

# Stellar Resources

## ASX Announcement



20 May 2019

### Stellar Awarded \$95,000 Co-funding Grant

Stellar Resources Limited (ASX: SRZ, “Stellar” or the “Company”) is pleased to announce that under the Exploration Drilling Grant Initiative Program (EDGI) the Tasmanian Government has awarded the Company a total grant of \$95,000. The grant is to be applied to direct drilling costs on the completion of a program of 3 diamond drill holes designed to test high-value tin targets within the Company’s highly prospective Montana Flats EL13/2017. Two of the planned holes target an extension of tin mineralisation underneath the Oonah tin resource and the third hole targets tin mineralisation underneath the historically mined Zeehan Western base metal deposit.

EDGI is an important recent initiative of the Tasmanian Government designed to encourage exploration in the state. It represents an acknowledgement by the Tasmanian Government that mining is an important sector and underpins the mining friendly credentials of the Tasmania.

Stellar is pleased to have 2 successful applications out of a total grant pool of 11 programs in Round 2 of EDGI. Stellar’s success reflects the Tasmanian Government’s belief in the Heemskirk Tin Project and its support for Stellar’s proposal to explore for extensions of known tin mineralisation.

***Managing Director Peter Blight said “the co-funding scheme (EDGI) is something that Stellar has lobbied for in recent years and the Company is very pleased to be a successful participant in the current round. The fact that the Tasmanian Government is willing to share exploration risk should provide investors with confidence that Stellar is on the right track. I look forward to reporting on the success of the program once all funding is secured and drilling commences.”***

#### Capital Structure

Shares: 380,328,733  
Share Price (SRZ): A\$0.014  
Listed Options: 59,142,857  
Option Price (SRZO): A\$0.002  
Unlisted Options: 17,000,000

#### Commodity

Tin Price: US\$19,625/t  
Exchange Rate US\$ 0.69

#### Main Shareholders

European Investors 19.5%  
Capetown SA 16.4%

#### Board & Management

**Phillip G Harman**  
Non-Executive Chairman  
**Peter G Blight**  
Managing Director  
**Gary L Fietz**  
Non-Executive Director  
**Thomas H Whiting**  
Non-Executive Director  
**Melanie J Leydin**  
Company Secretary

ASX Code: SRZ

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About Stellar:

Stellar Resources (SRZ) is an exploration and development company with assets in Tasmania. The company is rapidly advancing its high-grade Heemskirk Tin Project, located near Zeehan in Tasmania, and plans to become Australia’s second largest producer of tin.



## EXPLORATION PROGRAM

In the December Quarter 2018 Report (ASX release 30 January 2019), Stellar outlined a number of exploration targets on its Montana Flats EL13/2017. Figure 1 shows the spatial and structural relationship between the Queen Hill, Severn and Montana deposits in ML2023P/M and the Oonah deposit in EL 13/2017. In addition, Figure 2 shows all known deposits in ML2023P/M and EL13/2017 along with potential drilling targets on these licences.



Figure 1 - Location of Stellar’s Montana Flats EL Relative to the Heemskirk Tin Deposits

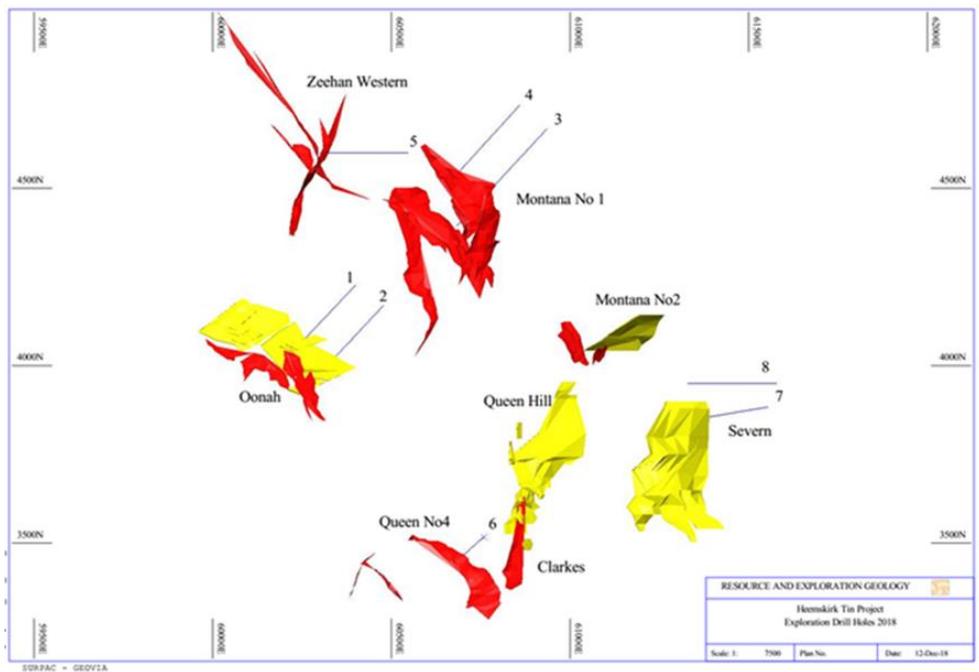


Figure 2: Potential Drill Targets on EL13/2017 Montana Flats (1,2 and 5) and ML2023P/M (red shapes = mined silver deposits, yellow shapes = known tin deposits)

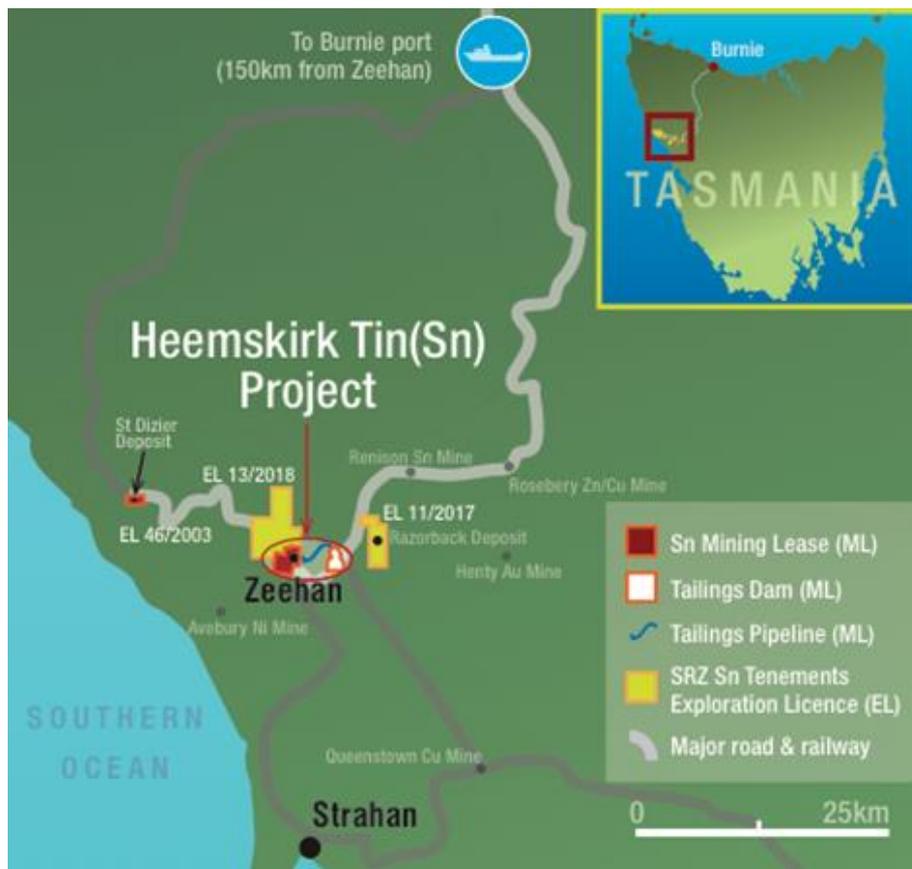
The EDGI grants represent that part of the program covered by planned drill holes 1 and 2 at the Oonah deposit and drill hole 5 at the Zeehan Western deposit (Figure 2).

The **Oonah deposit** is a zoned Ag/Pb/Sn deposit which transitions through tin sulphide (stannite) to tin oxide (cassiterite) at depth. Historical mining focused on the silver lode at surface and continued until it graded into a stannite lode/cassiterite lode (that remains unmined). The proposed exploration diamond drill holes 1 and 2 are planned to test continuity of the tin mineralisation down dip to the NE and down plunge to the SE of the known tin mineralisation.

The **Zeehan Western deposit** produced silver from structurally controlled veins in a similar geological setting to the Oonah and Queen Hill deposits to the south. The planned diamond drill hole 5 is designed to intersect a target 200m below the deepest mine level to test for continuity of mineralisation and potential zonation from silver to tin.

Drilling is expected to commence in the second half of 2019 once all funding is secured.

### Stellar Resources Tenement Map, Western Tasmania



#### Heemskirk Tin Project

Stellar Resources Limited is a tin exploration and development company that is focused on developing its flagship Heemskirk Tin Project in western Tasmania.

The project has two significant competitive advantages. First, Heemskirk has a JORC 2012 compliant Mineral Resource of 6.6mt @ 1.1% Sn which makes it the highest grade undeveloped tin project of significance in Australia. Second it has an excellent location within the historic west coast mining district of Tasmania.

Access to existing infrastructure including power, sealed roads and water is a significant advantage over more remote tin projects. In addition, the project is located next to the mining town of Zeehan which provides a supportive community, access to skilled miners and accommodation. The service industry, established to support existing long-term mines in the district, also provides an opportunity for access to competitive suppliers.

## Competent Persons Statement

*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 (Principle, Resource and Exploration Geology Pty Ltd), who 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 a Competent Person as defined in the JORC Code. This announcement accurately summarises and fairly reports his estimations and he has consented to the resource report in the form and context in which it appears.*

*The drill and exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr R K Hazeldene (Member of the Australasian Institute of Mining and Metallurgy and Member of the Australian Institute of Geoscientists) who is an employee of the Company. 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, 2012 Edition). Mr Hazeldene consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. It should be noted that the abovementioned exploration results are preliminary.*

## 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.*

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