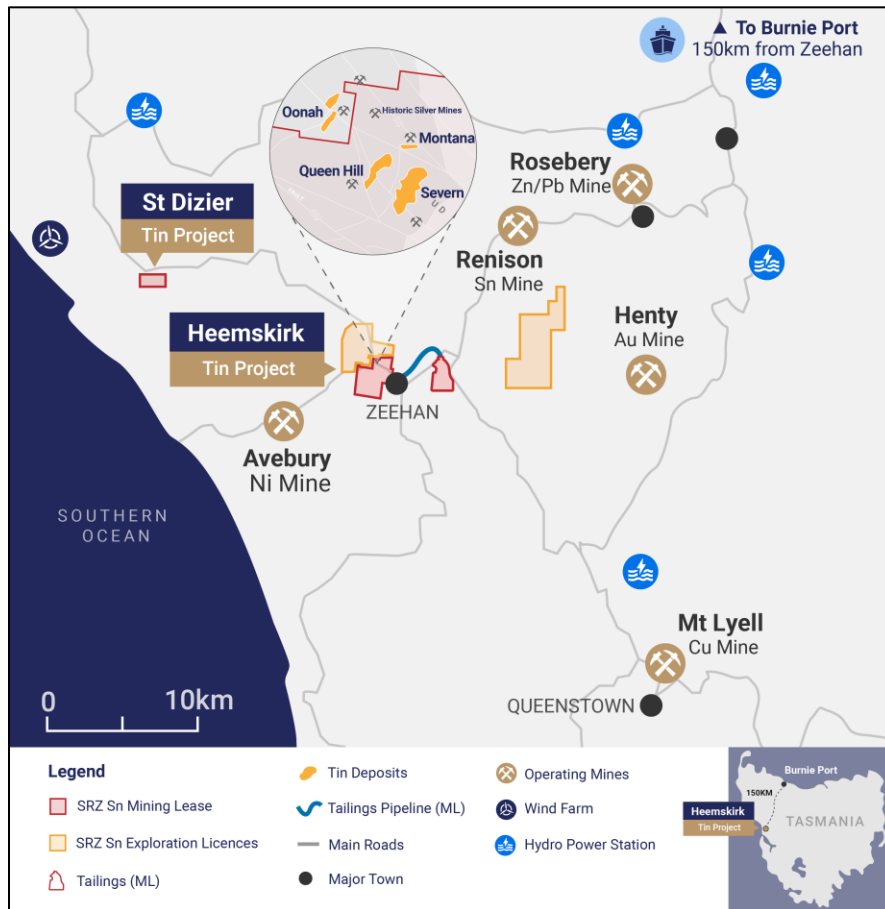


Figure 2 – Stellar Resources Heemskirk Tin Project Location

The Company confirms that it is not aware of any new information or data that materially affects the information included within this announcement.