



# **Stellar Resources Limited**

**ABN 96 108 758 961**

**Half-Year Report - 31 December 2024**

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Directors	Mr Mark Connelly (Non-Executive Chairman) Mr Simon Taylor (Managing Director) Mr Andrew Boyd (Executive Director) Mr Simon O'Loughlin (Non-Executive Director)
Company Secretary	Louisa Martino
Registered Office	Level 5 56 Pitt Street Sydney NSW 2000 Telephone: (02) 8823 3179
Principal place of business	Level 5 56 Pitt Street Sydney NSW 2000 Telephone: (02) 8823 3179
Share register	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000 Telephone: 1300 737 760
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000
Bankers	National Australia Bank 800 Bourke St Docklands VIC 3008
Stock exchange listing	Stellar Resources Limited shares are listed on the Australian Securities Exchange (ASX code: SRZ)
Website	<a href="http://www.stellarresources.com.au">www.stellarresources.com.au</a>

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# Review of Operations

The Company's primary focus during the reporting period was exploration and development activities at its 100% owned Heemskirk Tin Project in Western Tasmania. The Company is currently completing a Prefeasibility Study (PFS) due in 2H2025 and aims to be a producer of 3,000 to 3,500 tpa of payable tin over an initial 6 to 10 years, improving upon the base case 2024 Scoping Study of 1,900 tpa over a 12 year mine life.

## Heemskirk Tin Project

### Updated Scoping Study<sup>1</sup>

An updated Base Case Scoping Study was completed during the reporting period, which examines the potential development of the Heemskirk Tin Project. The Study results show robust economics for Heemskirk and confirms the Company's strategy to commence a PFS with workstreams underway.

The Scoping Study resulted in:

- Potential for the Heemskirk Tin Project to generate solid Base Case financial returns over a **12 year mine life**, at an average production rate of **350ktpa**, producing **22,818t of tin** in concentrate over the Life of Mine (LOM).
- Competitive LOM all in sustaining costs (AISC) of approximately **US\$18,260/tonne** of recovered tin (all-inclusive to a sold product).
- Low capital cost requirement of approximately **A\$71 million**.
- Base Case pre-tax **NPV8% of A\$122m** and pre-tax **IRR of 33%** at US\$28,000/t tin price.
- Spot Price pre-tax **NPV8% of A\$190m** and pre-tax **IRR of 46%** at US\$32,000/t tin price.
- **Low environmental impact** – underground mine, small surface footprint and 100% renewable power.
- Significant additional upside potential through re-classification of large Inferred Mineral Resource<sup>1</sup> (**3.96Mt @1.03% Sn (40,881t contained tin)**) not included in Base Case study.

The Scoping Study is based on the development of an underground mine, processing plant, tailings storage facility and surface infrastructure to mine ore from the Queen Hill and Severn tin deposits (2 of the 4 Heemskirk deposits), producing tin concentrate to be trucked to the port of Burnie for export. The Study has been updated from the 2019 Study, incorporating the September 2023 Mineral Resource Estimate (MRE)<sup>2</sup> and utilising Indicated Resource<sup>3</sup> for scheduling over a 12 year mine-life, as well as updated capital and operating estimates.

First ore to the processing plant is expected to occur approximately 6 months from the start of decline development and concentrate sales should commence approximately 3 months later.

Incorporation of Inferred resource classification material into the mining schedule would result in a mine life of over 20 years at the investigated 350ktpa production rate. Review of the mining production rates indicate that mining at over 750ktpa could be achievable allowing for increased production scenarios.

<sup>1</sup> SRZ ASX Announcement 3 September 2024 – Updated Heemskirk Tin Scoping Study

<sup>2</sup> SRZ ASX Announcement 4 September 2023 – Heemskirk Tin Project MRE Update

<sup>3</sup> Mining schedules utilised Indicated Resource material and only incorporated Inferred material when encountered as part of development. 97% of material used in the study is of an Indicated Resource classification

**Table 1: Heemskirk Scoping Study – Key Outcomes**

	Unit	Total LOM
Ore Production	(kt)	3,894
Sn Grade (LOM Ave)	(%)	0.78
Tin Recovery (LOM Ave)	(%)	75.0
Tin Produced	(Tonnes)	22,818
Mine Life	(Yrs)	12
Tin Price	(US\$/t)	28,000
Exchange rate	USD:AUD	0.67
Tin Price	(A\$/t)	41,791
Gross Revenue	(A\$M)	877
Total Operating Costs (AISC)	(A\$M)	489
<b>Total Operating Costs (AISC)</b>	<b>(US\$/t Sn)</b>	<b>18,260</b>
Operating Cash Flow	(A\$M)	389
Operating Margin	(%)	44%
<b>Capital Cost</b>	<b>(A\$M)</b>	<b>71</b>
<b>Net Cash Flow (Pre-Tax)</b>	<b>(A\$M)</b>	<b>267</b>
<b>Pre-Tax NPV<sub>8%</sub></b>	<b>(A\$M)</b>	<b>122</b>
<b>Post-Tax NPV<sub>8%</sub></b>	<b>(A\$M)</b>	<b>75</b>
<b>IRR (Pre-Tax)</b>	<b>(%)</b>	<b>33</b>
<b>Payback Period</b>	<b>(Yrs)</b>	<b>3.5</b>
<b>Pre-Tax NPV / Capex</b>		<b>1.7</b>

#### Prefeasibility Study (PFS)

Collection of data commenced for incorporation into a PFS. The Company aims to be a producer of 3,000 to 3,500 tpa of payable tin over the first 6 to 10 years of production. The PFS studies are working towards this by improving upon the base case 2024 Scoping Study of 1,900 tpa over a 12 year mine life.

The PFS will investigate:

- Increased mining rates.
- Optimising plant size and capacity along with applicability of other infrastructure within the region.
- Incorporation of ore sorting into the process flow sheet.
- Application of mining paste/fill as an alternate to tails deposition.

#### Infill and Extensional Drilling<sup>4,5</sup>

As part of the ongoing PFS activities, Stellar is completing a drilling program, which comprises a 24-hole (~9,500m) campaign focused on infill and extensional drilling.

At Severn, **Drillhole ZS166** targeted a zone of inferred resource material on the southern edge of the Mineral resource model. The hole was highly successful returning multiple zones of high-grade mineralisation downhole including **the best intercept recorded at Severn on a grade \* thickness basis (Sn%\*m)**.

<sup>4</sup> SRZ ASX Announcement 19 November 2024 – Record High-Grade Tin Intercept at Heemskirk

<sup>5</sup> SRZ ASX Announcement 5 December 2024 – Wide High-Grade Tin at Queen Hill Deposit

Results included:

- **20.9m @ 1.97% Sn** from 431m, including;
  - **14.8m @ 2.40% Sn** from 437.1m, and includes,
  - **5.9m @ 3.36% Sn** from 437.1m
- **4.0m @ 1.67% Sn** from 510m
- **6.0m @ 1.63% Sn** from 522m
- **5.0m @ 1.70% Sn** from 533m, including;
  - **1.0m @ 7.34% Sn** from 533m

Significantly, the intersections are within the Inferred category of the 2023 MRE and the top intersection has returned significantly higher grade and thickness than predicted by the current Mineral Resource model.

Mineralisation remains open down plunge with the nearest hole a further 145 metres down dip. The hole will be used as a platform for a DHEM survey to explore for off hole conductors.

At Queen Hill, **Drillhole ZQ170** targeted the southern end of the Mineral Resource model close to the Indicated and Inferred resource boundary. The hole was designed to target a zone of Indicated mineralisation to provide drill sample for metallurgical testing with the resulting intersection being wider than anticipated in the existing resource model.

The hole was highly successful returning multiple zones of high-grade mineralisation downhole including:

- **4.75m @ 1.17% Sn** from 163.45m
- **2.10m @ 0.73% Sn** from 166.1m
- **1.20m @ 0.54% Sn** from 181.6m
- **1.25m @ 2.52% Sn** from 191m
- **17.0 @ 1.79% Sn** from 203.8m including;
  - **7.9m @ 2.74% Sn** from 206m, and includes,
  - **3.90m @ 3.34% Sn** from 210m and includes,
  - **1.5m @ 6.08% Sn** from 212m
- **2.05m @ 1.76% Sn** from 226m
- **2.00m @ 1.88% Sn** from 288m
- **0.85m @ 1.87% Sn** from 302.15m

Holes ZQ167 and ZQ169 were also drilled at Queen Hill as exploration holes on the northern end of the deposit. ZQ167 hit minor mineralisation near the expected depths confirming the system is open to the north. Results included:

- **1.00m @ 0.42% Sn** from 157m
- **1.20m @ 0.41% Sn** from 232m
- **0.30m @ 0.69% Sn** from 336.5m

#### **MOU on Existing Nearby Infrastructure<sup>6</sup>**

Stellar signed a Memorandum of Understanding (MOU) with Australian Hualong Pty Ltd, a private company with several Retention and Exploration Licences located to the south and adjoining Stellar's Heemskirk Tin Project.

The MOU area of investigation is contiguous with Stellar's Project. The Comstock Plant site is 4km via Trial Harbour Road from Heemskirk. The MOU is non-binding between the parties and Stellar has a 6-month exclusivity period from the date of signing with an exclusion on the Tenth Legion Iron Project.

<sup>6</sup> SRZ ASX Announcement 3 December 2024 – MOU Signed On Nearby Infrastructure at Heemskirk

Table 2 – Heemskirk Tin Project Mineral Resource Statement (Sept 2023)<sup>7</sup>

By Classification	Deposit	Tonnes (Mt)	Sn (%)	Contained Sn (t)	Cassiterite % of Total Sn (%)	Cu (%)	Pb (%)	Zn (%)	Resource Date
Indicated	Upper Queen Hill	0.37	1.07	3,991	88	0.14	1.84	0.72	2023
	Lower Queen Hill	0.81	1.30	10,493	97	0.04	0.29	0.35	2023
	Severn	2.33	0.96	22,507	98	0.07	0.02	0.03	2023
<b>Sub Total</b>	<b>Indicated</b>	<b>3.52</b>	<b>1.05</b>	<b>36,991</b>	<b>97</b>	<b>0.07</b>	<b>0.27</b>	<b>0.18</b>	
Inferred	Upper Queen Hill	0.14	0.92	1,332	89	0.12	1.70	0.39	2023
	Lower Queen Hill	0.77	1.16	8,873	98	0.04	0.21	0.12	2023
	Severn	2.37	0.85	20,234	99	0.05	0.02	0.04	2023
	Montana	0.68	1.54	10,443	96	0.08	0.72	1.42	2019
<b>Sub Total</b>	<b>Inferred</b>	<b>3.96</b>	<b>1.03</b>	<b>40,881</b>	<b>98</b>	<b>0.05</b>	<b>0.23</b>	<b>0.30</b>	
<b>Grand Total</b>	<b>Heemskirk Tin Project</b>	<b>7.48</b>	<b>1.04</b>	<b>77,872</b>	<b>97</b>	<b>0.06</b>	<b>0.25</b>	<b>0.25</b>	

## North Scamander Project

No work was carried out on the project in the reporting period.

## Tenements

Region	Description	Tenement Number	Interest Owned (%)	Area (km <sup>2</sup> )
NW Tasmania	Mining Lease - Zeehan	ML 2023P/M	100	5.6
	Mining Lease - Tailing Dam, Zeehan	ML 2M/2014	100	2.78
	Mining Lease - Pipeline Route, Zeehan	ML 2040P/M	100	0.06
	Mining Lease - St Dizier, Zeehan	ML 10M/2017	100	1.4
	Retention Licence - Zeehan	RL 5/1997	100	1
	Exploration Licence - Montana Flats, Zeehan	EL 13/2018	100	8
NE Tasmania	Exploration Licence - Concert Creek - Carbine Hill	EL 29/2022	100	15
	Exploration Licence - Pipers River	EL 12/2020	100	12
	Exploration Licence - Scottsdale	EL 15/2020	100	55
	Exploration Licence - Camden Rd	EL 16/2020	100	96
	Exploration Licence - Scamander	EL 19/2020	100	143
Exploration Licence - Bridport Rd	EL11/2020	100	29	

## Corporate

### Board and Management Changes

Mr. Mark Connelly was appointed as Non-Executive Chairman, with Mr Simon Taylor moving from Executive Chairman to Managing Director and Chief Executive Officer. Mr Andrew Doe joined the Management team to lead the Heemskirk Prefeasibility Study. Ms Louisa Martino was appointed as Company Secretary, replacing Mr Mathew Watkins.<sup>8,9</sup>

<sup>7</sup> SRZ ASX Announcement 4 September 2023 – Heemskirk Tin Project MRE Update

<sup>8</sup> SRZ ASX Announcement 17 September 2024 – Stellar Strengthens Board and Management Team

<sup>9</sup> SRZ ASX Announcement 27 November 2024 – Change of Company Secretary and Registered Business Address

### **Placement<sup>10,11</sup>**

The Company raised \$10 million by way of Placement of 526.3 million new shares ("Shares") to sophisticated and professional investors. The Company obtained firm commitments from two Cornerstone Investors, Paradise Fund (\$3.9 million) and Regal Funds Management (\$3.0 million), who participated in the Placement for a combined amount of \$6.9 million. The Placement took place under two-tranches. The first tranche was issued prior to the reporting period in accordance with the Company's available placement capacity at the time pursuant to ASX Listing Rule 7.1 and 7.1A. The second tranche was subject to approval from shareholders received at an extraordinary meeting held on 9 August 2024 and completed during the reporting period.

### **Compliance Statement**

This report contains information relating to Exploration Results extracted from ASX market announcements reported previously in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code") and published on the ASX platform on 19 November 2024, 5 December 2024, 28 January 2025 and 11 February 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

This report contains information relating to a Mineral Resource Estimate extracted from an ASX market announcement reported previously in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code") and published on the ASX platform on 4 September 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimate in the release of 4 September 2023 continue to apply and have not materially changed.

This report contains information relating to the Company's Scoping Study extracted from an ASX market announcement reported previously in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code") and published on the ASX platform on 3 September 2024. The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production target in the original ASX announcement continue to apply and have not materially changed.

### **Forward Looking Statements**

This report 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, the words such as "could", "plan", "estimate", "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 announcement 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.

<sup>10</sup> SRZ ASX Announcement 24 May 2024 - \$10m Placement To Accelerate Heemskirk Tin Project

<sup>11</sup> SRZ ASX Announcement 9 August 2024 - Results of Extraordinary General Meeting



The Directors of Stellar Resources Limited ("the company") and its controlled entities ("the consolidated entity") submit herewith the financial report for the half-year ended 31 December 2024. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

### **Directors**

The names of Directors of the company in office at any time during or since the end of the half-year are:

Mr Mark Connelly (Non-Executive Chairman, appointed on 17 September 2024)  
Mr Simon Taylor (Executive Director, appointed as Managing Director on 17 September 2024)  
Mr Andrew Boyd (Executive Director)  
Mr Simon O'Loughlin (Non-Executive Director)

The above named Directors held office during and since the end of the half-year.

### **Principal activities**

The principal activity of the consolidated entity during the year continued to be mineral exploration and evaluation with the objective of identifying and developing economic reserves.

### **Dividends**

There were no dividends paid, recommended or declared during the current or previous financial half-year.

### **Operational performance and financial position**

#### *Financial performance*

The loss for the consolidated entity after providing for income tax amounted to \$3,097,686 (31 December 2023: loss of \$1,203,601).

The consolidated entity's corporate and administration costs increased to \$762,782 (31 December 2023: \$502,881). The consolidated entity's exploration expenditure for half year is \$2,287,492 (31 December 2023: \$762,054).

#### *Financial position*

Net assets decreased to \$10,207,473 (30 June 2024: \$10,658,729) with cash and cash equivalents balances of \$9,914,441 (30 June 2024: \$10,418,113). This decrease is primarily attributable to the proceeds from the placement amounting to \$2,440,725 net of transaction costs, which were offset by exploration expenditure of \$2,287,492 and operating costs of \$762,782 incurred during the half year ended 2024.

Refer to the detailed "Review of Operations" section preceding this report for further information on the consolidated entity's activities.

### **Significant changes in the state of affairs**

There have been no significant changes in the state of affairs, except as noted in the Review of Operations.

### **Matters subsequent to the end of the financial half-year**

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years, except as follows:

- receipt of highly encouraging results from ore sorting testwork at the Severn deposit at its Heemskirk Tin Project (“Heemskirk”) in Western Tasmania. The testwork comprised six variability samples from recent Severn drilling and extends first pass work completed by Stellar in 2017 and 2018;<sup>12</sup>
- receipt of drilling results from the Queen Hill and Severn deposits at its Heemskirk Tin Project (“Heemskirk”) in Western Tasmania. The program comprises a 24-hole (~9,500m) diamond drilling campaign focused on infill and extensions to the 2023 Mineral Resource Estimate (MRE). At Queen Hill, drillhole ZQ173 intersected a wide high-grade zone of mineralisation downhole returning:<sup>13</sup>
  - 23.3m @ 2.20% Sn from 295.7m including;
    - 4.2m @ 3.76% Sn from 303.6m and
    - 3.9m @ 3.45% Sn from 312.1m.

### **Environmental regulations**

The consolidated entity's exploration activities are subject to various environmental regulations under both state and federal legislation in Australia. The ongoing operation of these tenements is subject to compliance with the respective mining and environmental regulations and legislation.

Licence requirements relating to ground disturbance, rehabilitation and waste disposal exist for all tenements held. The Directors are not aware of any significant breaches of mining and environmental regulations and legislation during the half-year period covered by this report.

### **Auditor's independence declaration**

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Mark Connelly  
Chairman

13 March 2025

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<sup>12</sup> SRZ ASX Announcement 28 January 2025 – Ore Sorting Demonstrates Excellent Results at Heemskirk

<sup>13</sup> SRZ ASX Announcement 11 February 2025 – Outstanding Wide High-Grade Intersection at Queen Hill

## Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

### To the directors of Stellar Resources Limited

As lead auditor for the review of Stellar Resources Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Stellar Resources Limited and the entities it controlled during the period.

William Buck

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

N. S. Benbow

**N. S. Benbow**  
Director  
Melbourne, 13 March 2025

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**Stellar Resources Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2024**



	Note	Consolidated 2024 \$	2023 \$
<b>Income</b>			
Interest received		180,548	11,745
Government grants		-	70,000
<b>Expenses</b>			
Administration expenditure		(345,845)	(231,284)
Employee and consulting costs		(416,937)	(271,597)
Depreciation and amortisation expenses		(21,948)	(19,987)
Exploration expenditure	4	(2,287,492)	(762,054)
Finance costs		(307)	(424)
Vesting charge for share-based payments	9	(205,705)	-
<b>Loss before income tax expense</b>		<b>(3,097,686)</b>	<b>(1,203,601)</b>
Income tax expense		-	-
<b>Loss after income tax expense for the half-year attributable to the owners of Stellar Resources</b>		<b>(3,097,686)</b>	<b>(1,203,601)</b>
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive loss for the half-year attributable to the owners of Stellar Resources</b>		<b>(3,097,686)</b>	<b>(1,203,601)</b>
		<b>Cents</b>	<b>Cents</b>
Basic loss per share		(0.151)	(0.115)
Diluted loss per share		(0.151)	(0.115)

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

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**Stellar Resources Limited**  
**Statement of financial position**  
**As at 31 December 2024**



		<b>Consolidated</b>	
		<b>31 December</b>	
	<b>Note</b>	<b>2024</b>	<b>30 June 2024</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	2,414,441	10,418,113
Term deposits	5	7,500,000	-
Trade and other receivables		310,015	23,124
Prepayments		47,914	68,342
<b>Total current assets</b>		<u>10,272,370</u>	<u>10,509,579</u>
<b>Non-current assets</b>			
Trade and other receivables		253,700	253,700
Property, plant and equipment		131,902	132,019
Right-of-use assets		7,343	14,675
<b>Total non-current assets</b>		<u>392,945</u>	<u>400,394</u>
<b>Total assets</b>		<u>10,665,315</u>	<u>10,909,973</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		386,803	194,553
Provisions		63,129	33,400
Lease liabilities		7,910	15,407
<b>Total current liabilities</b>		<u>457,842</u>	<u>243,360</u>
<b>Non-current liabilities</b>			
Provisions		-	7,884
<b>Total non-current liabilities</b>		<u>-</u>	<u>7,884</u>
<b>Total liabilities</b>		<u>457,842</u>	<u>251,244</u>
<b>Net assets</b>		<u>10,207,473</u>	<u>10,658,729</u>
<b>Equity</b>			
Issued capital	6	58,687,970	56,333,545
Reserves		350,205	183,088
Accumulated losses		(48,830,702)	(45,857,904)
<b>Total equity</b>		<u>10,207,473</u>	<u>10,658,729</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Stellar Resources Limited**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2024**



<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Accumulated losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2024	56,333,545	183,088	(45,857,904)	10,658,729
Loss after income tax expense for the half-year	-	-	(3,097,686)	(3,097,686)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(3,097,686)	(3,097,686)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 6)	2,354,425	-	-	2,354,425
Share-based payments – Employee / consultants (note 9)	-	205,705	-	205,705
Share-based payments – Corporate advisor (note 9)	-	86,300	-	86,300
Options lapsed during the half-year due to expiry of broker options	-	(124,888)	124,888	-
Balance at 31 December 2024	<u>58,687,970</u>	<u>350,205</u>	<u>(48,830,702)</u>	<u>10,207,473</u>
	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Accumulated losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2023	45,225,245	124,888	(43,606,772)	1,743,361
Loss after income tax expense for the half-year	-	-	(1,203,601)	(1,203,601)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(1,203,601)	(1,203,601)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	1,157,604	-	-	1,157,604
Vesting charge for share-based payments	-	58,200	-	58,200
Balance at 31 December 2023	<u>46,382,849</u>	<u>183,088</u>	<u>(44,810,373)</u>	<u>1,755,564</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

**Stellar Resources Limited**  
**Statement of cash flows**  
**For the half-year ended 31 December 2024**



	Note	Consolidated	
		2024	2023
		\$	\$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(807,547)	(480,419)
Payments for exploration expenditure		(2,287,493)	(971,053)
		<u>(3,095,040)</u>	<u>(1,451,472)</u>
Interest received		180,548	11,745
Proceeds from government grants		-	70,000
		<u>-</u>	<u>70,000</u>
Net cash used in operating activities		<u>(2,914,492)</u>	<u>(1,369,727)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(14,499)	-
Payments for term deposits		(7,500,000)	-
		<u>(7,514,499)</u>	<u>-</u>
Net cash from investing activities		<u>(7,514,499)</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		2,622,176	1,287,560
Payments of share issue costs		(181,450)	(71,756)
Repayment of lease liabilities		(15,407)	(7,914)
		<u>(15,407)</u>	<u>(7,914)</u>
Net cash from financing activities		<u>2,425,319</u>	<u>1,207,890</u>
Net decrease in cash and cash equivalents		(8,003,672)	(161,837)
Cash and cash equivalents at the beginning of the financial half-year		<u>10,418,113</u>	<u>1,558,082</u>
Cash and cash equivalents at the end of the financial half-year	5	<u><u>2,414,441</u></u>	<u><u>1,396,245</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

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### **Note 1. General information**

The financial statements cover Stellar Resources Limited as a consolidated entity consisting of Stellar Resources Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Stellar Resources Limited functional and presentation currency.

Stellar Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

#### **Registered address and principal place of business**

Level 5  
56 Pitt Street  
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 13 March 2025. The directors have the power to amend and reissue the financial statements.

### **Note 2. Material accounting policy information**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

#### **New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

All new accounting standards required, were adopted and they did not have a material impact.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the consolidated entity's accounting policies and has no effect on the amounts reported for the current or prior half-years.

### **Note 3. Segment information**

#### *Identification of reportable operating segments*

The consolidated entity operates in the minerals exploration and evaluation segment, which is also the basis on which the board reviews the company's financial information.

AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In the current year the board reviews the consolidated entity as one operating segment being mineral exploration within Australia.

All assets and liabilities and operations are based in Australia.



**Note 4. Exploration expenditure**

Reconciliations of the cumulative expenditure recognised in the profit and loss from the grant date of the tenements to the beginning and end of the current and previous financial period are set out below:

	<b>31 December 2024</b>	<b>31 December 2023</b>
	\$	\$
Cumulative expenditure at the beginning of the period	24,960,977	23,691,357
Expense during the half year	<u>2,287,492</u>	<u>762,054</u>
Cumulative expenditure at the end of the period	<u><u>27,248,469</u></u>	<u><u>24,453,411</u></u>

**Note 5. Cash and term deposits**

	<b>31 December 2024</b>	<b>31 December 2023</b>
	\$	\$
Cash and cash equivalents	2,414,441	10,418,113
Cash on deposit maturing within 30 days from period end	<u>5,000,000</u>	<u>-</u>
	7,414,441	10,418,113
Cash on deposit maturing greater than 90 days from period end	<u>2,500,000</u>	<u>-</u>
Total cash and term deposits	<u><u>9,914,441</u></u>	<u><u>10,418,113</u></u>

Note: in the Quarterly Report released on the ASX in January 2025 an amount of \$7,414,441 was reported as cash and cash equivalents, which included the cash on term deposit which matured in January 2025.

**Note 6. Equity - issued capital**

	<b>31 December 2024</b>	<b>30 June 2024</b>	<b>31 December 2024</b>	<b>30 June 2024</b>
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>2,079,750,568</u>	<u>1,941,751,806</u>	<u>58,687,970</u>	<u>56,333,545</u>

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$</b>
Balance	1 July 2024	1,941,751,806		56,333,545
Placement	15 August 2024	137,965,429	\$0.019	2,621,343
Exercise of options	17 October 2024	33,333	\$0.025	832
Less: capital raising costs*				<u>(267,750)</u>
Balance	31 December 2024	<u><u>2,079,750,568</u></u>		<u><u>58,687,970</u></u>

\* Capital raising costs include \$86,300 of options issued to the corporate advisor of the Placement.

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## Note 7. Commitments

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
<b>Exploration commitments</b>		
Within one year	318,377	453,062
One to five years	358,863	26,651
	677,240	479,713

In order to maintain current rights to tenure to exploration and mining tenements, the Consolidated Entity has the above exploration expenditure requirements up until expiry of leases. These obligations, which may be varied from time to time and which are subject to renegotiation upon expiry of the lease are not provided for in the financial report and are payable. In case of not meeting the commitments, the Consolidated Entity will seek the approval for extension from the Department of State Growth – Mineral Resources Tasmania to maintain current rights to tenure to exploration and mining tenements.

Mining Leases and Retention Licences in Tasmania do not have any minimum expenditure commitments.

## Note 8. Events after the reporting period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years except as follows:

- receipt of highly encouraging results from ore sorting testwork at the Severn deposit at its Heemskirk Tin Project (“Heemskirk”) in Western Tasmania. The testwork comprised six variability samples from recent Severn drilling and extends first pass work completed by Stellar in 2017 and 2018;
- receipt of drilling results from the Queen Hill and Severn deposits at its Heemskirk Tin Project (“Heemskirk”) in Western Tasmania. The program comprises a 24-hole (~9,500m) diamond drilling campaign focused on infill and extensions to the 2023 Mineral Resource Estimate (MRE). At Queen Hill, drillhole ZQ173 intersected a wide high-grade zone of mineralisation downhole returning:
  - 23.3m @ 2.20% Sn from 295.7m including;
    - 4.2m @ 3.76% Sn from 303.6m and
    - 3.9m @ 3.45% Sn from 312.1m.

## Note 9. Share-based payments

The Company has granted share-based payments to directors, employees/consultants and corporate advisor during the period.

### Issue of share options

Between August and December 2024 the Company granted and issued 22.5m options to directors and the company secretary with zero exercise price terms, expiring 2 years from their vesting date. The options are structured in three equal tranches, with service commitments concluding in anniversaries for the periods 1, 2 and 3 years from grant date and have values per option ranging between 1.5 cents and 1.7 cents, valued applying a Black-Scholes model. Key inputs into this model included an expected dividend yield of nil%, a risk-free rate ranging between 3.42% and 3.94% and a volatility of 110%.

### Issue of corporate advisor options

In August 2024 the Company granted and issued 10m options to the corporate advisor with a 3 cent exercise price, expiring 13 August 2026. The value per option is 0.86 cents, valued applying a Black-Scholes model. Key inputs into this model included an expected dividend yield of nil%, a risk-free of 3.72% and a volatility of 129.85%.

### Issue of project condition performance rights

Between August and December 2024 the Company granted and issued 70,624,500 performance rights to employees and key management personnel with zero exercise price terms, expiring between 30 June 2027 and 31 December 2028 as well as 2

**Note 9. Share-based payments (continued)**

years from their vesting date. The rights have both non-market hurdles and service conditions attached to the successful delivery of exploration plans and service conditions, which extend to 30 December 2027, and have values per right ranging between 1.5 cents and 1.65 cents, valued applying a Black-Scholes model. Key inputs into this model included an expected dividend yield of nil%, a risk-free rate ranging between 3.59% and 3.97% and a volatility of 110%.

The directors have estimated a probability of a 75% likelihood of achievement of the non-market hurdles in these financial statements.

*Issue of long term shareholder return performance rights*

On 9 August 2024 the Company granted and issued 11,656,125 performance rights to key management personnel with zero exercise price terms, expiring 2 years from their vesting date. The rights have a market hurdle attached to the achievement of total shareholder return of a 20-day VWAP between 2.8 cents and 4 cents per share, and have values per right, which factor in the achievement of these hurdles at 1.42 cents per right, valued applying a monte-carlo model. Key inputs into this model included an expected dividend yield of nil%, a risk-free rate of 3.72% and a volatility of 110%.

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**Stellar Resources Limited**  
**Directors' declaration**  
**31 December 2024**



The Directors of the Company declare that:

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read "Mark Connolly", written over a horizontal line.

Mark Connolly  
Chairman

13 March 2025

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## Independent auditor's review report to the members of Stellar Resources Limited

### Report on the half-year financial report



#### Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Stellar Resources Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including a material accounting policy information, and
- the directors' declaration.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

## Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136



**N. S. Benbow**  
Director  
Melbourne, 13 March 2025