Geoffrey Webster
Non-Executive Director
25 January 2022

STELAR METALS

STELAR METALS LIMITED
ACN 651 636 065

PROSPECTUS

For an offer of up to 35,000,000 Shares at an issue price of $0.20 per Share to raise up to $7,000,000 (**Public Offer**). The minimum subscription under the Public Offer is 25,000,000 Shares to raise $5,000,000.

This Prospectus is also being issued for the following Secondary Offers:

a) 8,000,000 Shares issued to the Vendors (or their nominees) pursuant to the Acquisitions (**Consideration Offer**); and

b) 4,000,000 Lead Manager Options issued to Cadmon Advisory (or its nominees) (**Lead Manager Offer**).

It is proposed that the Public Offer and Secondary Offers (together, the **Offers**) will close at 2.00 pm (WST) on 18 February 2022. The Directors reserve the right to close the Offers earlier or to extend this date without notice. Applications must be received before that time.

CADMON

Lead Manager: Cadmon Advisory Pty Ltd

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 25 January 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered as highly speculative.

Exposure Period

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Securities under this Prospectus will not be accepted by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

No offering where offering would be illegal

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those set out below. Failure to comply with these restrictions may violate securities laws.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Securities or the offer, or to otherwise permit a public offering of the Securities in any jurisdiction outside Australia.

US securities law matters

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the US. In particular, the Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the **US Securities Act**), and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act.

Each applicant will be taken to have represented, warranted and agreed as follows:

(a) it understands that the Securities have not been, and will not be, registered under the US Securities Act and may not be offered, sold or resold in the US, except in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable securities laws;

(b) it is not in the United States;

(c) it has not and will not send this Prospectus or any other material relating to the Offers to any person in the United States; and

(d) it will not offer or resell the Securities in the United States or in any other jurisdiction outside Australia.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of Options under this Prospectus. The Company and Cadmon Advisory will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (www.stelarmetals.com.au). By making an application under the Lead Manager Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.stelarmetals.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 9482 0500 during office hours or by emailing the Company at info@stelarmetals.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

No cooling-off rights

Cooling-off rights do not apply to an investment in Securities issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Risks

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Securities. There are risks associated with an investment in the Company. The Securities offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Securities. Refer to Section D of the Investment Overview as well as Section 7 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company’s management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company’s actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Competent Persons statement

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Independent Technical Assessment Report, included at Annexure A of the Prospectus (together, the **Relevant Sections**), which relates to exploration results is based upon information compiled by Colin Skidmore. Colin Skidmore, the Chief Executive Officer of the Company, has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken as a Competent Person as defined in the 2012 Edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (the **JORC Code**). Mr Skidmore consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

The information in the Relevant Sections which relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Dr Mark Allen, a Competent Person who is a Member of the AIG. Dr Allen is employed by CSA Global. Dr Allen has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the “Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets”, and as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Dr Allen consents to the inclusion to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

Continuous disclosure obligations

Following admission of the Company to the Official List, the Company will be a “disclosing entity” (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary.

All references to time in this Prospectus are references to Australian Western Standard Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your Securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Public Offer or how to accept the Public Offer please call the Share Registry on +61 1800 336 109.

CORPORATE DIRECTORY

Directors

Stephen Biggins
Non-Executive Chair

Geoffrey Webster
Non-Executive Director

Will Dix
Non-Executive Director

CEO

Colin Skidmore

Company Secretary

Jack Rosagro

Proposed ASX Code

SLB

Registered Office

Ground Floor
16 Ord Street
WEST PERTH WA 6005

Telephone: + 61 8 9482 0500
Email: info@stelarmetals.com.au
Website: www.stelarmetals.com.au

Legal Advisers

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Corporate Adviser

Ventnor Capital Pty Ltd
16 Ord Street
WEST PERTH WA 6005

Investigating Accountant

Grant Thornton Corporate Finance Pty Ltd
Central Park
Level 43, 152-158 St Georges Terrace
PERTH WA 6000

Independent Tenement Expert

Hetherington Legal Pty Ltd
Level 19, Suite 4
44 St Georges Terrace
PERTH WA 6000

Auditor*

Grant Thornton Audit Pty Ltd
Central Park
Level 43, 152-158 St Georges Terrace
PERTH WA 6000

Independent Geologist

CSA Global Pty Ltd
Level 2, 3 Ord Street
WEST PERTH WA 6005

Lead Manager

Cadmon Advisory Pty Ltd
(Corporate authorised representative 001253390 of AFSL 451820)
Level 2 & 3 Professional Chambers
120 Collins Street
MELBOURNE VIC 3000

Share Registry*

Link Market Services Limited
QV1 Building
Level 12, 250 St Georges Terrace
PERTH WA 6000

Telephone: +61 1800 336 109

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

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1. CHAIR'S LETTER

Dear Investor

On behalf of the directors of Stelar Metals Limited (**Company** or **Stelar**), it gives me great pleasure to invite you to become a shareholder of the Company.

Stelar has assembled a range of copper and zinc exploration projects that have the potential to contribute to the future supply of metals required to transition the globe to a low emission future. Stelar is coming to market at a time of an exciting shift in the demand profile for copper and zinc.

Stelar's initial projects are located in South Australia, which hosts approximately two thirds of Australia's economic demonstrated resources of copper. In connection with the Public Offer, the Company will acquire an exploration ground position in South Australia consisting of four granted tenements (covering 1,538km^2) and two tenement applications (covering 627km^2).

Stelar's Evelyn Dam, Torrens and Gunson Projects are prospective for IOCG target types within the Olympic Province in the Gawler Craton. The Olympic Province on the eastern margin of the craton hosts a number of large and high grade IOCG deposits and mines; Olympic Dam, Prominent Hill and Carrapateena and new discoveries at Oak Dam (which is owned by BHP Group Ltd (ASX:BHP)) and Emmie Bluff Deeps (which is owned by Coda Minerals Limited (ASX:COD) (**COD**)).

The Gunson Project is close to a series of historic open pit copper mines and deposits at Mount Gunson and recent copper drilling results in the region by COD and DGO Gold Limited (ASX:DGO). The Gunson Project is prospective for Zambian style Sediment Hosted Copper Deposits (**SHCD**) while the basement is prospective for Olympic Dam style IOCG mineralisation.

The Linda Zinc Prospect was discovered by BHP in 1984 along with other high-grade zinc silicate and sulphide deposits discovered in the Flinders Ranges including Beltana, Aroona and Third Plain, the latter occurring c. 10 km along strike north of the sulphide mineralisation at the Linda Zinc prospect. The Beltana and Aroona orebodies are among the highest-grade zinc deposits in the world and zinc mineralisation at the Linda Zinc prospect is hosted in a similar geological setting as these examples of economic mineralisation.

The Baratta Copper Project is prospective for Zambian style SHCD as well as zinc-lead mineralisation.

Stelar's active and efficient exploration programs will be aiming to make early discoveries with the potential to develop the Projects into high value assets for shareholders.

This Prospectus is seeking to raise a minimum of $5,000,000 and a maximum of $7,000,000 via the issue of Shares at an issue price of $0.20 per Share under the Public Offer. The purpose of the Public Offer is to provide funds to implement the Company's business strategies (explained in Section 5).

The Board has direct and recent expertise and experience in leading ASX companies through successful exploration and into development and mining, and intends to utilise the funds raised through the Public Offer to advance the Company's exploration projects in a focussed and efficient method.

This Prospectus is issued for the purpose of supporting an application to list the Company on ASX. This Prospectus contains detailed information about the

Company, its business and the Public Offer, as well as the risks of investing in the Company, and I encourage you to read it carefully. As set out in further detail in the Prospectus, the key risks involved in an investment in the Company include risks associated with early stage exploration, likelihood of discovery of an economic deposit, land access, stakeholder engagement, project finance and mineral tenure management.

The Securities offered by this Prospectus should be considered highly speculative.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and prospective times ahead for the Company. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely

Stephen Biggins
BSC(Hons), MBA
Non-Executive Chair

2. KEY OFFER INFORMATION

INDICATIVE TIMETABLE[1]

Lodgement of Prospectus with the ASIC	25 January 2022
Exposure Period begins	25 January 2022
Opening Date	2 February 2022
Closing Date	2:00pm (WST) on 18 February 2022
Issue of Shares under the Public Offer	24 February 2022
Despatch of holding statements	24 February 2022
Expected date for quotation on ASX	7 March 2022

1. *The above dates are indicative only and may change without notice. Unless otherwise indicated, all time given are WST. The Exposure Period may be extended by the ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offers early without prior notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to applicants.*
2. *If the Public Offer is cancelled or withdrawn before completion of the Public Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Public Offer open.*

KEY STATISTICS OF THE OFFER

	Minimum Subscription[1]	Maximum Subscription[2]
Public Offer price per Share	$0.20	$0.20
Gross proceeds of the Public Offer	$5,000,000	$7,000,000
Shares currently on issue[3]	7,450,001	7,450,001
Shares to be issued under the Public Offer	25,000,000	35,000,000
Shares to be issued under the Consideration Offer	8,000,000	8,000,000
Shares on issue at Admission (undiluted)[4]	**40,450,001**	**50,450,001**
Market capitalisation at Admission (undiluted)[6]	**$8,090,000**	**$10,090,000**
Options currently on issue[3,5]	6,500,000	6,500,000
Options to be issued under the Lead Manager Offer[5]	4,000,000	4,000,000
Options on issue at Admission[4,5]	**10,500,000**	**10,500,000**
Securities on issue at Admission (fully diluted) [4]	**50,950,001**	**60,950,001**
Market capitalisation at Admission (fully diluted)[6]	**$10,190,000**	**$12,190,000**

Notes:

1. Assuming the Minimum Subscription of $5,000,000 is achieved under the Public Offer.
2. Assuming the Maximum Subscription of $7,000,000 is achieved under the Public Offer.
3. Refer to Section 5.6 for further information on existing securities.
4. Certain Securities on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 5.8 for a disclaimer with respect to the likely escrow position.
5. Refer to Section 10.3 for the terms of the Options.
6. Assuming a Share price of $0.20. However, the Company notes that the Shares may trade above or below this price.

3. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

Item	Summary	Further information
A.	**Company and Projects**	
Who is the issuer of this Prospectus?	Stelar Metals Limited (ACN 651 636 065) (**Company** or (**Stelar**).	Section 5.1
Who is the Company?	The Company is an Australian unlisted public company incorporated on 2 July 2021 for the purpose of acquiring exploration projects which are prospective for copper, iron oxide copper gold (**IOCG**) and zinc.	Section 5.1
What is the Company's interest in the Projects?	The Company has entered into agreements to acquire 100% of the issued capital of: (a) Resource Holdings No 1 Pty Ltd (ACN 652 459 740) (**RH1**) from its sole shareholder Resource Holdings Pty Ltd (ACN 159 540 271) (**Resource Holdings**); and (b) BR2 Pty Ltd (ACN 654 351 265) (BR2) from its sole shareholder BR1 Holdings Pty Ltd (ACN 147 267 114) (BR1 Holdings), (together, the **Acquisitions**). The conditions of the Acquisitions are detailed in Sections 9.1 and 9.2. Through the Acquisitions, the Company has conditionally agreed to acquire a 100% interest in the following projects: (a) Evelyn Dam Project (EL 5792) – which is prospective for IOCG targets and is located on the Stuart Shelf east of Gawler Craton (Evelyn Dam IOCG Project); (b) Linda Zinc Project (EL 6263) – which is prospective for IOCG targets and is located in the Flinders Ranges around 160kms from Port Augusta (Linda Zinc Project); (c) Torrens Project (EL 6572 & EL 6264) which are prospective for IOCG targets and are located on the Torrens Hinge Zone, 40kms west of BHP's Olympic Dam Project (Torrens Project); (d) Baratta Project (ELA 2021/00037) which is currently owned by BR1 Holdings, is prospective for copper targets and is located in the Flinders Ranges around 130kms from Port Augusta (Baratta Project); and (e) Gunson Project (ELA 2021/00073) –which is currently owned by BR1 Holdings, is prospective for copper and IOCG targets and is located within the eastern Gawler Craton, just west of the Olympic Dam IOCG Province (**Gunson Project**). Further detail on the Projects is set out in Section 5.2.	Section 5.2 and Annexure A
B.	**Business Model**	
What is the Company's business model?	Following completion of the Offers, the Company's proposed business model will be to further explore and develop the Projects as per the Company's intended exploration programs. The Company proposes to fund its exploration activities over the first two years following listing as outlined in the table at Section 5.5. A detailed explanation of the Company's business model is provided at Section 5.3 and a summary of the Company's proposed exploration programs is set out at Section 5.4.	Sections 5.3 and 5.4

Item	Summary	Further information
What are the key business objectives of the Company?	The Company's main objectives on completion of the Offers and ASX listing are: (a) systematically explore the Company's Projects; (b) continue to undertake the necessary steps to ensure the exploration licence applications the subject of the BR2 Projects are successfully granted; (c) focus on mineral exploration and other resource opportunities that have the potential to deliver growth for Shareholders; (d) continue to pursue other acquisitions that have a strategic fit for the Company; and (e) provide working capital for the Company.	Section 5.3
What are the key dependencies of the Company's business model?	The key dependencies of the Company's business model include: (a) completing the acquisition of the Projects; (b) maintaining title to the Projects; (c) exploration success; (d) retaining and recruiting key personnel skilled in the mining and resources sector; (e) copper and zinc metal prices; and (f) equity market interest in financing and supporting base metal exploration.	Section 5.3
C.	**Key Advantages**	
What are the key advantages of an investment in the Company?	The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages: (a) subject to raising the Minimum Subscription, the Company will have sufficient funds to implement its exploration strategy; (b) following completion of the Acquisitions, the Company will hold a portfolio of quality assets in South Australia considered by the Board to be highly prospective for Copper, IOCG and Zinc; (c) a highly credible and experienced team to progress exploration and accelerate potential development of the Projects; (d) low-cost entry into early stage copper and zinc exploration projects; and (e) a Board and management team that can utilise their skills and knowledge of the mining industry and investment markets to deliver value to Shareholders.	Section 5
D.	**Key Risks**	
Risk Factors	**Limited History** Having been incorporated on 2 July 2021, the Company does not have any operating history, although it should be noted that the Directors have between them significant operational experience. Exploration has previously been conducted on the area of land the subject of the Projects, however the Company will not commence exploration activities until it has been admitted to the Official List. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Projects or any projects it may acquire in the future. Until the Company is able to realise value from such projects, it is likely to incur ongoing operating losses. **Related Party Contracts** The Company has a number of key contractual relationships with related parties. If these relationships breakdown and the related	Sections 7.2, 7.3 and 7.4

Item	Summary	Further information
	party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement. The operations of the Company will also require involvement of related parties and other third parties including contractors. With respect to these persons and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of: (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and the impact the Company's position, performance and reputation. **Exploration and Operation** The mineral exploration licences comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, Native Title process, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects. **Grant of the BR2 Projects** The BR2 Projects comprise two exploration licence applications which are still under application. There can be no assurance that these exploration licence applications will be successfully granted or will be granted in their entirety. The Company is unaware of any material risks that would prevent the exploration licence applications from being granted, however the consequence of being denied the applications for reasons beyond the control of the Company would result in the Company having completed the BR2 Acquisition (i.e., issuing 1,800,000 Shares) and receiving no benefit. Refer to the Independent Technical Assessment Report in Annexure A and the Independent Tenement Report in Annexure B for further information on the BR2 Projects.	

Item	Summary	Further information
	Tenement renewal Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. **Native Title and Aboriginal Heritage** In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there currently and may in the future be areas over which legitimate common law Native Title rights exist. If Native Title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. Further to this, it is possible that Native Title agreements may be registered against one or more of the tenements in which the Company has an interest. The terms and conditions of any such Native Title agreement may be unfavourable for, or restrictive against, the Company. There are currently registered Native Title determinations in respect of the exploration licences comprising the RH1 Projects and each of the exploration licences comprising the BR2 Projects, as summarised in further detail below: (a) the Evelyn Dam Project and the Gunson Project are wholly encroached by a native title determination in favour of the Kokatha People and an Indigenous Land Usage Agreement (**ILUA**). There is currently a Native Title Mining Agreement between Resource Holdings, Rio Tinto Exploration Pty Ltd and the Kokatha Aboriginal Corporation RNTBC as registered against EL5792. The Company intends to assign this agreement to RH1 shortly; (b) the Linda Zinc Project is wholly encroached by a native title determination in favour of the Adnyamathanha People No. 1 (Stage 1) and two ILUAs; and (c) the Torrens Projects and the Baratta Project are partially encroached by native title determinations and ILUAs. Please refer to the Independent Tenement Report in Annexure B of this Prospectus for further details of the degree of encroachment of the native title determinations and ILUAs over the Projects. In addition, the Projects (other than the Evelyn Dam Project) contain registered or reported Aboriginal heritage sites). The Company will require approvals if any of the sites are likely to be impacted by exploration or mining activities. Delays in obtaining such approvals may result in delay to anticipated exploration programs and/or mining activities. In addition, the existence of heritage sites may impact what areas of the Projects that the Company will be able to conduct exploration and mining operations on. The Directors will closely monitor the potential effect of Native Title claims or heritage matters involving tenements in which the Company has or may have an interest. **Access** A number of the Projects overlap certain third-party interests that may limit the Company's ability to conduct exploration and mining activities. The third-party interests identified in the	

Item	Summary	Further information
	Independent Tenement Report and the associated limitations of the Company's ability to conduct exploration and mining activities are summarised below: (a) **Petroleum Exploration Licences** (**PELAs**): the Evelyn Dam and Linda Zinc Projects overlaps several PELAs. The Company will not be able to undertake any activities which significantly deleteriously affect the potential for coal seam methane drainage or in situ gasification of coal within the area covered by those PELAs without the agreement of the relevant licence holder, or unless otherwise agreed by the Minister after consultation with the parties; (b) **Mining Lease**: the Linda Zinc Project overlaps three mining leases. There are currently no conditions imposed upon the Linda Zinc Project with respect to these overlapping tenements; (c) **Flinders Range Planning Area Class A and B:** the Linda Zinc Project overlaps the Flinders Range Planning Area Class A and B. The Company will need to receive Ministerial approval for a Program for Environmental Protection and Rehabilitation (**PEPR**) prior to conducting any exploration activities involving the use of declared equipment or drilling equipment within the overlapping area; (d) **Bunker Conservation Reserve:** the Linda Zinc Project overlaps the Bunker Conservation Reserve. The Company will need to receive Ministerial approval for a PEPR prior to entering the Bunker Conservation Reserve in order to carry out on ground exploration operations and prior to commencing any exploration activity involving the intensive use of vehicles, the use of declared equipment or drilling equipment within 100 metres of the Bunker Conservation Reserve; and (e) **National Parks**: the Torrens Project and the Linda Zinc Projects overlap National Parks. The Company will need to receive Ministerial approval for a PEPR prior to entering a National Park in order to carry out on ground exploration operations and prior to commencing any exploration activity involving the intensive use of vehicles, the use of declared equipment or drilling equipment within 100 metres of a National Park. The Company does not intend to immediately explore any areas that are subject to these access issues. Please refer to the Independent Tenement Report in Annexure B for further details. **Additional requirements for capital** The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Public Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programs as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company. **Other risks** For additional specific risks please refer to Section 7.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 7.3 and 7.4.	

Item	Summary	Further information
E.	**Directors and Key Management Personnel**	
Who are the Directors and Key Management Personnel?	The Directors and Key Management Personnel consists of: (a) Stephen Biggins – Non-Executive Chair; (a) Geoffrey Webster – Non-Executive Director; (b) William Dix – Non-Executive Director; and (c) Colin Skidmore – Chief Executive Officer. The profiles of each of the Directors and Key Management Personnel are set out in Section 8.1.	Section 8.1
F.	**Interests of Key People and Related Party Transactions**	
What are the interests of Directors and CEO in the Company?	As at the date of the Prospectus, the Directors and the CEO have relevant interests in the Securities specified below: (see table below)	Section 8.2

	Shares	Options[1]
Stephen Biggins	1,000,001	3,000,000
Geoffrey Webster	100,000	1,000,000
Will Dix	250,000	1,000,000
Colin Skidmore	-	-

Notes:

1. The full terms and conditions of the Options are set out in Section 10.3.

On completion of the Offers, the Directors and the CEO will have a relevant interests in the Securities specified below:

	Shares	Percentage (%)		Options[1]
		Minimum Subscription	Maximum Subscription	
Stephen Biggins	9,250,001	22.9%	18.3%	3,000,000
Geoffrey Webster	200,000	0.5%	0.4%	1,000,000
Will Dix	350,000	0.9%	0.7%	1,000,000
Colin Skidmore	-	-	-	-

Notes:

1. The full terms and conditions of the Options are set out in Section 10.3.

Item	Summary	Further information
Who are the Company's substantial Shareholders, what interest will they have after completion of the Offers and who will the Company's substantial shareholders be on completion of the Offers?	Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offers are set out in the respective tables below. Based on information known to the Company the following persons (together with their associates) have a relevant interest in 5% or more of the Shares on issue as at the date of this Prospectus: (see table below)	Section 5.7

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully diluted
Furinkazan Capital Pty Ltd	1,050,000	1,000,000	14.1%	14.7%
Resource Holdings	1,000,001	3,000,000	13.4%	28.7%

Notes:

1. The fully diluted percentage reflects the conversion of Options.

Based on information known to the Company as at the date of this Prospectus, on completion of the issue of Shares under the Public Offer with Minimum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Public Offer) and completion of the Acquisition, the following persons (together with their associates) will have a relevant interest in 5% or more of the Shares on issue:

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully diluted
Stephen Biggins [2]	9,250,001	3,000,000	22.9%	24.0%

Notes:

1. The fully diluted percentage reflects the conversion of Options.
2. Comprising:
   (a) 1,000,001 Shares and 2,000,000 Options held by Resource Holdings;
   (b) 1,000,000 Options held by Genex Resources Pty Ltd;
   (c) 6,200,000 Shares which will be issued to Resource Holdings (or its nominee/s) under the Consideration Offer;
   (d) 1,800,000 Shares which will be issued to BR1 Holdings (or its nominee/s) under the Consideration Offer; and
   (e) 250,000 Shares, being the maximum participation of Mr Biggins under the Public Offer.

   Director, Stephen Biggins is the controller of each of the entities noted above.

Based on information known to the Company as at the date of this Prospectus, on completion of the issue of Shares under the Public Offer with Maximum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Public Offer) and completion of the Acquisition, the following persons (together with their associates) will have a relevant interest in 5% or more of the Shares on issue:

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully diluted
Stephen Biggins[2]	9,250,001	3,000,000	18.3%	20.1%

Notes:

1. The fully diluted percentage reflects the conversion of Options.
2. Comprising:
   (a) 1,000,001 Shares and 2,000,000 Options held by Resource Holdings;
   (b) 1,000,000 Options held by Genex Resources Pty Ltd;
   (c) 6,200,000 Shares which will be issued to Resource Holdings (or its nominee/s) under the Consideration Offer;
   (d) 1,800,000 Shares which will be issued to BR1 Holdings (or its nominee/s) under the Consideration Offer; and
   (e) 250,000 Shares, being the maximum participation of Mr Biggins under the Public Offer.

   Director, Stephen Biggins is the controller of each of the entities noted above.

Item	Summary	Further information
	The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offers prior to the Shares commencing trading on ASX.	
What are the significant interests of advisers to the Company?	Other than as detailed below, Cadmon Advisory Pty Ltd (corporate authorised representative 001253390 of AFSL 451820) (**Cadmon Advisory**) and Ventnor Capital Pty Ltd (**Ventnor Capital**) (and their respective associates) have not participated in a placement of Securities by the Company in the two years preceding lodgement of this Prospectus.	

	Cadmon Advisory			Date issued
	Number of Shares	Number of Options	Consideration Paid ($)	
Seed Capital (Second Round)	1,000,000	1,000,000	50,000	25/10/2021
Pre IPO Seed Capital	50,000	-	5,000	18/11/2021
Total	**1,050,000**	**1,000,000**	**55,000**	

	Ventnor Capital			Date issued
	Number of Shares	Number of Options	Consideration Paid ($)	
Corporate Advisor Shares	950,000	-	950	27/09/2021
Total	**950,000**	**0**	**950**	

As at the date of this Prospectus, Cadmon Advisory and Ventnor Capital and their respective associates) have a relevant interest in the following Securities:

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully diluted
Cadmon Advisory	1,050,000	1,000,000	14.1%	14.7%
Ventnor Capital	950,000	0	12.8%	6.8%

Notes:

1. Based on the existing Shares and Options on issue as at the date of this Prospectus.

Based on the information available to the Company as at the date of the Prospectus regarding Cadmon Advisory and Ventnor Capital (and their respective associates') intentions in relation to the Public Offer, they will have a relevant interest in the following Securities on Admission (based on the Minimum Subscription):

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully diluted
Cadmon Advisory	1,050,000	5,000,000	2.6%	11.9%
Ventnor Capital	950,000	0	2.3%	1.9%

Notes:

1. Based on Minimum Subscription on issue at Admission.

This assumes that Cadmon Advisory, and Ventnor Capital (and their respective associates) will not take up Shares under the Public Offer.

Item	Summary	Further information
Employee Securities Incentive Plan	The Company has adopted an employee incentive scheme titled "Employee Securities Incentive Plan" (**Plan**). The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Securities under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company. A summary of the key terms and conditions of the Plan is set out in Section 10.4.	Section 10.4
What agreements with related parties and key management are the Company party to?	As noted above Company has entered into the RH1 Share Sale Agreement and the BR2 Share Sale Agreement pursuant to which it has conditionally agreed to acquire 100% of the issued capital of: (a) RH1 from its sole shareholder Resource Holdings; and (b) BR2 from its sole shareholder BR1 Holdings. Director, Stephen Biggins is the controller of Resource Holdings and BR1 Holdings. In the interests of good corporate governance, to avoid the perception of any conflict of interest and to comply with the Corporations Act, Mr Biggins recused himself from all negotiations and did not vote on the Company's entry into the RH1 Share Sale Agreement and the BR2 Share Sale Agreement. The basis for the acquisition price for each of the Acquisitions was concluded following arm's length negotiations with Mr Biggins and following a thorough review of the junior exploration market which included consideration of the asset jurisdiction, and ASX listed peer comparisons to the RH1 Projects and the BR2 Projects. The Company has also entered into the following other agreements with related parties and key management: (a) the Consultancy Agreement with BR1 Holdings, an entity controlled by Director, Stephen Biggins; (b) letters of appointment with each of the Directors on standard terms; (c) deeds of indemnity, insurance and access with each of the Directors and Key Management Personnel on standard terms; and (d) an executive services agreement with Chief Executive Officer, Colin Skidmore. All of the above agreements were negotiated on arm's length terms and, where appropriate, the relevant Director was excluded from the Board's deliberations on the relevant agreement.	Sections 9.1, 9.2.1 and 9.5
G.	**Financial Information**	
How has the Company been performing?	As the Company was only recently incorporated on 2 July 2021, it has limited financial performance and has no operating history. As a result, the Company is not in a position to disclose any key financial ratios other than its statement of profit and loss, statement of cash flows and pro-forma balance sheet which is included in Section 6 of this Prospectus.	Section Annexure C6
What is the financial outlook for the Company?	Given the current status of the Projects and the speculative nature of the Company's business, the Directors do not consider it appropriate to forecast future earnings. Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis.	Section Annexure C6

Item	Summary	Further information
G. Offers		
What is the Public Offer?	The Public Offer is an offer of up to 35,000,000 Shares at an issue price of $0.20 per Share to raise up to $7,000,000 (before costs). The Minimum Subscription is 25,000,000 Shares to raise $5,000,000.	Section 4.1
Is there a minimum subscription under the Public Offer?	The minimum amount to be raised under the Public Offer is $5,000,000.	Section 4.2
What is the purpose of the Public Offer?	The purpose of the Public Offer is to facilitate an application by the Company for admission to the Official List and, to position the Company to seek to achieve the objectives stated at Section B of this Investment Overview.	Section 4
Is the Public Offer underwritten?	No, the Public Offer is not underwritten.	Section 4.4
Who is the lead manager to the Public Offer?	The Company has appointed Cadmon Advisory as lead manager to the Public Offer. Cadmon Advisory will receive the following fees (exclusive of GST): (a) a retainer of $7,500 per month payable for three months on and from 19 October 2021 (being an aggregate retainer of $22,500); (b) a management fee of 2% of all funds raised under the Public Offer (being a fee of between $100,000 at Minimum Subscription and $140,000 at Maximum Subscription); (c) a selling fee of 4% of all funds raised under the Public Offer (being a fee of between $200,000 at Minimum Subscription and $280,000 at Maximum Subscription); and (d) 4,000,000 Options, which will be issued on the terms and conditions set out in Section 10.3. The Company has also paid Cadmon Advisory fees for acting as lead manager to the Seed Capital Raising and the Pre-IPO Seed Capital Raising. Further details in respect of the services provided and the fees paid are set out in Section 9.3.	Sections 4.5 and 9.3
Who is eligible to participate in the Public Offer?	This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.	Section 4.13
How do I apply for Shares under the Public Offer?	Applications for Shares under the Public Offer must be made by using an online Application Form at https://events.miraqle.com/stelar-metals-ipo/ and paying the application monies by BPAY®.	Section 4.9
What is the allocation policy?	The Company retains an absolute discretion to allocate Shares under the Public Offer and will be influenced by the factors set out in Section 4.10. There is no assurance that any applicant will be allocated any Shares, or the number of Shares for which it has applied.	Section 4.10
What other offers are being made	This Prospectus also contains the Secondary Offers, comprising the offer of:	Section 4.8

<table>
<tr><th>Item</th><th>Summary</th><th>Further information</th></tr>
<tr><td>under this Prospectus?</td><td>(a) 8,000,000 Shares to the Vendors (or their nominee(s)) (Consideration Offer); and
(b) 4,000,000 Options to Cadmon Advisory (or its nominee(s)) (Lead Manager Offer).
The purpose of the Secondary Offers is to remove the need for an additional disclosure document to be issued upon the sale of any Shares or Options that are issued under the Secondary Offers.
The Secondary Offers are made to the Vendors and Cadmon Advisory (or their respective nominee(s)). You should not complete an application form in relation to the Secondary Offers unless specifically directed to do so by the Company.</td><td></td></tr>
<tr><td>What will the Company's capital structure look like on completion of the Offers and Acquisitions?</td><td>The Company's capital structure on a post-Offers basis is set out in Section 5.6.</td><td>Section 5.6</td></tr>
<tr><td>What are the terms of the Shares offered under the Offers?</td><td>A summary of the material rights and liabilities attaching to:
(a) the Shares offered under the Offers are set out in Section 10.2; and
(b) the Options offered under the Lead Manager Offer are set out in Section 10.3.</td><td>Sections 10.2 and 10.3</td></tr>
<tr><td>Will any Shares be subject to escrow?</td><td>None of the Shares issued under the Public Offer will be subject to escrow.
However, subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, it is anticipated that certain Shares and Options will be escrowed for a period of up to 24 months from the date of Official Quotation.
During the period in which restricted Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.
The Company will announce to ASX full details (quantity and duration) of the Shares required to be held in escrow prior to the Shares commencing trading on ASX.
The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company) at the time of admission to the Official List of ASX will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7.</td><td>Section 5.8</td></tr>
<tr><td>Who are the current Shareholders of the Company and on what terms were their Shares issued?</td><td><table>
<tr><th rowspan="2">Shareholder</th><th colspan="2">Shares</th><th colspan="2">Options</th></tr>
<tr><th>Number</th><th>Issue Price</th><th>Number</th><th>Issue Price</th></tr>
<tr><td>Incorporation Share</td><td>1</td><td>$1.000</td><td>-</td><td>-</td></tr>
<tr><td>Business Structuring and Corporate Advisory Shares</td><td>950,000</td><td>$0.001</td><td>-</td><td>-</td></tr>
<tr><td>Promoter Seed Raise</td><td>1,000,000</td><td>$0.025</td><td>2,000,000</td><td>-</td></tr>
<tr><td>Seed Capital</td><td>1,500,000</td><td>$0.05</td><td>1,500,000</td><td>-</td></tr>
<tr><td>Pre-IPO Seed Capital</td><td>4,000,000</td><td>$0.100</td><td>-</td><td>-</td></tr>
<tr><td>Director Options</td><td>-</td><td>-</td><td>3,000,000</td><td>-</td></tr>
<tr><td>Total existing Securities on issue</td><td>7,450,001</td><td></td><td>6,500,000</td><td></td></tr>
</table></td><td>Section 5.6</td></tr>
</table>

Item	Summary	Further information
Will the Shares be quoted on ASX?	Application for quotation of all Shares to be issued under the Offers will be made to ASX no later than seven days after the date of this Prospectus.	Section 4.11
What are the key dates of the Offers?	The key dates of the Offers are set out in the indicative timetable in Section 2.	Section 2
What is the minimum investment size under the Public Offer?	Applications under the Public Offer must be for a minimum of $2,000 worth of Shares (10,000 Shares) and thereafter, in multiples of $500 worth of Shares (2,500 Shares).	Section 4.9
Are there any conditions to the Offers?	The Offers are conditional on: (a) completion of the Acquisitions; (b) raising the Minimum Subscription; and (c) ASX granting conditional approval for the Company to be admitted to the Official List. If these conditions are not satisfied, the Offers will not proceed, and the Company will repay all application monies received under the Public Offer within the time prescribed under the Corporations Act, without interest.	Section 4.6
H. Use of funds		
How will the proceeds of the Public Offer be used?	The Public Offer proceeds and the Company's existing cash reserves will be used for: (a) implementing the Company's business objectives and exploration programs as set out in Part B of Investment Overview; (b) meeting the expenses of the Offers and the Acquisitions; (c) administration costs; and (d) working capital, further details of which are set out in Section 5.5.	Section 5.5
Will the Company be adequately funded after completion of the Public Offer?	The Directors are satisfied that on completion of the Public Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus.	Section 5.5
I. Additional information		
Is there any brokerage, commission or duty payable by applicants?	No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Public Offer. However, the Company will pay to Cadmon Advisory 6% (ex GST) of the total amount raised under the Public Offer (a selling fee of 4% and management fee of 2%).	Sections 4.15 and 9.3
Can the Offers be withdrawn?	The Company reserves the right not to proceed with the Offers at any time before the issue or transfer of Securities to successful applicants. If the Public Offer does not proceed, application monies will be refunded (without interest).	Section 4.16
What are the tax implications of investing in Securities?	Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus. The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should	Section 4.15

Item	Summary	Further information
	obtain their own tax advice prior to deciding whether to subscribe for Securities offered under this Prospectus.	
When will I receive confirmation that my application has been successful?	Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for CHESS holders will be mailed to applicants being issued Shares pursuant to the Public Offer as soon as practicable after their issue.	Section 2
What is the Company's Dividend Policy?	The Company anticipates that significant expenditure will be incurred in the evaluation and development of the Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.	Section 5.10
What are the corporate governance principles and policies of the Company?	To the extent applicable, in light of the Company's size and nature, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**). The Company's main corporate governance policies and practices and the Company's compliance and departures from the Recommendations as at the date of this Prospectus are outlined in Section 8.4. In addition, the Company's full Corporate Governance Plan is available from the Company's website (www.stelarmetals.com.au).	Section 8.4
Can general meetings of shareholders be held using technology?	The Constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.	Section 10.2
Where can I find more information?	(a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser; or (b) By contacting the Share Registry, on +61 1800 336 109.	

This Section is a summary only and is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

4. DETAILS OF THE OFFERS

4.1 The Public Offer

The Public Offer is an initial public offering of 35,000,000 Shares at an issue price of $0.20 per Share to raise up to $7,000,000 (**Maximum Subscription**).

The Shares issued under the Public Offer will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 10.2.

4.2 Minimum Subscription

The minimum subscription is 25,000,000 Shares to raise $5,000,000 (**Minimum Subscription**).

If the Minimum Subscription has not been raised within four months after the date of this Prospectus or such period as varied by the ASIC, the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

4.3 Oversubscriptions

No oversubscriptions above the Maximum Subscription will be accepted by the Company under the Public Offer.

4.4 Underwriter

The Public Offer is not underwritten.

4.5 Lead Manager

The Company has appointed Cadmon Advisory Pty Ltd (corporate authorised representative 001253390 of AFSL 451820) (**Cadmon Advisory**) as lead manager to the Public Offer. In consideration for its services, the Company has agreed to pay the following fees to Cadmon Advisory (exclusive of GST):

(a) a retainer of $7,500 per month payable for three months on and from 19 October 2021 (being an aggregate retainer of $22,500);

(b) a management fee of 2.0% of the gross proceeds of the Public Offer, payable in cash (being an amount between $100,000 at Minimum Subscription and $140,000 at Maximum Subscription);

(c) a selling fee of 4.0% of the gross proceeds of the Public Offer, payable in cash (being an amount between $200,000 at Minimum Subscription and $280,000 at Maximum Subscription); and

(d) 4,000,000 Options exercisable at $0.30 each on or before the third anniversary of the date of Official Quotation of the Company's Shares (**Lead Manager Options**).

The total value of the Lead Manager Options is $331,282 (based on a Black Scholes valuation at annualised volatility of 80%, which returns a value of $0.08282 per Lead Manager Option). However, it is likely that a portion of the Lead Manager Options may be passed on to other advisers that assist with completion of the Public Offer.

If all the Lead Manager Options are exercised, an additional $1,200,000 will be raised.

In the event the Minimum Subscription is raised, all Options held by Cadmon Advisory and its associates are exercised and no other Shares are issued (including on exercise of any other Options), Cadmon Advisory and its associates would hold 13.3% of the total Shares on issue (being a maximum potential voting power of 13.3%). It should be noted that a portion of the Lead Manager Options may be granted to other advisers that assist with completion of the Public Offer, and the potential maximum voting power of 13.3% will reduce to the extent this occurs.

The Company has also paid Cadmon Advisory fees for acting as lead manager to the Seed Raising and the Pre-IPO Seed Raising. Further details in respect of the services provided and the fees paid are set out in Section 9.3.

4.6 Conditions of the Offers

The Offers are conditional upon the following events occurring:

(a) the Minimum Subscription being reached;

(b) ASX granting conditional approval for the Company to be admitted to the Official List; and

(c) completion of the Acquisitions,

(together the **Conditions**).

If these Conditions are not satisfied then the Offers will not proceed and the Company will repay all application monies received under the Public Offer within the time prescribed under the Corporations Act, without interest.

4.7 Purpose of the Offers

The primary purpose of the Offers is to:

(a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules;

(b) provide the Company with additional funding for:

  (i) the proposed exploration programs at the Projects (as further detailed in Section 5.4):

  (ii) considering acquisition opportunities that may be presented to the Board from time to time; and

  (iii) the Company's working capital requirements while it is implementing the above; and

(c) remove the need for an additional disclosure document to be issued upon the sale of any Securities that are to be issued under the Offers.

The Company intends on applying the funds raised under the Public Offer together with its existing cash reserves in the manner detailed in Section 5.5.

4.8 Secondary Offers

The Prospectus also includes the following secondary offers:

(a) 8,000,000 Shares to the Vendors (or their nominee(s)) under the Consideration Offer; and

(b) 4,000,000 Options to Cadmon Advisory (or its nominee(s)) under the Lead Manager Offer,

(each being a **Secondary Offer**).

The Shares issued under the Consideration Offers will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 10.2.

The terms of the Options offered under the Lead Manager Offer are summarised in Section 10.3.

Consideration Offer

Only the Vendors (or their nominee(s)) may accept the Consideration Offer. A personalised application form in relation to the Consideration Offer will be issued to the Vendors together with a copy of this Prospectus (Consideration Offer Application Form). The Company will only provide a Consideration Offer Application Form to the Vendors (or their nominee(s)). No monies are payable for the Consideration Shares offered under the Consideration Offer.

Lead Manager Offer

Only Cadmon Advisory (or its nominee(s)) may accept the Lead Manager Offer. A personalised application form in relation to the Lead Manager Offer will be issued to Cadmon Advisory together with a copy of this Prospectus (**Lead Manager Offer Application Form**). The Company will only provide a Lead Manager Offer Application Form to Cadmon Advisory(or its nominee(s)). No monies are payable for the Options offered under the Lead Manager Offer.

The Securities issued under the Secondary Offers will be subject to escrow under the ASX Listing Rules. Please refer to Section 5.8 for a summary of the likely escrow position.

4.9 Applications under the Public Offer

Applications for Shares under the Public Offer must be made by using:

(a) an online Application Form at https://events.miraqle.com/stelar-metals-ipo/ and paying the application monies by BPAY®; or

(b) completing a paper-based application using the relevant Application Form attached to, or accompanying, this Prospectus or a printed copy of the relevant Application Form attached to the electronic version of this Prospectus.

By completing an Application Form, each applicant under the Public Offer will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Public Offer must be for a minimum of $2,000 worth of Shares (10,000 Shares) and thereafter in multiples of 2,500 Shares and payment for the Shares must be made in full at the issue price of $0.20 per Share.

Completed Application Forms and accompanying cheques, made payable to "**Stelar Metals Limited**" and crossed "**Not Negotiable**", must be mailed or delivered to the address set out on the Application Form by no later than 2:00pm (WST) on the Closing Date, which is scheduled to occur on 18 February 2022.

If paying by BPAY®, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is process by their financial institution on or before the day prior to the Closing Date of the Public Offer. You do not need to return any documents if you have made payment via BPAY.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Public Offer early.

4.10 Allocation policy under the Public Offer

The Company retains an absolute discretion to allocate Shares under the Public Offer and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No applicant under the Public Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shares by Directors (in conjunction with Cadmon Advisory) will be influenced by the following factors:

(a) the number of Securities applied for;

(b) the overall level of demand for the Public Offer;

(c) the timeliness of the bid by particular applicants;

(d) the desire for a spread of investors, including institutional investors;

(e) recognising the ongoing support of existing Shareholders;

(f) the likelihood that particular applicants will be long-term Shareholders;

(g) ensuring an appropriate Shareholder base for the Company going forward;

(h) the desire for an informed and active market for trading Shares following completion of the Public Offer; and

(i) any other factors that the Company and Cadmon Advisory consider appropriate.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

4.11 ASX listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within seven days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Public Offer.

If the Shares are not admitted to Official Quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The Company will not apply for Official Quotation of the Options offered pursuant to this Prospectus.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

4.12 Issue of Shares under the Public Offer

Subject to the to the Conditions set out in Section 4.6 being met, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Directors (in conjunction with Cadmon Advisory) will determine the recipients of the issued Shares in their sole discretion in accordance with the allocation policy detailed in Section 4.10). The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (**CHESS**) holders will be mailed to applicants being issued Shares pursuant to the Public Offer as soon as practicable after their issue.

4.13 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

4.14 Commissions payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

Cadmon Advisory will be responsible for paying all commission that they and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to Cadmon Advisory under the Lead Manager Mandate.

4.15 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Public Offer.

4.16 Withdrawal of Offers

The Offers may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

5. COMPANY AND PROJECTS OVERVIEW

5.1 Background

The Company is an Australian unlisted public company incorporated on 2 July 2021 for the purpose of acquiring exploration projects which are prospective for copper, iron oxide copper gold (**IOCG**) and zinc.

The Company has conditionally agreed to acquire the entire issued share capital of:

(a) Resource Holdings No 1 Pty Ltd (ACN 652 459 740) (**RH1**) which is the registered holder of four exploration licences located in South Australia (the **RH Projects**); and

(b) BR2 Pty Ltd (ACN 654 351 265) (**BR2**) which has a conditional right to acquire two exploration licence applications located in South Australia (the **BR2 Projects**).

Further information in relation to the RH Projects and the BR2 Projects (together, the **Projects**) is set out in Section 5.2 and further information in relation to the acquisition of RH1 and BR2 is set out in Sections 9.1 and 9.2 respectively.

The primary objective of the Company is to focus on targeted and systematic exploration at the Projects.

The results of exploration programs will determine the potential of the Projects to host commercial quantities of mineralisation and possible timing for the commencement of potential further testing.

In addition to the above activities, the Company will assess any other opportunities that are available that have a strategic fit for the Company with the intention of providing maximum value to Shareholders for their investment.

A group structure diagram, assuming completion of the Offers and the Acquisitions is set out below.

On completion of the Offers and the Acquisitions, each of the subsidiaries noted in the diagram above will be wholly owned by the Company.

5.2 Overview of the Projects

As set out above, the Company has conditionally agreed to acquire the entire issued share capital of RH1 and BR2.

RH1 is the registered holder of four exploration licences located in South Australia, comprising:

(a) the **Evelyn Dam Project** (EL 5792) and **Torrens Project** (EL 6572 & EL 6264) are prospective for IOCG target types within the Olympic Province in the Gawler Craton. The Olympic Province on the eastern margin of the craton hosts a number of large and high grade IOCG deposits and mines; Olympic Dam, Prominent Hill and Carrapateena and new discoveries at Oak Dam (BHP) and Emmie Bluff Deeps (COD); and

(b) the **Linda Zinc Project** (EL 6263), where Zinc mineralisation is hosted in a similar geological setting as the examples of economic mineralisation Beltana, Reliance and Aroona orebodies in the area which are among the highest-grade zinc deposits in the world.

BR2 has a conditional right to acquire two exploration licence applications located in South Australia, comprising:

(a) the **Gunson Project** (ELA 2021/00073) which is located close to a series of historic open pit copper mines and deposits at Mount Gunson and recent copper drilling results in the region by COD and DGO. The Gunson Project is prospective for Zambian style Sediment Hosted Copper Deposits (**SHCD**) while the basement is also prospective for Olympic Dam style IOCG mineralisation; and

(b) the **Baratta Project** (ELA 2021/00037) which covers approximately 455km^2 and is prospective for Zambian style SHCD as well as zinc-lead mineralisation.

The details of each Project are set out at Table 1 below and the location of each of the Projects is illustrated in the map located at Figure 1 below.

Figure 1. Location Map for the Projects

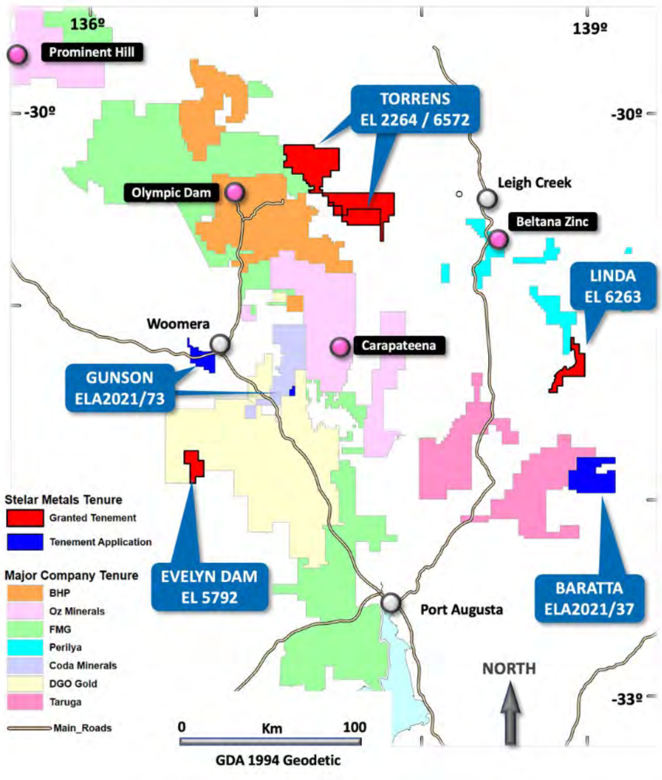


Table 1. Summary of tenement holdings and applications in South Australia.

Tenement	Name	Grant Date (Application Date)	Expiry Date	Status	Licencee	Area sq km
EL 5792	Evelyn Dam	25/05/2016	24/05/2021*	Granted	RH1	134
EL 6263	Linda Zinc	5/10/2018	4/10/2023	Granted	RH1	190
EL 6264	Bill's Lookout	5/10/2018	4/10/2023	Granted	RH1	992
EL 6572	West Well	17/12/2020	16/12/2021*	Granted	RH1	222
Total Granted						**1,538**
ELA 2021/00073	Gunson	(18/06/2021)		Application	BR1 Holdings Pty Ltd	172
ELA 2021/00037	Baratta	(3/05/2021)		Application		455
Total Applications						**627**
Total Area (granted plus applications)						**2,165**
* The renewal process is underway for these licences. The renewal for EL 5792 is currently being processed by the Department, correspondence has been received by RH1 from the Department confirming the renewal is expected to be finalised shortly.						

Please see the Independent Technical Assessment Report at Annexure A and the Independent Tenement Report at Annexure B for further information on the Projects.

5.2.2 Evelyn Dam Project

Location and Geology

The Evelyn Dam Project is located about 50 km south of Pimba in South Australia, predominately under Cenozoic cover in the eastern part of the Gawler Craton.

The oldest rocks outcropping in the broader area are flat-lying or shallowly dipping Gawler Range Volcanics (**GRV**) which outcrop on islands in Lake Gairdner to the west. These are overlain by flat-lying sedimentary rocks of the Pandurra Formation and then by rocks of the Adelaidean sequence. The basement rocks underneath the GRV are not well constrained but are likely to be older metamorphic rocks deformed in the Kimba Orogeny.

Previous Exploration

Exploration by BHP and Rio Tinto previously at Evelyn Dam has focussed on a gravity anomaly with a maximum amplitude of approximately 8 mGal interpreted as representing a hematite body associated with IOCG mineralisation.

One drill hole has been completed at Evelyn Dam (EVE001) by Rio Tinto Exploration in joint venture with Resource Holdings. This hole was collared in the western side of the exploration licence and intersected a thin sequence of Cainozoic cover before intersecting rocks of the Pandurra Formation. This joint venture has since been terminated.

Various intensities of alteration with haematite, chlorite, sericite and/or carbonate are noted in the drill logs within the GRV intersected below the breccia unconformity with the overlying Pandurra at 430m. These observations are interpreted by Rio Tinto (Pitt 2018) as consistent with distal facies of IOCG alteration. The reddening of the rocks with haematite is a classic alteration facies often dubbed Red Rock Alteration.

Recent Exploration

Stelar has completed a detailed evaluation of the geology of the project area and is focused on the Evelyn Dam gravity anomaly as an Olympic Dam type IOCG target.

Since the exploration licence was issued in 2016, exploration on the project has involved:

(a) the execution of a Native Title agreement on 18 January 2018 and the subsequent approval of three drill sites;

(b) the reprocessing and modelling of gravity data by Hutchens Geophysics (2017);

(c) completion of one diamond hole, EVE001, with RC pre collar to a total depth of 735 m in 2018;

(d) multielement assays were carried out on samples from the base of the Pandurra Formation to the end of hole;

(e) downhole geophysics was carried out on EVE001 by Borehole Wireline;

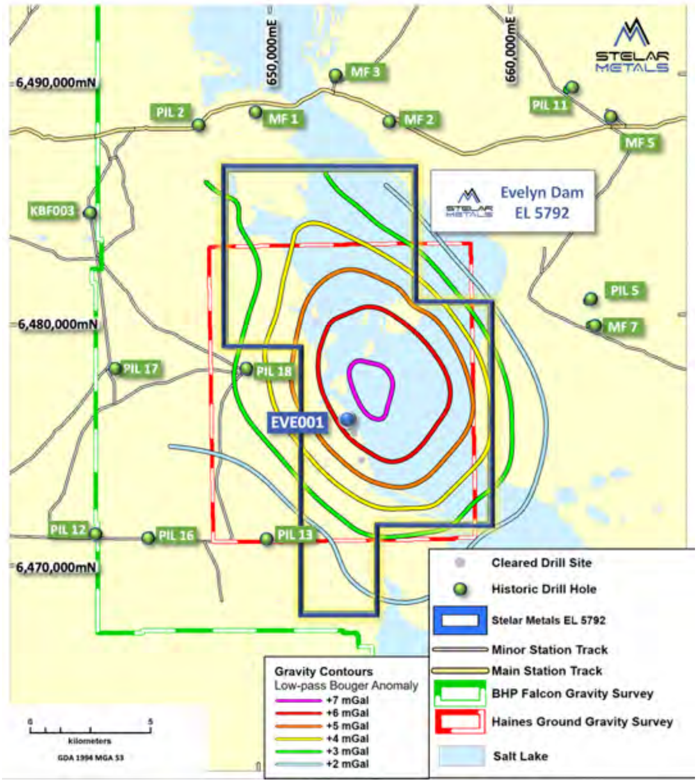
(f) 20 Petrographic samples were collected and described; and

(g) spectral data was collected by ASD TerraSpec Halo Mineral Identifier.

Stelar is in the process of analysing this data to refine the exploration model and better target further drilling.

Stelar believes that the single drill hole completed did not explain the gravity anomaly and it shows encouraging signs of alteration interpreted as distal to an IOCG system.

Figure 2. Location of EL 5792 showing historic drilling and Bouger Gravity contours



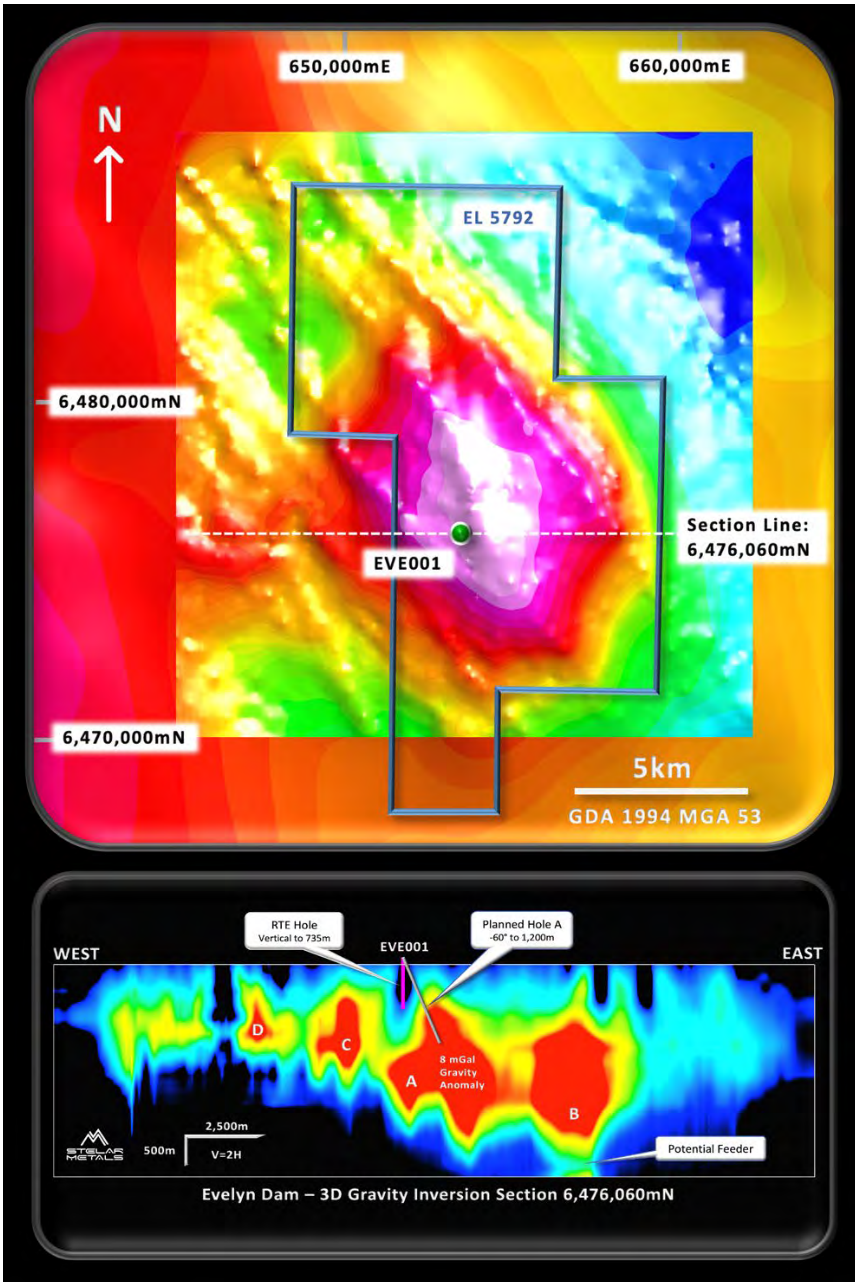
Exploration Potential

The Company's exploration strategy for the Evelyn Dam Project area is to explore for Olympic Dam Type IOCG mineralisation.

The Company plans to carry out infill ground gravity and geophysical modelling to better define the anomaly followed by drill testing.

Figure 3. Gravity Model (2017) with planned drilling

Source: Hutchens Geophysics (2017). Hole EVE001 was drilled vertyically but did not test the gravity anomaly.



Please see the Independent Technical Assessment Report at Annexure A and the Independent Tenement Report at Annexure B for further information on the Evelyn Dam Project.

5.2.3 Linda Zinc Project

<u>Location and Geology</u>

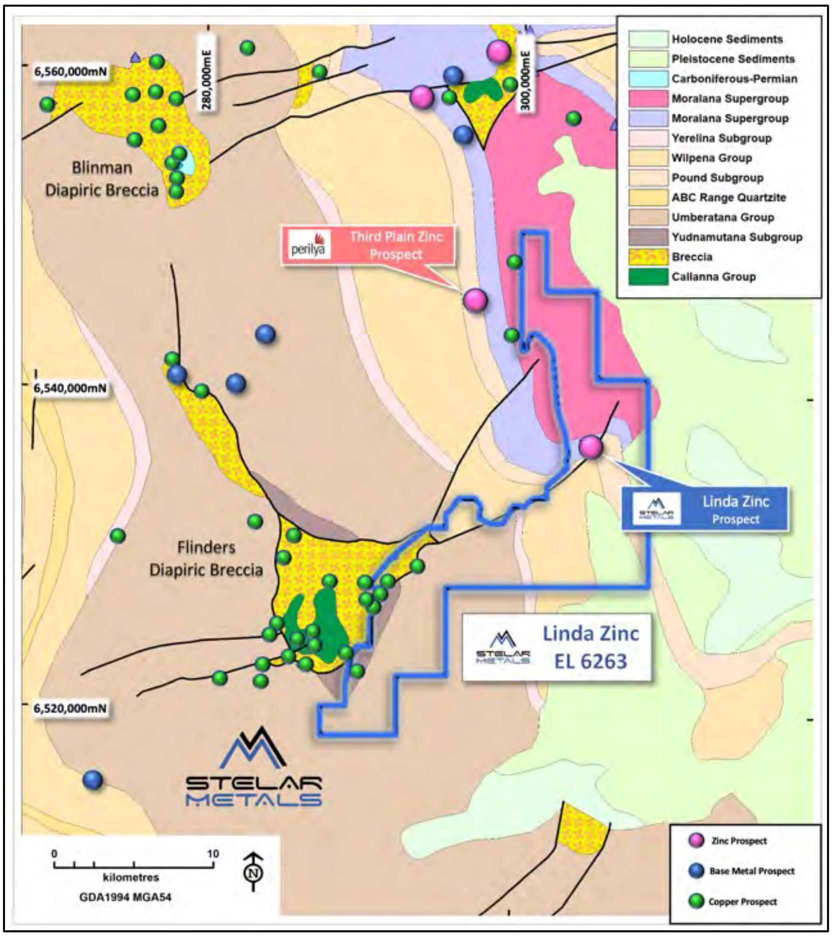
The Linda Zinc exploration licence is located about 160 km from Port Augusta and 30 km from Blinman in South Australia.

EL6263 is located in the Central Flinders Zone of the Adelaide Rift Complex. Outcropping geology within the exploration licences comprises a northeast to north trending segment of Adelaidean stratigraphy which spans the Yudanamutana Subgroup to the Rawnsley Quartzite.

The Linda Zinc prospect is an extensive outcropping zone of fracture-fill and disseminated blebs of zinc-lead mineralisation associated with a biohermal bank in Cambrian Wilkawillina Formation carbonates on the southern limb of the Wilkawillina graben. Three small hydrozincite gossans occur within this zone. The mineralisation is interpreted from drill core to be associated with localised dolomitisation and karstic structures.

Three copper occurrences are recorded within EL6273 in the SARIG mineral occurrences dataset: the Kibble Hill Mine hosted in veins in the Tapley Hill Formation, the Loves Mine stratabound within a sandstone unit in the Yudanamutana Subgroup, and the Loves Reward prospect hosted in veins in the Curdimurka Subgroup. Seven barite occurrences are also recorded. These mineral occurrences all have limited mining histories.

Figure 4. Linda Zinc Project, Geological Map.



<u>Previous Exploration</u>

In the 1980s, BHP was systematically exploring for MVT style zinc-lead mineralisation within the Cambrian carbonate sequence in the broader Adelaide Fold Belt area. This led to the discovery of several Zn-silicate and Zn-sulphide deposits of this type, including the Linda Zinc prospect in 1984 during field inspection of surface geochemical anomalism in a regional stream sediment survey. BHP followed up with several phases of surface sampling and drilling, but the prospect has not been drill tested since this period. Perilya undertook mapping and XRF soils in 2014 over the broader Linda Prospect area.

Several explorers have also pursued copper mineralisation on the Linda EL in the Tindelpina Shale Member and the Yudanamutana Subgroup. South Australia Ludi Mining (**SALM**) undertook an IP survey, geological mapping, and surface sampling between 2011 and 2012 which identified three anomalous copper occurrences (>1% Cu) associated with quartz-siderite veins within the Tindelpina Shale Member. However, follow up diamond drilling in 2014 (HWK001-3) did not return any significant mineralisation.

Recent Exploration

Stelar has compiled and reviewed the historical exploration on the Linda Zinc Project. Interpretation by Stelar of mapping and geochemical surveys by Perilya in the has identified new untested zinc targets. Based on the success of historical surveys such as these in the area, Stelar also intends to undertake new geochemical surveys utilising pXRF assaying of soils, additional mapping and rock-chip sampling ahead of further drill testing.

The key targets identified are:

(a) **Zinc**: The Linda zinc prospect has been drilled revealing significant zinc mineralisation. The style of mineralisation is consistent with an MVT system. The prospect is hosted in Cambrian Wilkawillina Limestone in a similar setting to the nearby high grade Third Plain prospect. It is also proximal to a northeast trending fault which links to a diapiric structure which is a potential important conduit for mineralisation. Stelar plans to target further drilling to define the extent of this system targeting MVT and Beltana-Kipushi type mineralisation; and

(b) **Copper:** Further work is required across the tenure to assess the exploration potential for sedimentary copper. Units in the Adelaidean are prospective for sediment hosted copper mineralisation. Taruga Minerals have discovered significant copper mineralisation at Wyacca, close to Stelar's Linda Project (ASX:TAR 30/08/2021), hosted in the Tindelpina Shale Member of the Tapley Hill Formation.

Stelar intends to explore known targets by mapping and sampling prior to drill testing. Stelar is also planning to undertake an exploration licence-wide targeting exercise by interpretation of regional datasets and carrying out regional mapping and surface geochemical surveys.

Drill targets defined by Stelar include:

(a) diamond drilling under known mineralisation with 110°-120° trends. Mineralisation is defined by historical mapping and sampling for high grade pods and pits, and drilling; and

(b) RC drilling of untested geochemical, geological and alteration targets.

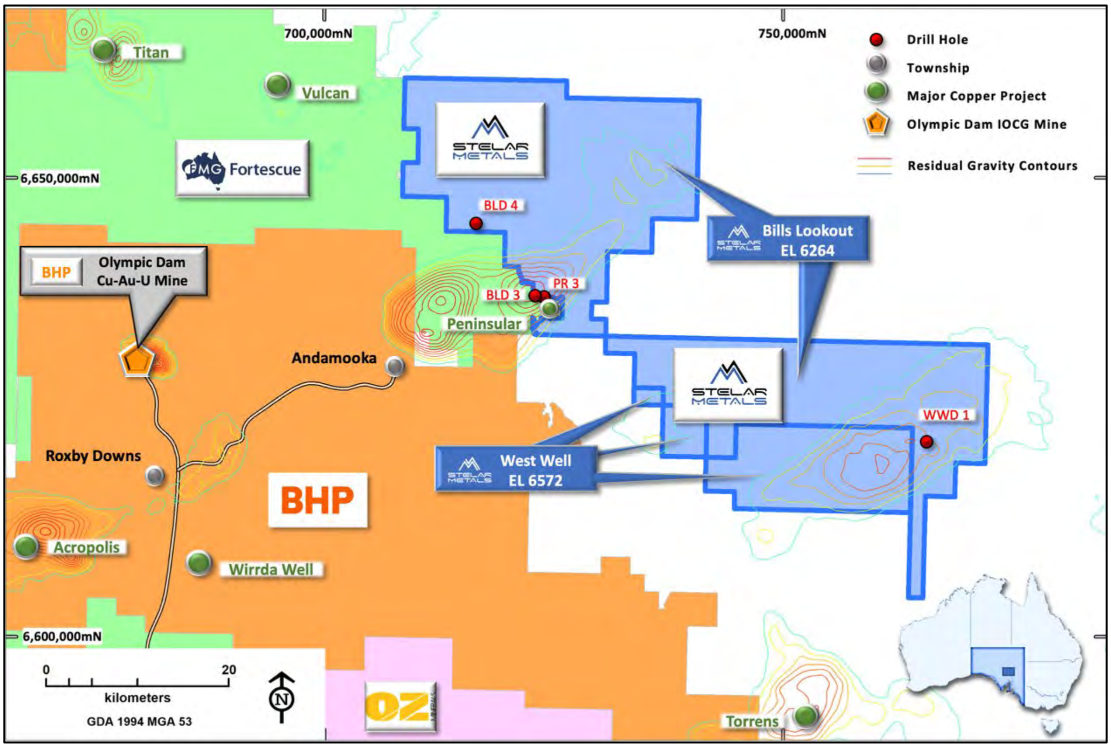
Please see the Independent Technical Assessment Report at Annexure A and the Independent Tenement Report at Annexure B for further information on the Linda Zinc Project.

5.2.4 Torrens Project

Summary

The Torrens Project comprises a contiguous block of two exploration licences (Bill's Lookout EL 6264 and West Well EL 6572) which is located approximately 40km east of BHP's Olympic Dam Mine.

Figure 5. Torrens Project relative to neighbouring tenure and showing gravity anomaly contours. Source: SARIG.



Geology and Mineralisation

The Torrens Project is located on the Torrens Hinge Zone, an Adelaidean structure which marks the boundary between thick rift fill sedimentary rock of the Adelaide Fold Belt and a relatively thin sedimentary succession of the Stuart Shelf which was deposited on the margin of the rift.

The depth to Mesoproterozoic basement is not well constrained in the project area. GSSA estimates, based on geophysical data, range between 600 m in the southeast to 1,200 m in the northwest. Similarly, the nature of basement is not well understood and is interpreted from geophysical data.

Hole BLD3 was drilled by Western Mining Corporation (**WMC**) to a depth of 1024 m and intersected Mesoproterozoic basement at 872 m. Hole BLD4 was drilled to 1,037 m and did not reach basement. Hole WWD1 was drilled to 762 m and also failed to intersect basement.

Several minor copper occurrences with limited mining histories occur within the Lower Cambrian Andamooka Limestone located just outside of the Bill's Lookout – West Well Project. These appear to be predominantly associated with vein and fracture networks within the limestone.

The Peninsular Prospect lies on the margin of EL6264 but is largely outside the exploration licence. Drilling on this prospect returned copper mineralisation hosted in Cambrian limestone. Hole PR3 intersected 30m at 0.20% Cu to EOH at 108 feet (32m).

Recent Exploration

Stelar is at an early stage of exploration and are in the process of compiling and analysing existing data. Excellent historical work done by WMC define a number of IOCG targets based on gravity and magnetic datasets which have not been tested.

Stelar has interpreted the gravity and magnetic data over the project area and defined a number of targets.

Exploration Potential

The only significant phase of exploration over these tenements occurred in the 1970s to mid-1980s when WMC tested several magnetics-gravity features

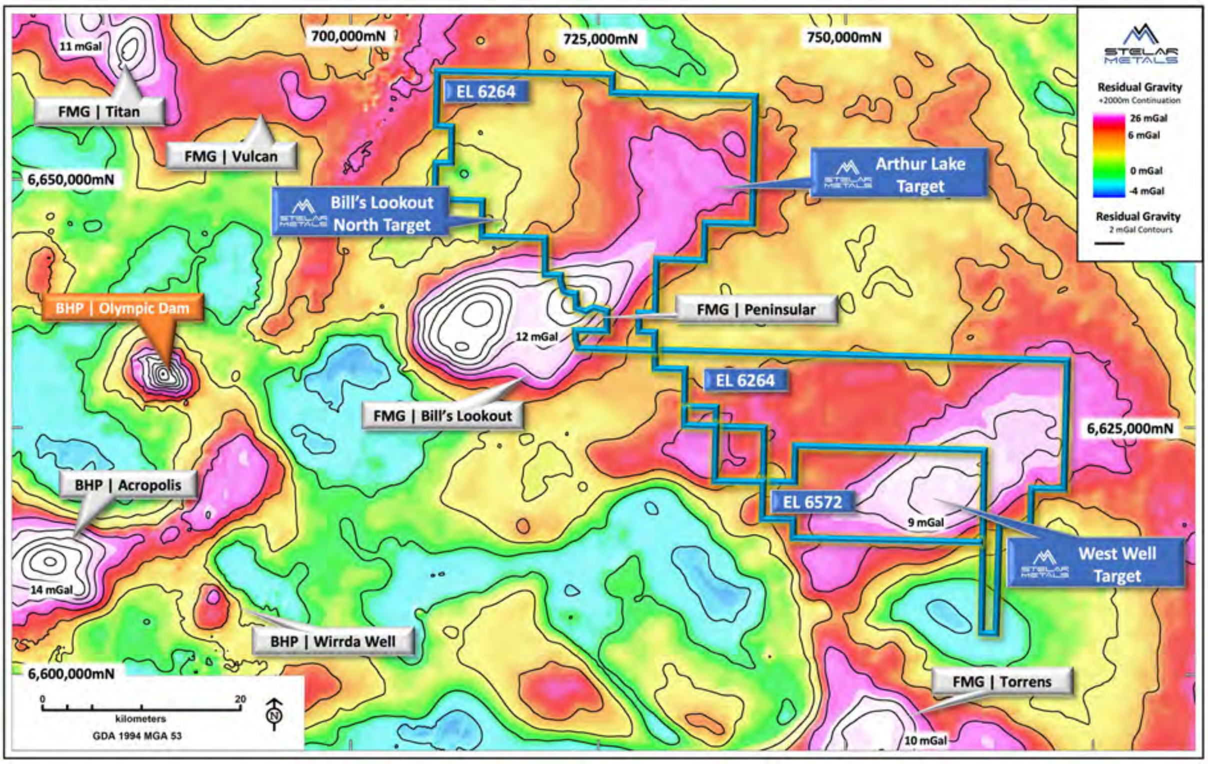
The Company's exploration strategy for the Torrens Project area is to explore for Olympic Dam type IOCG mineralisation.

Stelar is in the early stages of exploration over a large area interpreted as prospective for economic mineralisation. The Company's intention is to progress exploration by reprocessing gravity and magnetic data to better define existing targets for drill testing.

Stelar is exploring for Tier 1 mineral deposits under a significant thickness of cover. IOCG mineralisation has been shown to be economic at depth, Carrapateena has been developed under 450 m of cover and Oak Dam is in the resource definition phase under >800 m of cover.

Please see the Independent Technical Assessment Report at Annexure A and the Independent Tenement Report at Annexure B for further information on the Torrens Project.

Figure 6. Torrens Project Gravity Anomalies. Source: SARIG.



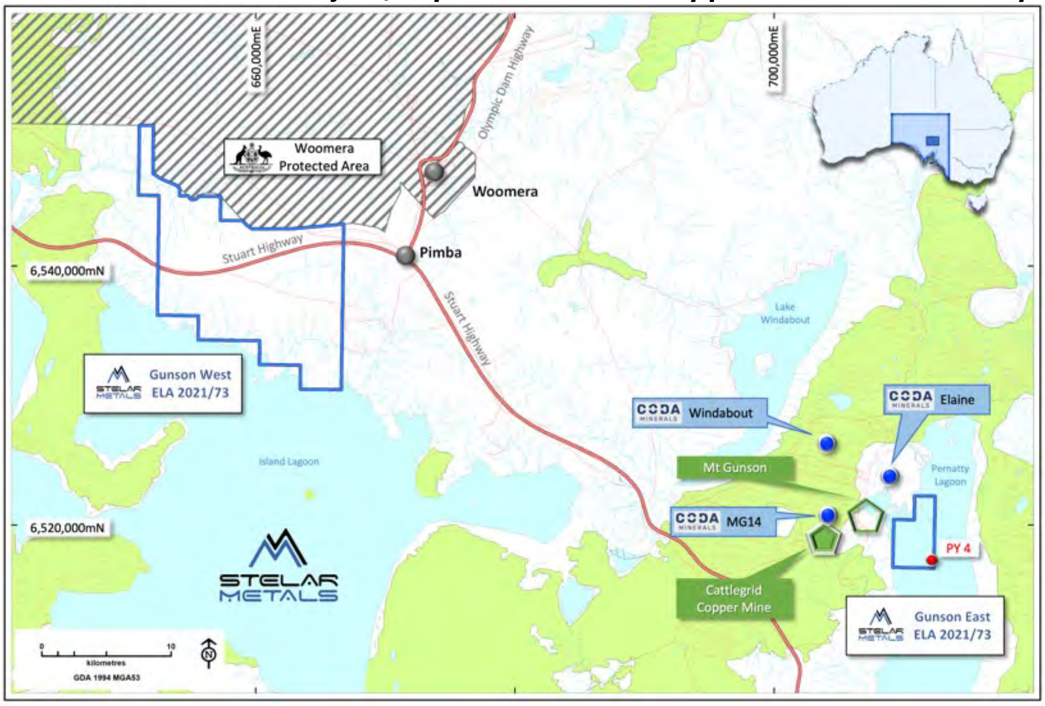
5.2.5 Gunson Project

Summary

The Gunson Project is located close to a series of historic open pit copper mines and deposits at Mount Gunson and recent copper drilling results in the region by COD and DGO. The Gunson Project is prospective for Zambian style Sediment Hosted Copper Deposits (**SHCD**) while the basement is also prospective for Olympic Dam style IOCG mineralisation.

The Gunson Project is comprises one exploration licence application with two areas. The eastern area contains a number of untested IOCG targets and will be the early focus for Stelar. Stelar is compiling and analysing data for the western section to support targeting.

Figure 7. Gunson Project, exploration licence application. Location Map.



Geology and Mineralisation

The western section of ELA2021/73 is located in the central eastern part of the Mesoproterozoic Gawler Craton, just west of the Olympic Dam IOCG province. The eastern Gawler Craton is overlain by flat-lying Mesoproterozoic to Neoproterozoic sediments of the western extent of the Stuart Shelf. SA Geological Survey's geological mapping noted that Neoproterozoic Tent Hill Formation of the Stuart Shelf outcrops across most of the area. Nearby drilling indicates the area comprises mostly GRV covered with several hundred metres of Mesoproterozoic to Neoproterozoic Pandurra Formation. The Pandurra Formation occurs as a north-south trending palaeotopographic ridge known as the Pernatty Culmination which occurs immediately west of the eastern Gunson ELA (Figure 8). The Pernatty Culmination controls sedimentation of the Adelaidean rocks which unconformably onlap the ridge. The Adelaidean strata are expected to thicken from west to east away from the Pernatty Culmination.

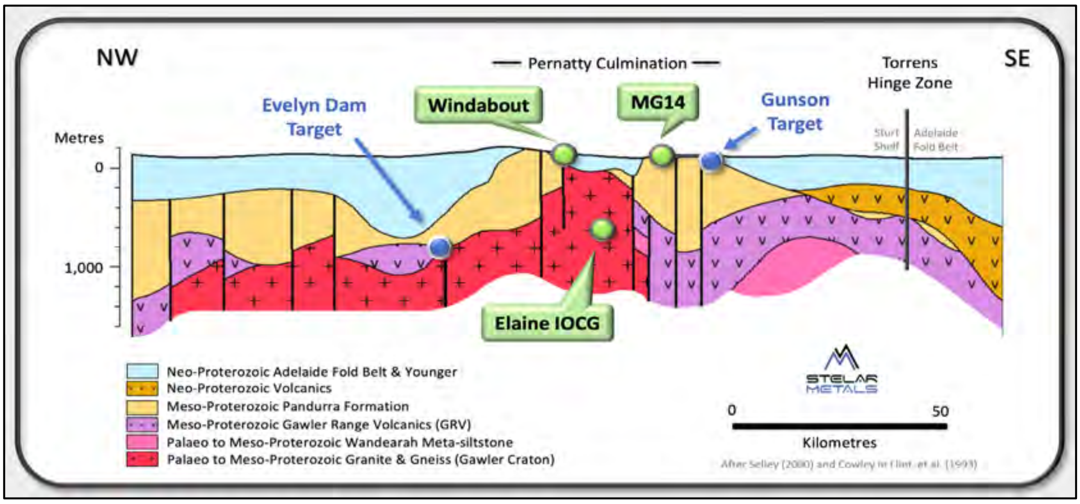
Mineralisation at Mount Gunson supports a general Copperbelt-type mineralisation model. Mineralisation is precipitated from an oxidised basin brine formed in the lowest units of a rift basin. Deposition of mineralisation is triggered by reaction with reduced facies rocks. Migration of mineralising fluids is controlled by the interaction of basin structure and stratigraphic aquifers. The Stuart Shelf is a relatively thin sedimentary sequence sitting adjacent to a thick salt-bearing succession in the Adelaidean Rift which is a likely source for mineralising basin brines. Dewatering of the Adelaidean Basin would progressively focus into the lowest permeable units on the Stuart Shelf which become thinner towards the Pernatty Culmination. Reduced facies rocks are known in the Tapley Hill Formation which are potential host rocks. Evidence from Mount Gunson and recent drilling results with significant copper, cobalt and silver mineralisation at the base of the Tapley Hill Formation by neighbouring tenement holders support the view that this process was active in the area. The concept is also supported by the similarity in age, structure and sedimentology between the Adelaidean and Zambian Copperbelt.

Previous Exploration

Exploration in the area has been active in the area since the 1960's. This work has helped build an understanding of the area and produced several useful datasets which are being utilised by Stelar. Stelar are in the process of compiling all historical data from exploration reports and are applying these to target generation.

DDH Pernatty 4 (PY4) is the only known drill hole within the Gunson Project. CSR Ltd exploring for IOCG type mineralisation in 1983 completed a series of four deep drill holes (PY1-4) in the Pernatty area targeting magnetic-gravity features. These drill holes intersected GRV from between 560-680 m. PY4 was drilled to 1015m to test a broad magnetic anomaly centred to the southwest of the drill hole collar. The northern half of this magnetic anomaly is located on the Gunson Project. PY4 intersected GRV at 562.58 m which showed favourable alteration zones, minor base metals anomalism, and fluorite-barite veins at the end of the hole. PY3 intersected similar favourable geology, leading CSR Ltd. to interpret an association between magnetic anomalism, magnetite, alteration, and mineralisation in the area.

Figure 8. Regional E-W geological cross-section, contextualising the geology underneath the Gunson Project. Source: Selley (2000).



Recent Exploration

Stelar is in the process of compiling and analysing all the available data for the Gunson Project to underpin a detailed plan to advance exploration and targeting when the exploration licence the subject of the Gunson Project is granted.

Exploration Potential

The Company's exploration strategy for the Gunson project areas is to explore for Zambian style SHCD mineralisation with basement hosted IOCG as a secondary target type.

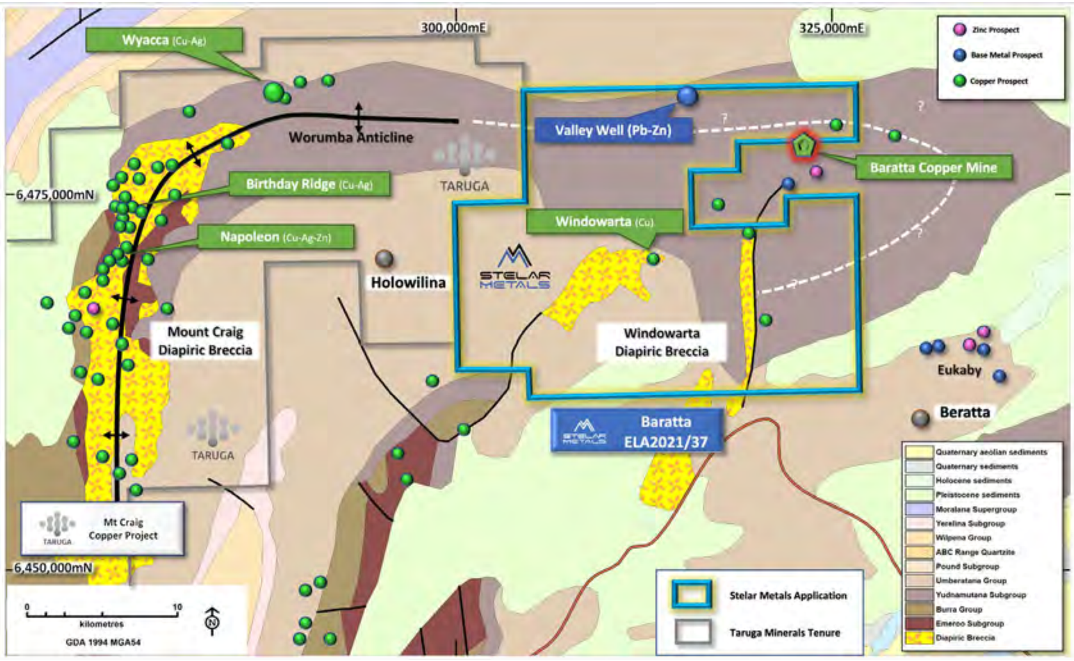
Please see the Independent Technical Assessment Report at Annexure A and the Independent Tenement Report at Annexure B for further information on the Gunson Project.

5.2.6 Baratta Project

Summary

The Baratta Project is located in South Australia about 130 km from Port Augusta. The project area is in the Flinders Ranges which are a mountain range running north northeast from near Port Augusta for about 430 km.

Figure 9. Baratta Project. Geology showing distribution of copper and base-metal mineral occurrences



Geology and Mineralisation

The Baratta Project is located within the northern part of the Nackara Arc within the Adelaide Rift Complex. It incorporates diapiric Callanna Group sediments intruding Tapley Hill Formation between a large elongate domal anticline to the west and the Bibliando Dome to the east. The base of the Tapley Hill Formation includes the Tindelpina Shale Member which hosts significant copper mineralisation at Wyacca which is about 15 km west of the Baratta Project.

Just outside the Baratta Project, the historic Baratta Copper Mine operated between 1896 and 1904 from a zone of workings 7.5 km long on the northern limb of the Bibliando Dome. The Baratta mine is interpreted to be controlled by a sinuous north-south and northeast-southwest trending structure which controls in the intrusion of salt diapirs. This structure is considered prospective for copper lead and zinc and is exposed over a significant strike length in the eastern part of the Baratta Project.

The SARIG mineral occurrences dataset also details a number of other mineral occurrences within the Baratta Project including the Valley Well lead prospect to the west of Baratta copper and the Baratta Springs Cu-Ag-Mn and Windowarta Cu occurrences associated with the diapirs in the southern part of the Baratta Project.

<u>Previous Exploration</u>

The Baratta area was explored from 2007 to 2016 by Panda Mining Pty Ltd. Reconnaissance exploration and target generation work were carried out, but targets were not drill tested. The SARIG database has no record of drilling within the Baratta Project.

<u>Recent Exploration</u>

Stelar is in the process of compiling and analysing all the available data for the Baratta Project to underpin a detailed plan to advance exploration and targeting when the exploration licence the subject of the Baratta Project is granted.

<u>Exploration Potential</u>

The Company's exploration strategy is to target copper, zinc, lead mineralisation in the Tindelpina Shale Member and the diapiric structures. Stelar will also follow up the known surface geochemical anomalies and mineral occurrences.

Please see the Independent Technical Assessment Report at Annexure A and the Independent Tenement Report at Annexure B for further information on the Baratta Project.

5.3 Business model

The proposed activities and business model of the Company on completion of the Offers are to test each of the Projects using skilled, experienced, and pragmatic exploration geoscientists and advisers to determine the Projects potential for hosting economic mineralisation.

Exploration work is intended to initially be focussed on the Evelyn Dam, Linda Zinc and Torrens Projects while the Company continues to undertake the steps necessary to ensure the successful grant of the exploration licence applications covering the Baratta Project and the Gunson Project.

The prospectivity and value of the Projects will be regularly assessed as results are received. Similarly, the market for commercial and financing opportunities will be tested as the Company advances its Projects to deliver and bring forward value for shareholders. The Company will also continue to assess and review new opportunities for tenement applications or acquisitions and, where deemed appropriate or in the interests of Shareholders, the Company may expand its portfolio of tenements.

The Company intends to operate a cost effective corporate structure with the Chief Executive Officer currently responsible for the execution of the Board approved strategy and management of the day-to-day activities.

The key dependencies of the Company's business model include:

(a) completing the acquisition of the Projects;

(b) maintaining title to the Projects;

(c) exploration success;

(d) retaining and recruiting key personnel skilled in the mining and resources sector;

(e) copper and zinc metal prices; and

(f) equity investment markets interest in financing and supporting base metal exploration

5.4 Proposed Exploration Program and Development Plan

Following completion of the Public Offer, the Company's proposed business model will be to further explore and develop the Projects as per the Company's intended exploration programs.

The exploration focus during the first year of work will centre around the Evelyn Dam and Linda Zinc Projects. Stelar will design and complete deep drilling based on previous results, to test the Evelyn Dam IOCG target and commence systematic fieldwork on the Linda Zinc Project.

In Year 2, Stelar intends to focus on areas identified as high priority during the Year 1 exploration program. It is expected that additional emphasis will be placed on the Baratta and Gunson Projects as a result of the anticipated timing of grant of the exploration licences.

As set out in the Independent Technical Assessment Report in Annexure A, the Company's proposed exploration and development plan in respect of the Projects is as set out below:

Project Exploration Activity	Exploration Budget					
	Minimum Subscription ($5 M)			Maximum Subscription ($7 M)		
	Year 1	Year 2	Total	Year 1	Year 2	Total
Evelyn Dam						
Personnel and Support	150,000	150,000	**300,000**	225,000	225,000	**450,000**
Field Services	80,000	80,000	**160,000**	120,000	120,000	**240,000**
Geophysics	80,000	-	**80,000**	120,000	-	**120,000**
Drilling and Assaying	500,000	300,000	**800,000**	750,000	450,000	**1,200,000**
Tenure/heritage/other exploration costs	20,000	20,000	**40,000**	20,000	20,000	**40,000**
Subtotal	**830,000**	**550,000**	**1,380,000**	**1,235,000**	**815,000**	**2,050,000**
Torrens						
Personnel and Support	50,000	50,000	**100,000**	75,000	75,000	**150,000**
Field Services	-	-	**-**	-	-	**-**
Geophysics including re-processing data	250,000	-	**250,000**	375,000	-	**375,000**
Drilling and Assaying	-	-	**-**	-	-	**-**
Tenure/heritage/other exploration costs	20,000	20,000	**40,000**	20,000	20,000	**40,000**
Subtotal	**320,000**	**70,000**	**390,000**	**470,000**	**95,000**	**565,000**
Linda Zinc						
Personnel and Support	150,000	150,000	**300,000**	225,000	225,000	**450,000**
Field Services	60,000	60,000	**120,000**	90,000	90,000	**180,000**
Geophysics	100,000	-	**100,000**	150,000	-	**150,000**
Drilling and Assaying	400,000	200,000	**600,000**	600,000	300,000	**900,000**
Tenure/heritage/other exploration costs	40,000	20,000	**60,000**	40,000	20,000	**60,000**
Subtotal	**750,000**	**430,000**	**1,180,000**	**1,105,000**	**635,000**	**1,740,000**

Project Exploration Activity	Exploration Budget					
	Minimum Subscription ($5 M)			Maximum Subscription ($7 M)		
	Year 1	Year 2	Total	Year 1	Year 2	Total
Baratta						
Personnel and Support	100,000	50,000	**150,000**	150,000	75,000	**225,000**
Field Services	50,000	30,000	**80,000**	75,000	45,000	**120,000**
Geophysics	80,000	-	**80,000**	130,000	-	**130,000**
Drilling and Assaying	-	200,000	**200,000**	-	300,000	**300,000**
Tenure/heritage/other exploration costs	40,000	20,000	**60,000**	40,000	20,000	**60,000**
Subtotal	**270,000**	**300,000**	**570,000**	**395,000**	**440,000**	**835,000**
Gunson						
Personnel and Support	50,000	50,000	**100,000**	75,000	75,000	**150,000**
Field Services	50,000	50,000	**100,000**	75,000	75,000	**150,000**
Geophysics	80,000	-	**80,000**	130,000	-	**130,000**
Drilling and Assaying	-	-	**-**	-	-	**-**
Tenure/heritage/other exploration costs	40,000	20,000	**60,000**	40,000	20,000	**60,000**
Subtotal	**220,000**	**120,000**	**340,000**	**320,000**	**170,000**	**490,000**
Total	**2,390,000**	**1,470,000**	**3,860,000**	**3,525,000**	**2,155,000**	**5,680,000**

5.5 Use of funds

The Company intends to apply funds raised from the Public Offer, together with existing cash reserves, over the first two years following admission of the Company to the Official List of ASX as follows:

Funds available	Minimum Subscription		Maximum Subscription	
	($)	(%)	($)	(%)
Existing cash reserves[1]	461,330	8%	461,330	6%
Funds raised from the Public Offer	5,000,000	92%	7,000,000	94%
Total	**5,461,330**	**100%**	**7,461,330**	**100%**
Allocation of funds	**($)**	**(%)**	**($)**	**(%)**
Exploration at Evelyn Dam Project[2]	1,380,000	25%	2,050,000	27%
Exploration at Torrens Project[2]	390,000	7%	565,000	8%
Exploration at Linda Zinc Project[2]	1,180,000	22%	1,740,000	23%
Exploration at Baratta Project[2]	570,000	10%	835,000	11%
Exploration at Gunson Project[2]	340,000	6%	490,000	7%
Expenses of the Offers[4]	648,531	12%	779,114	10%
Administration costs[5] & working capital[6]	952,799	17%	1,002,216	13%
Total	**5,461,330**	**100%**	**7,461,330**	**100%**

Notes:

1. Refer to the Financial Information set out in Section 6 for further details. The Company intends to apply these funds towards the purposes set out in this table, including the

payment of the expenses of the Offers of which various amounts will be payable prior to completion of the Offers.

2. Refer to Section 5.4 and the Independent Technical Assessment Report in Annexure A for further details with respect to the Company's proposed exploration programs at the Projects.

3. If the Baratta and/or Gunson licences are not granted, then additional funds will be allocated to additional drilling budgets at the Linda Zinc and Evelyn Dam Projects.

4. Refer to Section 10.8 for further details.

5. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.

6. To the extent that:

   (a) the Company's exploration activities warrant further exploration activities; or

   (b) the Company is presented with additional acquisition opportunities,

   the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial two-year period following Admission.

It is anticipated that the funds raised under the Public Offer will enable two years of full operations (if the Minimum Subscription is raised). It should be noted that the Company is unlikely to be fully self-funding through its own operational cash flow at the end of this period. The Company may require additional capital periodically, which will likely involve the use of additional debt or equity funding. Future capital needs may also depend on the success or failure of the Evelyn Dam and Linda Zinc Projects. The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration on the projects or to capitalise on acquisition opportunities in the resources sector.

In the event the Company raises more than the Minimum Subscription of $5,000,000 under the Public Offer but less than the Maximum Subscription, the additional funds raised will be first applied towards the expenses of the Offers and then to the most prospective projects after the first round of work was completed, where after reassessment and re-prioritisation further work was required to positively impact on the relevant projects and progress those Projects towards the discovery of a Mineral Resource. This may be in the form of infill drilling or drill testing other targets which were ranked lower in the initial round of prioritisation.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied and additional capital required. The Board reserves the right to alter the way funds are applied on this basis.

The Directors consider that following completion of the Public Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 7.

5.6 Capital structure

The capital structure of the Company following completion of the Offers (assuming both Minimum Subscription and Maximum Subscription under the Public Offer) is summarised below:

Shares[1]	Minimum Subscription	Maximum Subscription
Shares currently on issue[2]	7,450,001	7,450,001
Shares to be issued pursuant to the Public Offer[3]	25,000,000	35,000,000
Shares to be issued under the Consideration Offer[4]	8,000,000	8,000,000
Total Shares on completion of the Offers	**40,450,001**	**50,450,001**

Notes:

1. The rights attaching to the Shares are summarised in Section 10.2.
2. Comprising of:
   a. one Share which was issued to Resource Holdings (an entity controlled by Stephen Biggins) at an issue price of $1 on incorporation of the Company;
   b. 950,000 Shares which were issued to Ventnor Capital and its nominees at an issue price of $0.001 per Share for business structuring and other corporate advisory services provided to the Company;
   c. 1,000,000 Shares which were issued to Resource Holdings (an entity controlled by Stephen Biggins) at an issue price of $0.025 per Share under the Promoter Seed Capital Raising;
   d. 1,500,000 Shares which were issued to seed capitalists (including 1,000,000 Shares to an entity associated with Cadmon Advisory) at an issue price of $0.05 per Share under the Seed Capital Raising; and
   e. 4,000,000 Shares which were issued to seed capitalists (including 100,000 Shares to Mrs Louise Webster <L Webster Family A/C> the spouse of Geoffrey Webster, 250,000 Shares to Will Dix <The Dix Family Trust> and 50,000 Shares to an entity associated with Cadmon Advisory) at an issue price of $0.10 per Share under the Pre-IPO Seed Capital Raising.
3. Comprising of:
   a. 6,200,000 Shares to be issued to Resource Holdings (or its nominee) under the Consideration Offer; and
   b. 1,800,000 Shares to be issued to BR1 Holdings (or its nominee) under the Consideration Offer.

Options	Minimum Subscription	Maximum Subscription
Options currently on issue[1]	6,500,000	6,500,000
Options to be issued under the Lead Manager Offer[1,2]	4,000,000	4,000,000
Total Options on completion of the Offers	**10,500,000**	**10,500,000**

Notes:

1. The Options are exercisable at $0.30 each on or before the third anniversary of the date of Official Quotation of the Shares. Refer to Section 10.3 for a summary of the terms and conditions of the Options.
2. Comprising of:
   a. 2,000,000 Options which were issued to Resource Holdings (an entity controlled by Stephen Biggins) on the basis of two Options for every Share subscribed for and issued in the Promoter Seed Capital Raising;

b. 1,500,000 Options which were issued to seed capitalists (including 1,000,000 Options to an entity associated with Cadmon Advisory) on the basis of one Option for every Share subscribed for and issued in the Seed Capital Raising; and

c. 3,000,000 Options which were issued to Directors as part of their remuneration package.

3. Comprising 4,000,000 Options which will be issued under the Lead Manager Offer in accordance with the terms of the Lead Manager Mandate summarised in Section 9.3.

5.7 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offers are set out in the respective tables below.

As at the date of the Prospectus

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully Diluted
Furinkazan Capital Pty Ltd	1,050,000	1,000,000	14.1%	14.7%
Resource Holdings[1]	1,000,001	3,000,000	13.4%	28.7%

Notes:

1. Resource Holdings is an entity controlled by Director, Stephen Biggins.

On completion of the issue of Shares under the Offers with Minimum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Public Offer)

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully Diluted
Stephen Biggins[1]	9,250,001	3,000,000	22.9%	24.0%

Notes:

1. Comprising:

(a) 1,000,001 Shares and 2,000,000 Options held by Resource Holdings;

(b) 1,000,000 Options held by Genex Resources Pty Ltd;

(c) 6,200,000 Shares which will be issued to Resource Holdings (or its nominee/s) under the Consideration Offer;

(d) 1,800,000 Shares which will be issued to BR1 Holdings (or its nominee/s) under the Consideration Offer; and

(e) 250,000 Shares, being the maximum participation of Mr Biggins under the Public Offer.

Director, Stephen Biggins is the controller of each of the entities noted above.

On completion of the issue of Shares under the Offers with Maximum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Public Offer)

Shareholder	Shares	Options	Percentage (%)	
			Undiluted	Fully Diluted
Stephen Biggins[1]	9,250,001	3,000,000	18.3%	20.1%

Notes:

1. Comprising:
   (a) 1,000,001 Shares and 2,000,000 Options held by Resource Holdings;
   (b) 1,000,000 Options held by Genex Resources Pty Ltd;
   (c) 6,200,000 Shares which will be issued to Resource Holdings (or its nominee/s) under the Consideration Offer;
   (d) 1,800,000 Shares which will be issued to BR1 Holdings (or its nominee/s) under the Consideration Offer; and
   (e) 250,000 Shares, being the maximum participation of Mr Biggins under the Public Offer.

   Director, Stephen Biggins is the controller of each of the entities noted above.

The Company will announce to the ASX details of its top-20 Shareholders following completion of the Offers prior to the Shares commencing trading on ASX.

5.8 Restricted Securities

Subject to the Company being admitted to the Official List and completing the Offers, certain Shares and Options will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

While the ASX has not yet confirmed the final escrow position applicable to the Company's Shareholders, the Company anticipates that the following Securities will be subject to escrow:

(a) 2,175,000 Shares will be subject to escrow for 12 months from the date the Shares were issued (held by unrelated seed capitalists);

(b) 10,775,000 Shares will be subject to escrow for 24 months from the date of admission of the Company to the Official List (held by related seed capitalists, promoter seed capitalists and related party Vendors); and

(c) 10,500,000 Options will be subject to escrow for 24 months from the date of admission of the Company to the Official List (held by related parties, promoters and advisers).

The number of Securities that are subject to ASX imposed escrow are at ASX's discretion in accordance with the ASX Listing Rules and underlying policy. The above is a good faith estimate of the Securities that are expected to be subject to ASX imposed escrow.

The Company will announce to the ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX (which admission is subject to ASX's discretion and approval).

The Company's 'free float' (being the percentage of Shares not subject to escrow and held by Shareholders that are not related parties of the Company (or their associates) at the time of admission to the Official List) will be approximately 67% at Minimum Subscription and 74% at Maximum Subscription.

5.9 Additional Information

Prospective investors are referred to and encouraged to read in its entirety both the:

(a) the Independent Technical Assessment Report in Annexure A for further details about the geology, location, exploration history and mineral potential of the Projects; and

(b) the Independent Tenement Report in Annexure B for further details in respect to the Company's interests in the Projects.

5.10 Dividend policy

The Company anticipates that significant expenditure will be incurred in the evaluation and advancement of the Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

6. FINANCIAL INFORMATION

6.1 Introduction

The financial information set out in this Section includes the following:

(a) summary historical statement of profit and loss and other comprehensive income for Stelar Metals Limited (**Stelar** or **the Company**) and its controlled entities (together, the **Group**) for the financial period 2 July 2021 (being the date of Company's incorporation) to 30 November 2021 (**FY21**);

(b) summary historical statement of financial position for the Group as at 30 November 2021;

(c) summary historical statements of cash flows for the Group for FY21; and

(d) the Pro Forma statement of financial position of the Group at 30 November 2021 and supporting notes which includes the Pro Forma transactions, subsequent events, consolidation adjustments and capital raising together referred to as the **Historical Financial Information**.

All amounts disclosed in the tables in this Financial Section are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest thousand dollars. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any discrepancies between totals and sum of components in figures contained in this Prospectus are due to rounding.

The Historical and Pro Forma Financial Information should be read together with the other information contained in this Prospectus, including:

(a) management's discussion & analysis set out in this Section;

(b) the risk factors described in Section 7;

(c) the Investigating Accountant Report on the Historical and Pro Forma Financial Information set out in this Section; and

(d) the other information contained in this Prospectus.

Investors should also note that historical results are not a guarantee of future performance.

6.2 Basis of preparation of the Historical and Pro Forma Financial Information

(a) **Background**

The Historical and Pro Forma Financial Information included in this Section has been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (**IFRS**), issued by the International Accounting Standards Board (**IASB**). The Directors are not aware of any reconciliatory differences between the application of IFRS and the Australian equivalents to International Financial Reporting Standards (**AIFRS**) which require disclosure within this financial information Section.

The Historical and Pro Forma Financial Information is presented in an abbreviated form insofar as it does not include all the presentation, disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act. Significant accounting policies applied to the Historical and Pro Forma Financial Information are noted at the end of this section under the heading 'Significant Accounting Policies'. The accounting policies of the Company have been consistently applied throughout the periods presented.

The general purpose financial statements of the Company will be prepared in accordance with the Corporations Act, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with IFRS as issued by the International Accounting Standards Board. The first reporting period under AIFRS will occur at 30 June 2022.

(b) **Basis of preparation of the Historical and Pro Forma Financial Information**

The Historical Financial Information has been extracted from the audited FY21 financial statements of the Group.

The Group's historical financial performance has been audited by Grant Thornton Audit Pty Ltd for the financial period ended 2 July 2021 (being the date of Company's incorporation) to 30 November 2021. An unqualified audit opinion with an emphasis of matter relating to the material uncertainty relating to the going concern was issued.

The Company is a mineral exploration company focused on advancing Iron Oxide, Copper and Gold (**IOCG**) and Zinc resource opportunities in South Australia. The Company was incorporated on 2 July 2021 to undertake exploration and ultimately commercialisation of these resources. The Company will undertake an initial public offer and apply for admission to the official list of the Australian Securities Exchange.

The Directors are responsible for the inclusion of all financial information in this Prospectus. Investors should note that historical financial performance is not a guide for future financial performance.

The Historical and Pro Forma Financial Information has been reviewed by Grant Thornton Corporate Finance Pty Ltd, whose Investigating Accountant Report is contained in Annexure C of this Prospectus. Investors should note the scope and limitations of that report. The information in this Section should also be read in conjunction with the risk factors set out in Section 7 and other information contained in this Prospectus.

All amounts disclosed in this Section are presented in Australian Dollars unless otherwise noted.

The financial information in this Section includes certain measures for assessing the financial performance and position of the business, which are not recognised under Australian Accounting Standards. Such measures are referred to as 'non-IFRS financial measures'.

Non-IFRS financial measures are not a substitute for measures calculated in accordance with Australian Accounting Standards, but rather are intended to provide further information for potential investors.

As the non-IFRS measures have no defined meaning under recognised accounting standards, the way in which they have been calculated in this Prospectus has been detailed below. As there is no standardised measure of non-IFRS information, potential investors should take care in comparing non-IFRS information between companies as the method of calculation may not be the same.

6.3 Historical statement of profit or loss and other comprehensive income

The table below presents the summarised historical statement of profit or loss and other comprehensive income for FY21.

	Audited for the period 2 July 2021 to 30 November 2021 (FY21)
	$
Expenses	
Exploration expenditure	(26,585)
Corporate and administration costs	(133,782)
Share based payments expense	(76,736)
Other expenses	(155)
Loss before income tax	**(237,258)**
Income tax expense	-
Loss for the year	**(237,258)**
Other comprehensive income	
Other comprehensive loss for the year, net of income tax	-
Total other comprehensive loss for the year	**(237,258)**

Below is a discussion of the main factors which affected the operations and relative financial performance in FY21 of the Group. The discussion of these general factors is intended to provide a summary only and does not detail all factors that affected the Group's historical operating and financial performance, nor everything which may affect operations and financial performance in the future.

(a) **Exploration expenditure**

The amount recorded are principally being tenement rents, rates and tenement management costs

(b) **Corporate and administrative expenses**

The amount recorded are administrative expenses including payments to consultants relating to the initial public offer and general business expenses.

6.4 Historical statement of cash flows

The table below presents the summarised historical statement of cash flows for FY21.

	Audited for the period 2 July 2021 to 30 November 2021 (FY21)
	$
Cash flows from operating activities	
Payments to suppliers and employees	(11,121)
Net cash used in operating activities	(11,121)
Cash flows from financing activities	
Issue of share after capital raising	472,451
Net cash from financing activities	472,451
Net change in cash and cash equivalents held	461,330
Cash and cash equivalents at beginning of financial year	-
Cash and cash equivalents at end of financial year	**461,330**

(a) **Operating cash flows**

Cash inflow and outflow relating the administration costs.

(b) **Financing cash flows**

Pre initial public offering capital raised through share placement are shown in this section. Amounts are net of raising costs.

6.5 Historical statement of financial position

The table below presents the summarised historical statement of financial position as at 30 November 2021.

	Audited 30 November 2021 (FY21)
	$
Current assets	
Cash and cash equivalents	461,330
Trade and other receivables	16,099
Other receivables	16,126

	Audited 30 November 2021 (FY21)
Total current assets	493,555
Total assets	493,555
Current liabilities	
Trade and other payables	181,626
Total current liabilities	181,626
Total liabilities	181,626
Net assets	**311,929**
Equity	
Share capital	472,451
Share based payment reserve	76,736
Accumulated losses	(237,258)
Total equity	**311,929**

6.6 Pro-Forma Historical Statement of Financial Position

The table below sets out the audited historical statement of financial position of the Group, the pro forma adjustments that have been made to it (further described in Section 6.6) and the pro forma consolidated statement of financial position as at 30 November 2021.

The pro forma statement of financial position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its future financial position.

		Audited	Pro Forma Adjustments	Pro Forma Adjustments	Pro Forma	Pro Forma
	Pro Forma Transaction reference	30 November 2021	Minimum	Maximum	30 November 2021 Minimum	30 November 2021 Maximum
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	**6.7**	461,330	4,391,469	6,260,886	4,852,799	6,722,216
Trade and other receivables		16,099	-	-	16,099	16,099
Other current assets		16,126	-	-	16,126	16,126
TOTAL CURRENT ASSETS		493,555	4,391,469	6,260,886	4,885,024	6,754,441
NON-CURRENT ASSETS						
Exploration and evaluation expenditure	**6.12**	-	1,600,000	1,600,000	1,600,000	1,600,000
TOTAL NON-CURRENT ASSETS		-	1,600,000	1,600,000	1,600,000	1,600,000
TOTAL ASSETS		493,555	5,991,469	7,860,886	6,485,024	8,354,441
LIABILITIES						
CURRENT LIABILITIES						
Trade and other payables		181,626	-	-	181,626	181,626
TOTAL CURRENT LIABILITIES		181,626	-	-	181,626	181,626
TOTAL LIABILITIES		181,626	-	-	181,626	181,626
NET ASSETS		**311,929**	**5,991,469**	**7,860,886**	**6,303,398**	**8,172,815**
EQUITY						
Issued capital	**6.8**	472,451	5,808,047	7,692,867	6,280,498	8,165,318
Options reserve	**6.10**	76,736	331,282	331,282	408,018	408,018

		Audited	Pro Forma Adjustments	Pro Forma Adjustments	Pro Forma	Pro Forma
	Pro Forma Transaction reference	30 November 2021	Minimum	Maximum	30 November 2021 Minimum	30 November 2021 Maximum
Accumulated losses	**6.11**	(237,258)	(187,860)	(203,263)	(425,118)	(440,521)
TOTAL EQUITY		**311,929**	**5,991,469**	**7,860,886**	**6,303,398**	**8,172,815**

6.7 Pro Forma Transactions

The following transactions contemplated in this Prospectus which are to take place on or before the completion of the Public Offer, referred to as the subsequent events and pro forma adjustments, are presented as if they, together with the Public Offer, had occurred subsequent to 30 November 2021 and are set out below.

With the exception of the subsequent events and pro forma transactions noted below no other material transactions have occurred between 30 November 2021 and the date of this Prospectus which the Directors consider require disclosure.

Pro forma transactions:

(a) **"The Public Offer"**: issue of a minimum of 25 million Shares and a maximum of 35 million Shares at an issue price of $0.20 per Share, amounting to a minimum of $5 million and a maximum of $7 million under the Public Offer.

(b) **"Offer costs"**: total expenses associated with the Offers (including broking, legal, accounting and administrative fees as well as printing, advertising and other expenses) are estimated to be a minimum of $979,813 and a maximum of $1,110,396 (exclusive of GST) under the Offers. Those costs which directly related to the issue of new shares have been offset against contributed equity, while the remaining costs have been expensed to the profit and loss account as detailed as follows:

	Minimum Subscription $	Maximum Subscription $
Offset against contributed equity	791,953	907,133
Expensed to profit and loss	187,860	203,263
Total	**979,813**	**1,110,396**
Amount paid in cash	648,531	779,114
Amount paid in options	331,282	331,282
	979,813	**1,110,396**

(c) **"Vendor shares":** The Company will purchase 100% of the share capital in Resource Holdings No 1 Pty Ltd and BR2 Pty Ltd. Both companies are dormant entities that hold exploration licences or the right to acquire exploration licence applications in South Australia. The purchase consideration for both companies is 8 million Shares at $0.20 per Share totalling $1.6 million. The acquisitions do not meet the definition of a business under the accounting standard AASB 3 "Business Combinations" and have been treated as asset acquisition. The tenements are held at no consideration within each of the companies acquired. The purchase consideration will be recorded as exploration and evaluation assets in accordance with AASB 6 *"Exploration for and Evaluation of Mineral Resources".*

(d) **"Options issues to lead advisers":** (refer Section 10.3 for the terms and conditions) the issue of 4 million new Options to the lead advisers of the offering Cadmon Advisory for services provided under their mandate agreement. In accordance with AASB 2 "Share Based Payments" the Options have been valued at $331,282 and recognised as a cost of the capital raising. Detailed below are the key inputs and terms used in the valuation of the Options:

Number of instruments	4,000,000
Underlying share price	$0.20
Exercise price	$0.30
Expected volatility	80%
Life of the Options (years)	3.00
Risk free rate	0.23%
Value per instrument	$0.08282
Value of the Options	**$331,282**

6.8 Reviewed pro forma cash and cash equivalents

The reviewed pro forma cash and cash equivalents has been set out below:

	Subsequent Event/Pro Forma Adjustment	Pro Forma - Minimum $	Pro Forma - Maximum $
Audited cash and cash equivalents at 30 November 2021		**461,330**	**461,330**
Subsequent event transactions:			
Pro forma transactions:			
Proceeds from Shares issued under the Public Offer	a	5,000,000	7,000,000
Payment of the costs relating to the Public Offer	b	(648,531)	(739,114)
Pro forma cash and cash equivalents		**4,812,799**	**6,722,216**

6.9 Contributed equity

The reviewed pro forma contributed equity has been set out below:

	Subsequent Event/Pro Forma Adjustment	Pro Forma - Minimum $	Pro Forma - Maximum $
Audited Issued Capital at 30 November 2021		**472,451**	**472,451**
Pro forma transactions:			
Subscription received under the Public Offer (before costs)	a	5,000,000	7,000,000
Public Offer costs offset against contributed equity	b	(791,953)	(907,133)
Issue of Shares to the vendors of entities acquired	c	1,600,000	1,600,000
Pro forma share capital		**6,280,498**	**8,165,318**

6.10 Number of Shares

	Subsequent Event/Pro Forma Adjustment	Pro Forma no. of Shares - Minimum	Pro Forma no. of Shares – Maximum
Audited shares at 30 November 2021		**7,450,001**	**7,450,001**
Pro forma transactions:			
Shares to be issued under the Public Offer	a	25,000,000	35,000,000
Shares issued to the vendors of the entities acquired	c	8,000,000	8,000,000
Shares on Issue Post-Admission		**40,450,001**	**50,450,001**

6.11 Option reserve

The reviewed pro forma retained earnings have been set out below:

	Subsequent Event/Pro Forma Adjustment	Pro Forma - Minimum	Pro Forma– Maximum
Audited option reserve at 30 November 2021		76,736	76,736
Pro forma transactions:			
Options issued to lead advisers	d	331,282	331,282
Pro forma accumulated losses		**408,018**	**408,018**

6.12 Accumulated losses

The reviewed pro forma retained earnings have been set out below:

	Subsequent Event/Pro Forma Adjustment	Pro Forma - Minimum	Pro Forma– Maximum
Audited accumulated losses at 30 November 2021		**(237,258)**	**(237,258)**
Pro forma transactions:			
Listing costs expensed	b	(187,860)	(203,263)
Pro forma accumulated losses		**(425,118)**	**(440,521)**

6.13 Exploration and evaluation assets

The reviewed pro forma exploration and evaluation assets have been set out below:

	Subsequent Event/Pro Forma Adjustment	Pro Forma - Minimum	Pro Forma– Maximum
Audited exploration and evaluation assets at 30 November 2021		**-**	**-**
Pro forma transactions:			
Shares issued to the vendors of the entities acquired	c	1,600,000	1,600,000
Pro forma exploration and evaluation assets		**1,600,000**	**1,600,000**

6.14 Significant Accounting Policies

The historical financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board. The financial information has been prepared on an accruals basis and is based on historical cost.

New standards adopted as at 1 July 2020

The Company 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. There has not been any impact with the adoption of these new Accounting Standards and Interpretations.

Significant accounting policies

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Basis of preparation

These financial statements present the financial information for Stelar Metals Limited (the **Company**) and its controlled entities (the **Group**) as at and for the period from 2 July 2021 (date of incorporation) to 30 November 2021. The Company is a private company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are Ground Floor, 16 Ord Street West Perth WA 6005.

The financial statements were authorised for issue, in accordance with a resolution of Directors, 14 January 2022. The Directors have the power to amend and reissue the financial statements.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the AASB as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB'). The financial statements are presented in Australian dollars, which is Stelar Metals Limited's functional and presentation currency.

The Company was incorporated on 2 July 2021 and hence the reporting period is from incorporation to 30 November 2021. As this is the Company's first financial report, no comparatives have been included.

Going concern

The financial statements have been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the period of $237,258 and had net assets of $311,929 at 30 November 2021.

Based on the Group's future cashflow forecast, the Group will require additional funding in the next 12 months to enable it to continue its normal business activities and to ensure the realisation of assets and extinguishment of liabilities as and when they fall due.

The Company is currently in the process of undertaking an initial public offer (**IPO**) in order to raise a minimum of $5,000,000 through the issue of 25,000,000 Shares and a maximum of $7,000,000 through the issue of 35,000,000 Shares at an issue price of $0.20 per Share. The directors are confident that the pre-IPO capital raising and IPO will be completed and funds received in order to ensure it has sufficient working capital available over the next 12 months.

Should the IPO not proceed, further equity or debt funding will need to be undertaken.

These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

Parent entity information

In accordance with the Corporations Act, these consolidated financial statements present the results of the Group. However, supplementary information about the parent entity is not disclosed separately as the parent entity results are not materially different to that of the Group.

Principles of consolidation

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

(a) when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

(b) when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

(a) such costs are expected to be recouped through successful development and exploitation or from sale of the area: or

(b) exploration and evaluation activities in the area have not, at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Costs incurred, excluding acquisition costs, prior to the Group having rights to tenure are expensed as incurred. Accumulated costs in respect of areas of interest which are abandoned are written off in full against profit in the year in which the decision to abandon the area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Impairment of assets

At each reporting date the Group assesses whether there is any indication that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Any excess of the asset’s carrying value over its recoverable amount is expensed to profit and loss.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the consolidated statement of financial position.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Equity and reserves

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the reporting period ended 30 November 2021. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 July 2021 and early adoption is permitted. The Conceptual

Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the Group has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the Company may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the Group's financial statements.

Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Share-Based Payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

7. RISK FACTORS

7.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which may be largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Projects and activities are set out in Section 3. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 7, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 7 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 7, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 7 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

7.2 Company specific risks

Risk Category	Risk
Limited history	Having been incorporated on 2 July 2021, the Company does not have any operating history, although it should be noted that the Directors have between them significant operational experience. Exploration has previously been conducted on the area of land the subject of the Projects, however the Company will not commence exploration activities until it has been admitted to the Official List. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Projects or any projects it may acquire in the future. Until the Company is able to realise value from such projects, it is likely to incur ongoing operating losses.
Related party contracts	The Company has a number of key contractual relationships with related parties. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement. The operations of the Company will also require involvement of related parties and other third parties including contractors. With respect to these persons and despite applying best practice in

Risk Category	Risk
	terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of: (a) financial failure or default by a participant in any agreement to which the Company may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers. There is also a risk that where the Company has engaged a contractor who is a related party, the contract between the contractor and the Company may terminate for reasons outside of the control of the Company. This may then result in the termination of the contract between the Company and the contractor and may impact the Company's position, performance and reputation.
Exploration and operating	The mineral exploration licences comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, Native Title process, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programs prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects.
Grant of the BR2 Projects	The BR2 Projects comprise of two exploration licence applications which are still under application. There can be no assurance that these exploration licence applications will be successfully granted or will be granted in their entirety. The Company is unaware of any material risks that would prevent the exploration licence applications from being granted, however the consequence of being denied the applications for reasons beyond the control of the Company would result in the Company having completed the BR2 Acquisition (i.e., issuing 1,800,000 Shares) and receiving no benefit. Refer to the Independent Technical Assessment Report in Annexure A and the Independent Tenement Report in Annexure B for further information on the BR2 Projects.
Tenement renewal	Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet

Risk Category	Risk
	those conditions may adversely affect the operations, financial position and/or performance of the Company.
Native Title and Aboriginal Heritage	In relation to tenements which the Company has an interest in or will in the future acquire such an interest, there currently and may in the future be areas over which legitimate common law Native Title rights exist. If Native Title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. Further to this, it is possible that Native Title agreements may be registered against one or more of the tenements in which the Company has an interest. The terms and conditions of any such Native Title agreement may be unfavourable for, or restrictive against, the Company. There are currently registered Native Title determinations in respect of the exploration licences comprising the RH1 Projects and each of the exploration licences comprising the BR2 Projects, as summarised in further detail below: (a) the Evelyn Dam Project and the Gunson Project are wholly encroached by a native title determination in favour of the Kokatha People and an Indigenous Land Usage Agreement (**ILUA**). There is currently a Native Title Mining Agreement between Resource Holdings, Rio Tinto Exploration Pty Ltd and the Kokatha Aboriginal Corporation RNTBC as registered against EL5792. The Company intends to assign this agreement to RH1 shortly; (b) the Linda Zinc Project is wholly encroached by a native title determination in favour of the Adnyamathanha People No. 1 (Stage 1) and two ILUAs; and (c) the Torrens Projects and the Baratta Project are partially encroached by native title determinations and ILUAs. Please refer to the Independent Tenement Report in Annexure B of this Prospectus for further details of the degree of encroachment of the native title determinations and ILUAs over the Projects. In addition, the Projects (other than the Evelyn Dam Project) contain registered or reported Aboriginal heritage sites). The Company will require approvals if any of the sites are likely to be impacted by exploration or mining activities. Delays in obtaining such approvals may result in delay to anticipated exploration programs and/or mining activities. In addition, the existence of heritage sites may impact what areas of the Projects that the Company will be able to conduct exploration and mining operations on. The Directors will closely monitor the potential effect of Native Title claims or heritage matters involving tenements in which the Company has or may have an interest.
Access	A number of the Projects overlap certain third-party interests that may limit the Company's ability to conduct exploration and mining activities. The third-party interests identified in the Independent Tenement Report and the associated limitations of the Company's ability to conduct exploration and mining activities are summarised below: (a) **Petroleum Exploration Licences** (**PELAs**): the Evelyn Dam and Linda Zinc Projects overlaps several PELAs. The Company will not be able to undertake any activities which significantly deleteriously affect the potential for coal seam methane drainage or insitu gasification of coal within the area covered by those PELAs without the agreement of the relevant licence holder, or unless

Risk Category	Risk
	otherwise agreed by the Minister after consultation with the parties; (b) **Mining Lease**: the Linda Zinc Project overlaps three mining leases. There are currently no conditions imposed upon the Linda Zinc Project with respect to these overlapping tenements; (c) **Flinders Range Planning Area Class A and B:** the Linda Zinc Project overlaps the Flinders Range Planning Area Class A and B. The Company will need to receive Ministerial approval for a Program for Environmental Protection and Rehabilitation (**PEPR**) prior to conducting any exploration activities involving the use of declared equipment or drilling equipment within the overlapping area; (d) **Bunker Conservation Reserve:** the Linda Zinc Project overlaps the Bunker Conservation Reserve. The Company will need to receive Ministerial approval for a PEPR prior to entering the Bunker Conservation Reserve in order to carry out on ground exploration operations and prior to commencing any exploration activity involving the intensive use of vehicles, the use of declared equipment or drilling equipment within 100 metres of the Bunker Conservation Reserve; and (e) **National Parks**: the Torrens Project and the Linda Zinc Projects overlap National Parks. The Company will need to receive Ministerial approval for a PEPR prior to entering a National Park in order to carry out on ground exploration operations and prior to commencing any exploration activity involving the intensive use of vehicles, the use of declared equipment or drilling equipment within 100 metres of a National Park. The Company does not intend to immediately explore any areas that are subject to these access issues. Please refer to the Independent Tenement Report in Annexure B for further details.
Climate	There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

Risk Category	Risk
COVID-19	In December 2019, a strain of coronavirus (**COVID-19**) was identified in Wuhan, China. On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic. The outbreak of COVID-19 has resulted in the implementation of governmental measures, including closures, quarantines and travel bans, intended to control the spread of the virus. The COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects and may cause delays or cost increases. The effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders. The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. If any of these impacts appear material prior to close of the Public Offer, the Company will notify investors under a supplementary prospectus.

7.3 Industry specific risks

Risk Category	Risk
Exploration costs	The exploration costs of the Company as summarised in Section 5.5 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability.
Resource and reserves and exploration targets	The Company has identified a number of exploration prospects based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake exploratory work with potentially the aim of estimating a Mineral Resource, no assurances can be given that additional exploration will result in the determination of a Mineral Resource on any of the exploration prospects identified. Even if a Mineral Resource is identified no assurance can be provided that this can be economically extracted. Resource and reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.
Grant of future authorisations to explore and mine	If the Company discovers an economically viable mineral deposit that is then intends to develop, it will, among other things, require various approvals, licence and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.

Risk Category	Risk
Mine development	Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services. If the Company commences production on one of the Projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Projects. The risks associated with the development of a mine will be considered in full should the Projects reach that stage and will be managed with ongoing consideration of stakeholder interests.
Environmental	The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to a high standard of environmental obligation, including compliance with all environmental laws. Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.
Regulatory Compliance	The Company's operating activities will be subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, Native Title and heritage matters, protection of endangered and protected species and other matters. The Company will require permits from regulatory authorities to authorise the Company's operations. These permits will relate to exploration, development, production and rehabilitation activities. Changes in the enforcement or interpretation of laws and regulations could have a material adverse impact on the planned exploration programs. Obtaining necessary permits can be a time-consuming process and

Risk Category	Risk
	there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the Projects.

7.4 General risks

Risk Category	Risk
Additional requirements for capital	The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Public Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment. The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.
Economic	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Projects may have to be surrendered or not renewed. General economic conditions may also affect the value of the Company and its valuation regardless of its actual performance.
Competition	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.
Currently no market	As there is currently no public market for the Company's Securities, the price of its Securities is subject to uncertainty and there can be

Risk Category	Risk
	no assurance that an active market for the Company's Securities will develop or continue after the Public Offer. The price at which the Company's Securities trade on ASX after listing may be higher or lower than the issue price of Securities offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors. There can be no guarantee that an active market in the Company's Securities will develop or that the price of the Securities will increase. There may be relatively few or many potential buyers or sellers of the Securities on ASX at any given time. This may increase the volatility of the market price of the Securities. It may also affect the prevailing market price at which Shareholders are able to sell their Securities. This may result in Shareholders receiving a market price for their Securities that is above or below the price that Shareholders paid.
Market conditions	Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as: (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance. Further, after the end of the relevant escrow periods affecting Securities in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price. Please refer to Section 5.8 for further details on the Securities likely to be classified by the ASX as restricted securities.
Commodity price volatility and exchange rate	If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in

Risk Category	Risk
	Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.
Government policy changes	Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in South Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.
Insurance	The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.
Force Majeure	The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.
Taxation	The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.
Litigation	The Company is exposed to possible litigation risks including Native Title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position. The Company is not currently engaged in any litigation.

7.5 Investment speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

8. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

8.1 Directors and key management personnel

The Board of the Company consists of:

(a) **Stephen Biggins (MBA, BSc (Hons) Geol)** – *Non-Executive Chair*

Mr Biggins has 25 years' experience as a geologist and as an executive in both the mining industry in Australia and internationally.

Mr Biggins has applied his Honours Degree in Geology and MBA as the founding Managing Director of several ASX-listed companies. Mr Biggins has built prospective portfolios of lithium, gold, uranium and base metal exploration projects in Australia, Asia and Africa.

Mr Biggins is currently the Managing Director of Core Lithium (ASX: CXO) (**Core**), Mr Biggins has led Core to the acquisition, discovery and definition of the first lithium resource in the Northern Territory. In 2021, Mr Biggins led a $150M project financing to fully fund development of the Finniss Lithium Project leading to a final investment decision and Core commencing mining and Project construction.

Mr Biggins previously served as founding director of Southern Gold (ASX: SAU) from 2005 to 2010 and led the acquisition and discovery of the Cannon Gold Mine in Western Australia. Mr Biggins was also a founding director of Investigator Resources Ltd (ASX: IVR) which has discovered a high-grade Paris Silver resource in South Australia on its founding projects.

The Board does not consider that Mr Biggins is an independent Director.

(b) **Geoffrey Webster (MBA, BEng Civil (Hons), GAICD)** – *Non-Executive Director*

Mr Webster is a Chartered Professional Engineer, graduating with honours from the University of Adelaide, and is the director of a specialist engineering consultancy located in South Australia. He is a member of the Australian Institute of Company Directors and has been awarded a MBA through Latrobe University.

With nearly 25 years' experience in the engineering sectors, Mr Webster has previously worked as the General Manager for Transpacific Industries Group (now Cleanaway), an ASX 200 listed company, in a national capacity, as well as working as the project manager for a Hong Kong-based investment company, Path Line Australia. Mr Webster is currently the deputy chair of not-for-profit entity KESAB. Mr Webster has recently been appointed National President of a peak body for all stakeholders in the resource recovery industry, the Waste Management and Resource Recovery Association of Australia.

The Board considers that Mr Webster is an independent Director.

(c) **Will Dix (BSc, MSc Geol, MAusIMM)** – *Non-Executive Director*

Mr Dix is a geologist with 25 years' experience in base metal, gold and uranium exploration and mining. Earlier in his career, he spent seven years with the highly successful international nickel producer LionOre Mining International in a variety of exploration, mining and management roles.

He has a proven track record of successful project and team management and also has extensive experience in commercial activities including capital raisings, mergers, acquisitions and divestments. He holds a Bachelor of Science and Master of Science (Geology) from Monash University and is a member of AusIMM.

Mr Dix is currently the Managing Director of Todd River Resources (ASX:TRT) and has previously served as a director of Fitzroy Resources Ltd (ASX:FRY), Credo Resources Ltd (ASX:CRQ), BBX Minerals Limited (ASX:BBX) and Consolidated Zinc Limited (ASX:CZL).

The Board considers that Mr Dix is an independent Director.

Key management personnel

(a) **Colin Skidmore (BSc (Hons), MAppSc, MAIG)** – *Chief Executive Officer*

Colin Skidmore is an Exploration Geologist and Project Manager with an BSc honours degree from Adelaide University and a Masters of Applied Science degree from James Cook University. Mr Skidmore is a Member of the Australian Institute of Geoscientists and is a Qualified Person under JORC for a broad range of commodities and mineralisation styles.

He has 25 years' experience taking grass-root projects and conceptual ideas through rigorous exploration to resource definition and transition to development. He has extensive experience in South Australia but also managing international projects in North and South America and Central Asia and Europe.

He has 20 years' experience in senior management and was the Vice President of Exploration and Geology of the TSX-listed Uranium One.

Recently Mr Skidmore has been a Principal Geology Consultant with Mining Plus and was the acting exploration manager at Barton Gold's South Australian Tarcoola and Tunkillia projects.

(b) **Jack Rosagro** – *Company Secretary*

Mr Rosagro is Chartered Company Secretary, a Fellow of Governance Institute of Australia, and holds a Bachelor of Commerce majoring in Finance. He has 16 years' experience in capital markets, share registry, and governance. He is currently the company secretary for several ASX listed clients including Intra Energy Corporation Limited (ASX: IEC) and Harvest Technology Group Limited (ASX: HTG).

The Company is aware of the need to have sufficient management to properly supervise its operations and the Company has, or will in the future have, an interest and the Board will regularly monitor the management roles in the Company. As the Company's Projects require an increased level of involvement the Board will look to appoint additional management and/or consultants when and where appropriate to ensure proper management of the Company's Projects.

8.2 Disclosure of interests

Remuneration

Director	Estimated remuneration for the year ending 30 June 2022[1]	Proposed Annual Remuneration[2]
Stephen Biggins	$22,055	$70,000
Geoffrey Webster	$14,178	$45,000
Will Dix	$14,178	$45,000

Notes:

1. The Company was incorporated on 2 July 2021. The Directors remuneration will be payable on and from the date of admission of the Company to the Official List. The table set out above assumes that this occurs on 7 March 2022.
2. Includes per annum base salary or directors' fees (as applicable) but does not include superannuation.

Interests in Securities

As at the date of this Prospectus

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. As at the date of this Prospectus, the Directors and CEO have relevant interests in securities as follows:

Director	Shares	Options	Percentage	
			Undiluted	Fully Diluted
Stephen Biggins[1]	1,000,001	3,000,000	13.4%	28.7%
Geoffrey Webster[2]	100,000	1,000,000	1.3%	7.9%
Will Dix[3]	250,000	1,000,000	3.4%	9.0%
Colin Skidmore	-	-	-	-

Notes:

1. Comprising:
   (a) 1,000,001 Shares and 2,000,000 Options held by Resource Holdings; and
   (b) 1,000,000 Options held by Genex Resources Pty Ltd.

   Director, Stephen Biggins is the controller of each of the entities noted above.
2. Held by Mrs Louise Amanda Webster <L Webster Family A/C>. Mrs Louise Webster is the spouse of Mr Webster.
3. Held by Mr William Dix <The Dix Family A/C>.

Post-completion of the Offers – Minimum Subscription

Director	Shares	Public Offer[4]	Options	Percentage	
				Undiluted	Fully Diluted
Stephen Biggins[1]	9,000,001	250,000	3,000,000	22.9%	24.0%
Geoffrey Webster[2]	100,000	100,000	1,000,000	0.5%	2.4%
Will Dix[3]	250,000	100,000	1,000,000	0.9%	2.6%
Colin Skidmore	-	-	-	-	-

Notes:

1. Comprising:
   (a) 1,000,001 Shares and 2,000,000 Options held by Resource Holdings;
   (b) 1,000,000 Options held by Genex Resources Pty Ltd;
   (c) 6,200,000 Shares which will be issued to Resource Holdings (or its nominee/s) under the Consideration Offer; and
   (d) 1,800,000 Shares which will be issued to BR1 Holdings (or its nominee/s) under the Consideration Offer.

   Director, Stephen Biggins is the controller of each of the entities noted above.
2. Held by Mrs Louise Amanda Webster <L Webster Family A/C>. Mrs Louise Webster is the spouse of Mr Webster.
3. Held by Mr William Dix <The Dix Family A/C>.
4. This column outlines the maximum subscription of the Directors under the Public Offer.

Post-completion of the Offers – Maximum Subscription

Director	Shares	Public Offer[4]	Options	Percentage	
				Undiluted	Fully Diluted
Stephen Biggins[1]	9,000,001	250,000	3,000,000	18.3%	20.1%
Geoffrey Webster[2]	100,000	100,000	1,000,000	0.4%	2.0%
Will Dix[3]	250,000	100,000	1,000,000	0.7%	2.2%
Colin Skidmore	-	-	-	-	-

Notes:

1. Comprising:
   (a) 1,000,001 Shares and 2,000,000 Options held by Resource Holdings;
   (b) 1,000,000 Options held by Genex Resources Pty Ltd;
   (c) 6,200,000 Shares which will be issued to Resource Holdings (or its nominee/s); and
   (d) 1,800,000 Shares which will be issued to BR1 Holdings (or its nominee/s).

   Director, Stephen Biggins is the controller of each of the entities noted above.
2. Held by Mrs Louise Amanda Webster <L Webster Family A/C. Mrs Louise Webster is the spouse of Mr Webster.
3. Held by Mr William Dix <The Dix Family A/C>.
4. This column outlines the maximum subscription of the Directors under the Public Offer.

The Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors is $250,000 per annum although may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

8.3 Agreements with Directors and related parties

The Company's policy in respect of related party arrangements is:

(a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and

(b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The agreements between the Company and related parties are summarised in Sections 9.1, 9.2 and 9.5.

8.4 Corporate governance

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.stelarmetals.com.au.

Board of Directors	The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to: (a) maintain and increase Shareholder value; (b) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and (c) ensure compliance with the Company's legal and regulatory objectives.

	Consistent with these goals, the Board assumes the following responsibilities: (a) leading and setting the strategic direction, values and objectives of the Company; (b) appointing the Chair of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary; (c) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally; (d) approving operating budgets, major capital expenditure and significant acquisitions and divestitures; (e) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance); (f) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions; (g) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities; (h) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and (i) approving the Company's remuneration framework. The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.
Composition of the Board	Election of Board members is substantially the province of the Shareholders in general meeting, subject to the following: (a) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and (b) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues. The Board currently consists of three non-executive Directors of whom Will Dix and Geoffrey Webster are considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company's currently planned level of activity. To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value. The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive. The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

	The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures. The Board maintains oversight and responsibility for the Company's monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.
Identification and management of risk	The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.
Ethical standards	The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.
Independent professional advice	Subject to the Chair's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.
Remuneration arrangements	The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process. In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $250,000 per annum. In addition, a Director may be paid fees or other amounts for example, and subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors. The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.
Trading policy	The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e., Directors and, if applicable, any employees reporting

	directly to the managing director). The policy generally provides that, the written acknowledgement of the Chair (or the Board in the case of the Chair) must be obtained prior to trading.
External audit	The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.
Audit committee	The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to: (a) monitoring and reviewing any matters of significance affecting financial reporting and compliance; (b) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor; (c) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and (d) management of the Company's relationships with external auditors.
Diversity policy	The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience. The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations as at the date of this Prospectus are summarised below.

Recommendation	Explanation
1.5	The Company has adopted a Diversity Policy which provides a framework for the Company to establish, achieve and measure diversity objectives, including in respect of gender diversity. Given the size of the Company and its current stage of operation, the Board does not presently intend to set specific measurable gender diversity objectives. Whilst the Board strongly endorses gender diversity, until such time as the Company's human resource base has grown to a point where fully implementing specific measurable objectives will become more meaningful, the Company will, in accordance with its Diversity Policy, continue to recruit the best person for each role, regardless of gender, ethnicity, age, relationship status or any other irrelevant factor not applicable to the position.

Recommendation	Explanation
2.1, 4.1, 7.1, 7.3 & 8.1	Due to the size and nature of the existing Board and the magnitude of the Company's current operations, the Board does not consider that the Company will gain any benefit from individual Board committees and that its resources would be better utilised in other areas. The Board is of the view that at this stage, the experience and skill set of the current Board is sufficient to perform these roles. As such, the Company does not currently have a separate Nomination Committee, an Audit and Risk Committee, an internal audit function or a Remuneration Committee as required by Recommendations 2.1, 4.1, 7.1, 7.3 and 8.1 respectively. Pursuant to the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Nomination, Audit and Risk and Remuneration Committees. The Board will devote time on an annual basis to discuss Board succession issues and to fulfil the roles and responsibilities associated with both maintaining the Company's internal audit function and arrangements with external auditors and with setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive. Further, all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting. The Company's Board Charter also outlines the monitoring, review and assessment of a range of internal audit functions and procedures of the Company. The Company will establish separate Nomination, Audit and Risk and Remuneration Committees once the Company's operations are considered to be of sufficient magnitude to warrant such Committees.

9. MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Securities.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

9.1 Acquisition Agreement – Resource Holdings No 1 Pty Ltd

The Company has entered into a share sale agreement with Resource Holdings Pty Ltd (ACN 159 540 271) (**Resource Holdings**) and Resource Holdings No 1 Pty Ltd (ACN 652 459 740) (**RH1**) to acquire 100% of the issued capital of RH1 (**RH1 Share Sale Agreement**), the material terms and conditions of which are summarised below.

Director, Stephen Biggins is the controller of Resource Holdings. In the interests of good corporate governance, to avoid the perception of any conflict of interest and to comply with the Corporations Act, Mr Biggins recused himself from all negotiations and did not vote on the Company's entry into the RH1 Share Sale Agreement.

The basis for the acquisition price was concluded following arm's length negotiations with Mr Biggins and following a thorough review of the junior exploration market which included consideration of the asset jurisdiction, and ASX listed peer comparisons to the RH1 Projects.

The Board believes that the acquisition price payable to Resource Holdings represents a fair outcome for the Company that is reasonable in the circumstances.

Acquisition	In accordance with the terms of the RH1 Share Sale Agreement, the Company has agreed to acquire 100% of the issued capital in RH1 from Resource Holdings (**RH1 Acquisition**).
Consideration	In consideration of the RH1 Acquisition and subject to the satisfaction of the conditions (as set out below) the Company has agreed to issue 6,200,000 Shares at a deemed issue price of $0.20 per Share to Resource Holdings (or its nominee) (**Consideration Shares**).
Conditions Precedent	Completion of the RH1 Acquisition is conditional upon satisfaction or waiver of the following conditions: (a) completion of due diligence by the Company on RH1, to the absolute satisfaction of the Company; (b) the Company receiving valid applications for at least $5,000,000 worth of Shares under the Public Offer; (c) conditional approval being obtained from the ASX to admit the securities of the Company to trading on the Official List of the ASX and those conditions being to the reasonable satisfaction of the Company; and (d) the parties obtaining all necessary consents and approvals (including all regulatory and third-party approvals) to allow the parties to complete the RH1 Acquisition.
Other terms	The RH1 Share Sale Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.2 Acquisition Agreements – BR2 Pty Ltd

9.2.1 Acquisition of BR2 Pty Ltd

The Company has entered into a share sale agreement with BR1 Holdings Pty Ltd (ACN 147 267 114) (**BR1 Holdings**) and BR2 Pty Ltd (ACN 654 351 265) (**BR2**) to acquire 100% of the issued capital of BR2 (**BR2 Share Sale Agreement**), the material terms and conditions of which are summarised below.

BR1 Holdings and BR2 have entered into two tenement sale agreements (**BR2 Tenement Sale Agreements**) pursuant to which BR2 agreed to purchase and BR1 Holdings agreed to sell ELA 2021/00037and ELA 2021/00073 (each, a **BR1 Tenement**).

Director, Stephen Biggins is the controller of BR1 Holdings. In the interests of good corporate governance, to avoid the perception of any conflict of interest and to comply with the Corporations Act, Mr Biggins recused himself from all negotiations and did not vote on the Company's entry into the BR2 Share Sale Agreement.

The basis for the acquisition price was concluded following arm's length negotiations with Mr Biggins and following a thorough review of the junior exploration market which included consideration of the asset jurisdiction, and ASX listed peer comparisons to the BR2 Projects.

The Board believes that the acquisition price payable to BR1 Holdings represents a fair outcome for the Company that is reasonable in the circumstances.

Acquisition	In accordance with the terms of the BR2 Share Sale Agreement, the Company has agreed to acquire 100% of the issued capital in BR2 from BR1 Holdings (**BR2 Acquisition**).
Consideration	In consideration of the BR2 Acquisition and subject to the satisfaction of the conditions (as set out below) the Company has agreed to issue 1,800,000 Shares at a deemed issue price of $0.20 per Share to BR1 Holdings (or its nominee) (**Consideration Shares**).
Conditions Precedent	Completion of the BR2 Acquisition is conditional upon satisfaction or waiver of the following conditions: (a) completion of due diligence by the Company on BR2, to the absolute satisfaction of the Company; (b) the Company receiving valid applications for at least $5,000,000 worth of Shares under the Public Offer; (c) conditional approval being obtained from the ASX to admit the securities of the Company to trading on the Official List of the ASX and those conditions being to the reasonable satisfaction of the Company; and (d) the parties obtaining all necessary consents and approvals (including all regulatory and third-party approvals) to allow the parties to complete the BR2 Acquisition.
Other terms	The BR2 Share Sale Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.2.2 Acquisition of the BR2 Projects by BR2

A summary of the material terms of the BR2 Tenement Sale Agreements is set out below.

Acquisition	Subject to the satisfaction (or waiver) of the conditions precedent to the BR2 Tenement Sale Agreements, BR2 agrees to acquire, and BR1 Holdings agrees to sell all of its rights, title and interest in each of the BR1 Tenements, all associated mining information relating to the BR1 Tenements and all statutory licences, approval, consents, authorisations, rights and permits relating to the BR1 Tenements held by BR1 Holdings.
Consideration	In consideration for the acquisition of each BR1 Tenement, BR2 has agreed to pay BR1 Holdings a sum of $1.00 on completion of each acquisition.
Conditions Precedent	Completion of each acquisition is conditional upon: (a) an exploration licence being granted to BR1 Holdings in respect of the BR1 Tenement; and (b) the parties obtaining all third party approvals and consents, including the consent of the Minister responsible for the Mining Act (if required), necessary to lawfully complete the matters set out in the relevant agreement.
Other terms	The BR2 Tenement Sale Agreements otherwise contain provisions considered standard for agreements of their nature (including representations and warranties and confidentiality provisions).

9.3 Lead Manager Mandate

The Company has signed a mandate letter with Cadmon Advisory to act as lead manager in respect of the Seed Capital Raising, the Pre-IPO Seed Capital Raising and the Public Offer (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

Fees	The Company has agreed pay Cadmon Advisory the following fees, exclusive of GST: (a) a retainer of $7,500 per month, payable on for three months from 19 October 2021; (b) in respect of the Seed Capital Raising and the Pre-IPO Seed Capital Raising, a total cash fee of $28,500; (c) in respect of the Public Offer: (i) a management fee of 2% of total funds raised (being a fee of between $100,000 at Minimum Subscription and $140,000 at Maximum Subscription); and (ii) a 4% selling fee on total funds raised (being a fee of between $200,000 at Minimum Subscription and $280,000 at Maximum Subscription); and (d) 4,000,000 Options on the terms and conditions set out in Section 10.3. The Company will also reimburse Cadmon Advisory for all reasonable out of pocket expenses which are incurred by Cadmon Advisory.
Termination	The Lead Manager Mandate commenced on 20 September 2021 and will continue until the earlier of completion of the Public Offer or 31 March 2022. The Lead Manager Mandate may be terminated by mutual consent of the Company and Cadmon Advisory at any time.
Expenses	If the Company does not proceed with the Public Offer and within the six month period after the Lead Manager Mandate expires or is terminated, the Company undertakes another similar transaction that is not managed by Cadmon Advisory, but which could have given rise to

	an entitlement to fees if it had occurred during the term of the Lead Manager Mandate, then the Company must pay Cadmon Advisory a fee calculated in accordance with the fees set out above within 30 days of completion of that transaction. This provision will not apply where the Company terminates the Lead Manager Mandate as a result of Cadmon Advisory's failure to provide services to an appropriate standard, in the event of negligence, wilful misconduct, recklessness or fraud by Cadmon Advisory or where the Public Offer has not been completed prior to 31 March 2022.
Exclusivity	Until expiry or termination of the Lead Manager Mandate, the Company must consult with Cadmon Advisory in relation to any proposal to: (a) sell any assets or securities of the Company; (b) issue any securities of the Company that are not contemplated under the Lead Manager Mandate or as a part of an employee incentive scheme; (c) enter into any financing arrangement excess of $100,000; (d) undertake any business activity that is not contemplated under the Lead Manager Mandate; or (e) do anything which would have the effect that he Company is operating a business or conducting an activity which is not within the ordinary course of its business.
Right of First Refusal	If, during the 18-month period commencing on the date of expiry or termination of the Lead Manager Mandate, the Company determines to undertake any fundraising activities, the Company must first offer Cadmon Advisory the right of first refusal to undertake such role on commercial, market-standard terms, in which Cadmon Advisory must accept within seven days before the Company can appoint a third-party advisor to assist in the fundraising activities.
Other terms	The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.4 Corporate Advisory Mandate

The Company has entered into a mandate to appoint Ventnor Capital as corporate adviser (**Corporate Advisory Mandate**). Pursuant to the Corporate Advisor Mandate, Ventnor Capital is engaged to provide corporate advisory services in connection with the Public Offer, the material terms and conditions of which are summarised below:

Fees	The Company agrees to pay Ventnor Capital the following fees (exclusive of GST): (a) a monthly fee of $10,000 from the commencement of services until completion of the transaction, capped at a maximum of $40,000; and (b) a success fee of $50,000, payable within five days of the date of Admission. The Company also agrees to pay Ventnor Capital for services requested by the Company which are considered outside the scope of the Corporate Advisory Mandate and for any reasonable disbursements and out of pocket expenses, with expenses exceeding $500 needing the Company's prior approval.
Non-Circumvention	The Company and Ventnor Capital agree not to deal or otherwise become involved in any transaction with any vendor, broker, lender, borrower or other such organisation introduced by one party to the other (where no prior relationship previously existed) to avoid the payment of profits, fees and otherwise, either directly or indirectly with reference to the matters contemplated in the Corporate Advisory Mandate.

Other terms	The Corporate Advisory Mandate otherwise contains provisions considered standard for an agreement of its nature (including confidentiality provisions).

9.5 Agreements with Directors and key management personnel

9.5.1 Executive Services Agreement – Colin Skidmore

On 2 December 2021, the Company entered into an executive services agreement (**ESA**) with Colin Skidmore under which he has been appointed as the Chief Executive officer of the Company, the material terms and conditions of which are summarised below:

Term	The ESA commenced on 1 December 2021 and will continue for a period of two years.
Remuneration	The Company will pay Mr Skidmore a base salary of $240,000 including superannuation (**Base Salary**). In respect of the period between 1 December 2021 and the earlier of the date of Admission and the date of termination of the ESA (**Relevant Period**): (a) Mr Skidmore will be paid 50% of the Base Salary on a monthly basis; and (b) the remaining 50% of the Base Salary for the Relevant Period will be paid within five business days of the date of Admission. In addition to the Base Salary, Mr Skidmore may be entitled to annual or long-term performance-based bonus or incentive payments.
Termination by Company	The Company may terminate Mr Skidmore's employment without cause by giving three months' written notice. The Company may make payment in lieu of part or all of the notice period calculated on the basis of Mr Skidmore's then Base Salary. The Company may terminate Mr Skidmore's employment summarily without notice or payment in lieu of notice, if Mr Skidmore: (a) commits serious misconduct; (b) commits a serious or persistent breach of any term or condition of the ESA; (c) refuses or fails to comply with a lawful and reasonable directive of the Company; (d) engages in any fraudulent or dishonest conduct; (e) is intoxicated or under the influence of any non-prescription drugs at work to the extent that Mr Skidmore cannot perform his duties; (f) is convicted of any serious or indictable criminal offence; (g) engages in any conduct which brings or may bring the Company into disrepute; (h) is prohibited by law from taking part in the management of the Company; or (i) is made bankrupt or enters into any composition or arrangement with or for the benefit of the Mr Skidmore's creditors generally.
Termination by Mr Skidmore	Mr Skidmore may terminate his employment at any time by giving the Company three months' notice in writing or by resigning for Good Reason (as defined under the ESA) which includes the occurrence of a material reduction in remuneration or a material diminution in the responsibilities or powers assigned to Mr Skidmore. The Company may make payment in lieu of part or all of the notice period calculated on the basis of Mr Skidmore's then Base Salary.

Change of control	If a change of control in the Company occurs, and at any time during the 12-month period following such change of control, Mr Skidmore resigns employment for Good Reason (as defined under the ESA), Mr Skidmore shall be entitled to a payment of six months of the Base Salary. This does not apply where Mr Skidmore is offered employment with any business of the Company (or a related body corporate) resulting from the change of control, on terms that are overall no less favourable than the terms of the ESA.
Other terms	The ESA otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.5.2 Consultancy Agreement – BR1 Holdings

The Company has entered into a consultancy agreement with BR1 Holdings, whereby BR1 Holdings has been engaged to provide assistance and advice with respect to the Projects, introduce the Company to parties advantageous to the Company's business and perform any other reasonable tasks and duties as notified by the Company (**Consultancy Agreement**), the material terms and conditions of which are summarised below.

Director, Stephen Biggins is the controller of BR1 Holdings. In the interests of good corporate governance, and to avoid the perception of any conflict of interest, Mr Biggins recused himself from the Company's decision and did not vote on the Company's entry into the Consultancy Agreement.

Term	BR1 Holdings will be engaged by the Company as needed from time to time until such time as the engagement is terminated in accordance with the terms of the Consultancy Agreement.
Remuneration	The Company will pay BR1 Holdings $2,000 plus GST per day (based on an 8-hour working day).
Termination with notice	The Consultancy Agreement will terminate when Mr Biggins is no longer a Director of the Company.
Termination without prior notice	The Consultancy Agreement may be terminated without notice if BR1 Holdings is guilty of serious misconduct.
Other terms	The Consultancy Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

9.5.3 Non-Executive Director appointments

Stephen Biggins, Will Dix and Geoffrey Webster have entered into appointment letters with the Company to act in the capacity of non-executive Chair and non-executive Directors respectively. These Directors will receive the remuneration set out in Section 8.2.

In addition, pursuant to the letters of appointment, the Company has issued the Directors (or their nominee/s) an aggregate of 3,000,000 Options (being 1,000,000 Options for each Director) on the terms and conditions set out in Section 10.3 as performance based-remuneration.

9.5.4 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with each of its Directors, the Chief Financial Officer and the Company Secretary. Under these deeds, the Company has agreed to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officers and allow the officers to inspect board papers in certain circumstances.

10. ADDITIONAL INFORMATION

10.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

10.2 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

General meetings	Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.
Voting rights	Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders: (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative; (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).
Dividend rights	Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares. The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied. Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides

	for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.
Winding-up	If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.
Shareholder liability	As the Shares issued under the Public Offer and the Consideration Offer will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.
Transfer of shares	Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.
Future increase in capital	The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.
Variation of rights	Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.
Alteration of constitution	In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

10.3 Terms and Conditions of Options

Entitlement	Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
Exercise Price	Subject to the clause entitled reconstruction of capital (set out below), the amount payable upon exercise of each Option will be $0.30 (**Exercise Price**).
Expiry date	Each Option will expire at 5:00 pm (WST) on the third anniversary of the date of Official Quotation of the Company's Shares (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
Exercise Period	The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

Notice of Exercise	The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
Exercise Date	A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
Timing of issue of Shares on exercise	Within fifteen Business Days after the latter of the following: (a) the Exercise Date; and (b) when excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information, but in any case, not later than 20 Business Days after the Exercise Date, the Company will: (c) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; (d) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and (e) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. If a notice delivered under paragraph (d) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
Lapse of Options	In the event that the Company has not been admitted to Official Quotation on or before 31 December 2022, the Options will automatically lapse.
Shares issued on exercise	Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
Reconstruction of capital	If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
Participation in new issues	There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
Change in exercise price	An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
Transferability	The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

10.4 Employee Securities Incentive Plan

The material terms and conditions of the Employee Securities Incentive Plan (**Plan**) are as follows:

Eligibility	Participants in the Plan may be: (a) any non-employee director or any full or part-time employee of the Company and its related bodies corporate (the **Group**); or (b) any other person providing services to the Group, who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Options, Performance Rights and Shares (**Awards**) under the Plan (**Eligible Participant**).
Offer	The Company may, at the sole and absolute discretion of the Board, offer and issue to an Eligible Participant any (or any combination) of the different types of Awards provided under the Plan. The terms and conditions of Awards offered or granted under the Plan to each Eligible Participant will be determined by the Board in its sole and absolute discretion.
Convertible Security	Each Option and/or Performance Right (**Convertible Security**) represents a right to acquire one Share, subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised an Eligible Participant who accepts the offer of an Award (**Participant**) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security.
Vesting of a Convertible Security	Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. If the vesting conditions relevant to a Convertible Security are not satisfied by the due date and/or otherwise waived by the Board, that Convertible Security will lapse.
Exercise of Convertible Securities and cashless exercise	To exercise an Option, following the issue of a vesting notice, the Participant must deliver a signed notice of exercise along with the certificate issued by the Company to the Participant in respect of that Option and, subject to a cashless exercise of Options (see below), pay the exercise price, including any tax payable in connection with the exercise, (if any) to or as directed by the Company, prior to the expiry date as set out in the invitation or vesting notice. In the case of a Performance Right, following the issue of a vesting notice to the Participant, a vested Performance Right will be automatically exercised within the period specified in the invitation. The Board may determine in its sole and absolute discretion that a Participant will not be required to provide payment of the exercise price of Options, but that on exercise of the Options, the Company will only allot and issue or transfer that number of Shares to the Participant that are equal in value to the difference between the exercise price otherwise payable in relation to the Options and the then Market Value of the Shares as at the time of the exercise (with the number of Shares rounded down). A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules.
Shares	The Board may from time to time make an invitation to an Eligible Participant to acquire Shares under the Plan. The Board will determine in its sole and absolute discretion the acquisition price (if any) for each Share which may be nil. The Shares may be subject to performance hurdles and/or vesting conditions as determined by the Board. Where Shares granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Shares will be subject to certain restrictions until the applicable performance hurdles and/or vesting

	conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under these Rules. When the Company makes an invitation to an Eligible Participant to acquire Shares, the Company may also offer the Eligible Participant a loan on terms and conditions to be determined by the Board, for the amount of the acquisition price of the Shares, for the purposes of acquiring all or part of the Shares the subject of the invitation. The loan amount may accrue interest as determined by the Board. A Participant may repay all or part of a loan at any time before the expiration of the loan term, and at the expiration of the loan term the Participant must immediately repay all of the loan.
Forfeiture	In respect of each offer of Awards, the Board may determine, criteria, requirements or conditions which if met (notwithstanding the satisfaction or waiver of any performance hurdles and vesting conditions) will result in the lapsing of Convertible Securities or a Participant surrendering Shares (**Forfeiture Conditions**). Where such Forfeiture Conditions are met, unless the Board in its sole discretion determines otherwise, all unvested and vested Convertible Securities will automatically lapse and all unvested and vested Shares will automatically be surrendered. In addition, where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breaches his or her duties to the Group, the Board may in its discretion deem all Awards to be forfeited.
Rights attaching to Shares	Any Shares allotted, issued or transferred by the Company to a Participant under the Plan (including on exercise or conversion of Convertible Securities) will rank equally with all existing Shares on and from the date of allotment, issue or transfer, including in respect of all rights and bonus issues.
Disposal Restrictions	If the invitation provides that any Shares held by any Participants are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction. For so long as Shares held by any Participants are subject to any disposal restrictions under the Plan, the Participant must not transfer, encumber or otherwise dispose of, or have a security interest granted over that Share or take any action if to do so would contravene applicable laws.
Buy-Back	Subject to applicable law, the Company may at any time buy-back Awards in accordance with the terms of the Plan.
Change of Control	If a change of control event occurs in relation to the Company, and unless the Board determines otherwise in its sole and absolute discretion, Awards granted will vest where vesting conditions and performance hurdles have been satisfied on a pro rata basis based on the period which has elapsed from the grant date to the date of the change of control event.
Employee Share Trust	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Awards for Participants under the Plan and delivering Shares on behalf of Participants upon exercise of Options and/or Performance Rights (as the case may be).
Participation Rights	During the currency of any Convertible Securities and prior to their vesting, Participants are not entitled to participate in any new issue of Securities of the Company as a result of their holding Convertible Securities.
Reorganisation	Subject to all applicable laws, following any variation to the issued capital of the Company arising from: (a) a reduction, subdivision or consolidation of the issued capital of the Company; (b) a reorganisation of the issued capital of the Company; (c) a distribution of assets in specie; (d) the payment of a dividend, otherwise than in the ordinary course, of an amount substantially in excess of the Company's normal distribution policy; or

	(e) any issue of Shares or other equity securities or instruments which convert into Shares by way of capitalisation of profits or reserves, the number of Awards to which each Participant holds under the Plan, and the exercise price of Options (if any) held by each Participant, will be adjusted in accordance with the Listing Rules.
Amendment of Plan	Subject to the following paragraph, the Listing Rules and the Company's constitution, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Awards that have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect. No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by the relevant Participant.
Maximum Allocation	The maximum number of equity securities proposed to be issued under the Plan within a three year period from the date of this Prospectus for the purposes of ASX Listing Rule 7.2 Exception 13 is 5,000,000 Securities (**Exception Limit**), meaning that the Company may issue up to the Exception Limit under the Plan, without seeking Shareholder approval and without reducing its placement capacity under ASX Listing Rule 7.1. The Exception Limit is not intended to be a prediction of the actual number of securities to be issued under the Plan, simply a ceiling for the purposes of Listing Rule 7.2 (Exception 13(a)).

10.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

   (i) its formation or promotion; or

   (ii) the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

   (i) the formation or promotion of the Company; or

   (ii) the Offers.

10.6 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers; or

(f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(g) the formation or promotion of the Company; or

(h) the Offers.

CSA Global Pty Ltd has acted as Independent Geologist and has prepared the Independent Technical Assessment Report which is included in Annexure A. The Company estimates it will pay CSA Global Pty Ltd a total of $47,800 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, CSA Global Pty Ltd has not received fees from the Company for any other services.

Hetherington Legal Pty Ltd has acted as the Independent Tenement Expert and has prepared the Independent Tenement Report which is included in Annexure B. The Company estimates it will pay Hetherington Legal Pty Ltd a total of $16,665 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Hetherington Legal Pty Ltd has not received fees from the Company for any other services.

Grant Thornton Corporate Finance Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Annexure C. The Company estimates it will pay Grant Thornton Corporate Finance Pty Ltd a total of $13,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Grant Thornton Corporate Finance Pty Ltd not received any fees from the Company for any other services.

Grant Thornton Audit Pty Ltd has been appointed as the Company's auditor. The Company estimates it will pay Grant Thornton Audit Pty Ltd a total of $2,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Grant Thornton Audit Pty Ltd has not received fees from the Company for any other services.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin $120,000 (excluding GST) for these services for work done up to the date of lodgement of the Prospectus with the ASIC. Subsequently, fees will be charged in accordance with normal charge out rates. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has not received fees from the Company for any other services.

Ventnor Capital has acted as corporate adviser to the Company. Details of the payments to be made to Ventnor Capital for these services are set out in Section 9.4. During the 24 months preceding lodgement of this Prospectus with the ASIC, Ventnor Capital has invoiced fees in the amount of $30,000 (excluding GST) in respect of the Corporate Advisory Mandate and $43,739.44 (excluding GST) for business structuring and other corporate advisory services provided to the Company of which $37,788.60 has been paid for services rendered to date. Ventnor Capital has also subscribed for 950,000 Shares at an issue price of $0.001 per Share for business structuring and other corporate advisory services provided to the Company.

Cadmon Advisory will receive those fees set out in Section 4.5 following the successful completion of the Public Offer for its services as lead manager to the Public Offer. Cadmon Advisory will be responsible for paying all capital raising fees that Cadmon Advisory and the Company agree with any other financial service licensees. During the 24 months preceding lodgement of this Prospectus with the ASIC, Cadmon Advisory has invoiced fees in the amount of $39,600 (excluding GST) for services provided in respect of the Seed Capital Raising and the Pre-IPO Seed Capital Raising. Further details of in respect of the engagement of Cadmon Advisory (including the fees payable in respect of the Public Offer) are summarised in Section 9.3.

10.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offer or of the Securities), the Directors, any persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and

(c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

CSA Global Pty Ltd has given its written consent to being named as Independent Geologist in this Prospectus and the inclusion of the Independent Technical Assessment Report in Annexure A in the form and context in which the report is included.

Hetherington Legal Pty Ltd has given its written consent to being named as the Independent Tenement Expert and the inclusion of the Independent Tenement Report in Annexure B in the form and context in which the report is included.

Grant Thornton Corporate Finance Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Investigating Accountant's Report in Annexure C in the form and context in which the information and report is included.

Grant Thornton Audit Pty Ltd has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited financial information of the Company contained in the Investigating Accountants Report included in Annexure C to this Prospectus in the form and context in which it appears.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offers in this Prospectus.

Cadmon Advisory has given its written consent to being named as the lead manager to the Company in this Prospectus.

Ventnor Capital has given its written consent to being named as the corporate adviser to the Company in this Prospectus.

Link Market Services Limited has given its written consent to being named as the share registry to the Company in this Prospectus.

10.8 Expenses of the Offers

The total expenses of the Offers (excluding GST) are estimated to be approximately $648,531 for Minimum Subscription or $779,114 for Maximum Subscription and are expected to be applied towards the items set out in the table below:

Item of Expenditure	Minimum Subscription ($)	Maximum Subscription ($)
ASIC fees	3,206	3,206
ASX fees	66,360	76,943
Lead Manager Fees[1]	322,500	442,500
Corporate Advisor Success Fee	50,000	50,000
Legal Fees	120,000	120,000
Independent Tenement Report Fees	16,665	16,665
Independent Technical Assessment Report Fees	47,800	47,800
Investigating Accountant's Fees	13,000	13,000

Item of Expenditure	Minimum Subscription ($)	Maximum Subscription ($)
Auditor's Fees	2,000	2,000
Printing and Distribution	5,000	5,000
Miscellaneous	2,000	2,000
TOTAL	**648,531**	**779,114**

Notes:

1. Refer to Section 9.3 for further details.

11. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Stephen Biggins
Non-Executive Chair
For and on behalf of
Stelar Metals Limited

GLOSSARY

Where the following terms are used in this Prospectus, they have the following meanings:

$ means an Australian dollar.

Application Form means the application form attached to or accompanying this Prospectus relating to the Public Offer.

ASIC means Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the official listing rules of ASX.

Board means the board of directors of the Company as constituted from time to time.

BR1 Holdings means BR1 Holdings Pty Ltd (ACN 147 267 114).

BR2 Tenements has the meaning set out in Section 9.2.

Business Days means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Cadmon Advisory means Cadmon Advisory Pty Ltd (ACN 616 484 756) which is a corporate authorised representative (CAR 001253390) of Newport Private Wealth Pty Ltd (AFSL 451820).

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Closing Date means the closing date of the Offers as set out in the indicative timetable in the Key Offer Information Section (subject to the Company reserving the right to extend the Closing Date or close the Offers early).

Company means Stelar Metals Limited (ACN 651 636 065).

Conditions has the meaning set out in Section 4.6.

Consideration Offer has the meaning given on the cover page of this Prospectus.

Constitution means the constitution of the Company.

Corporations Act means *the Corporations Act 2001* (Cth).

Directors means the directors of the Company at the date of this Prospectus.

Exposure Period means the period of seven days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act.

IOCG means iron oxide copper-gold.

JORC Code has the meaning given in the Important Notice Section.

Lead Manager Mandate means the agreement with Cadmon Advisory summarised in Section 9.3.

Lead Manager Offer has the meaning given on the cover page of this Prospectus.

Maximum Subscription means the maximum amount to be raised under the Public Offer, being $7,000,000.

Mineral Resource means a concentration or occurrence of solid material of economic interest in or on the earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction.

Minimum Subscription means the minimum amount to be raised under the Public Offer, being $5,000,000.

Official List means the official list of ASX.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Option means an option to acquire a Share.

Pre-IPO Seed Capital Raising means the issue of 4,000,000 Shares at an issue price of $0.10 per Share to raise $400,000.

Projects means the projects in which the Company will have an interest at the time of listing on ASX as detailed in this Prospectus.

Promoter Seed Capital Raising means the issue of 1,000,000 Shares at an issue price of $0.025 per Share, together with two Options (issued on the terms and conditions set out in Section 10.3) for every Share issued, to raise $25,000.

Prospectus means this prospectus.

Public Offer means the offer of Shares pursuant to this Prospectus as set out in Section 4.1.

Recommendations has the meaning set out in Section 8.4.

Resource Holdings means Resource Holdings Pty Ltd (ACN 159 540 271).

RH1 Tenements has the meaning set out in Section 9.1.

Section means a Section of this Prospectus.

Secondary Offers means the Consideration Offer and the Lead Manager Offer.

Securities means Shares and Options.

Seed Capital Raising means the issue of 1,500,000 Shares at an issue price of $0.05 per Share together with one Option (issued on the terms and conditions set out in Section 10.3) for every Share issued, to raise $75,000.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

CSA Global
Mining Industry Consultants
an ERM Group company

MINERAL ASSETS OF STELAR METALS LIMITED

Independent Technical Assessment Report

REPORT № R505.2021
20 January 2022

Report prepared for

Client Name	Stelar Metals Limited
Project Name/Job Code	MMLITA01
Contact Name	Colin Skidmore
Contact Title	CEO
Office Address	Stelar Metals Limited, Ground Floor, 16 Ord Street West Perth WA 6005

Report issued by

CSA Global Office	**CSA Global Pty Ltd** Level 2, 3 Ord Street West Perth WA 6005 AUSTRALIA T +61 8 9355 1677 F +61 8 9355 1977 E info@csaglobal.com
Division	Corporate

Report information

Filename	R505.2021 MMLITA01 Stelar Metals ITAR - Final.docx
Last Edited	20/01/2022 1:12:00 PM
Report Status	Final

Author and Reviewer Signatures

Coordinating Author	Mark Allen BA, BA (mod), PhD, MAIG	
Contributing Author	Charlie Gianfriddo BSc Hons, MAIG	
Contributing Author	Ivy Chen BSc Hons, MAIG, MSEG	
Peer Reviewer	Max Nind MSc, MAIG GDipAppFinInv	
CSA Global Authorisation	Aaron Meakin BSc (Hons), MAppFin, MAusIMM (CP Geo)	

Executive Summary

CSA Global Pty Ltd (CSA Global), an ERM Group company, was requested by Stelar Metals Limited (Stelar) to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to support an initial public offering (IPO) of shares for Stelar to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of exploration and evaluation of the project areas.

Stelar has a right to acquire tenure in South Australia (SA), covering four project areas. Stelar has a right to acquire a 100% legal and beneficial interest in the tenements. Rights are held to:

- Four granted tenements totalling 1,538 km^2
- Two applications of an additional 455 km^2.

Evelyn Dam Project

Exploration Licence (EL) 5792 covers 134 km^2, about 50 km south of Woomera in SA. The project area is underlain by Palaeoproterozoic to Mesoproterozoic basement, prospective for Olympic Dam style iron oxide copper-gold (IOCG) mineralisation. Pandurra Formation cover rocks have a thickness of about 400 m and are known to contain minor copper mineralisation, intersected in hole EVE001.

Stelar has compiled historical exploration data to develop an exploration model for the project area. A large gravity anomaly on the EL is the focus for exploration as an IOCG target. Stelar has completed one drillhole which has revealed alteration that may indicate proximity to a major mineralising system.

Linda Zinc Project

The Linda Zinc EL in the Flinders Ranges covers 190 km^2. The project is underlain by Neoproterozoic to early Cambrian sedimentary rocks. Stelar consider that this area is prospective for Mississippi Valley type (MVT) and Beltana-Kipushi type zinc-lead mineralisation as well as Zambian-style copper mineralisation.

The project area occurs on a group of structures which host a diapir on the southeast margin of the EL. The diapir and associated faults are a potentially important fluid pathway for mineralisation.

Potential host rocks are known in the Cambrian limestone sequence which hosts significant zinc mineralisation discovered by BHP in the 1980s inside the EL. The geological setting of the EL is similar to that at the high-grade Beltana zinc deposit in the Flinders Ranges. Beltana has strong similarities to the high-grade zinc-copper-lead deposits in the Central African Copperbelt such as Kipushi. Stelar is also applying a Beltana-Kipushi model to exploration on this EL.

The Tindelpina Member of the Tapley Hill Formation has been shown to contain significant Zambian-style copper mineralisation by recent drilling completed by Taruga Minerals. This unit has been mapped on the Linda EL. Its prospectivity is supported by known copper occurrences inside the EL.

Bill’s Lookout and West Well Project

Stelar has a right to acquire two tenements which cover about 1,200 km^2, at the north end of Lake Torrens, about 40 km from Olympic Dam.

Stelar consider that Mesoproterozoic basement of the project area is prospective for IOCG mineralisation.

Exploration by Stelar is in its early stages. Stelar is building on an exploration dataset and targeting completed by WMC. None of the defined targets in the EL have been tested. The main Bill’s Lookout target which is centred just off the EL to the west was tested by WMC. Hole BLD3 intersected gabbro in the basement and that target was downgraded.

To date, only one hole has reached basement in the project area. The prospective Mesoproterozoic basement is likely under more than 500 m, and in places there may be up to 1,000 m, of Neoproterozoic and younger cover.

Baratta Project

The Baratta Exploration Licence Application (ELA) is underlain by Adelaidean rocks of the Flinders Ranges. The Adelaidean sequence shares important geological characteristics with the Central African Copperbelt. Stelar recognises the potential for Zambian-style copper mineralisation (sediment-hosted copper deposit – SHCD) as well as diapir-hosted mineralisation (Beltana-Kipushi type). Potential for SHCD mineralisation is supported by the recent discovery made by Taruga Minerals at Wyacca. Baratta is directly east along strike from this prospect.

This project is at a very early stage and Stelar plans to advance exploration when the licence is granted to define targets for drilling.

Gunson Project

Stelar has a right to acquire an ELA covering two areas, one neighbouring the historic Mount Gunson copper mine which has historical copper production prior to closure in 2006, and the other north of Island Lagoon.

The section of the ELA beside Mount Gunson may be prospective for extensions of the Mount Gunson mineralisation as well as mineralisation hosted in the Tapley Hill Formation. Coda Minerals has published an Exploration Target for its copper-cobalt MG14 deposit on the adjacent EL. DGO Gold has recently announced the discovery of significant copper mineralisation hosted in the Tapley Hill Formation on adjacent tenements.

Stelar believes there is significant potential for IOCG (Olympic Dam type) mineralisation hosted in the Mesoproterozoic basement under the Adelaidean within the Gunson ELA. This area is within the Olympic Metallogenic Domain, supporting the prospectivity of Stelar's geophysical targets. This concept is also supported by the nearby Emmie Bluff prospect operated by Coda Minerals where IOCG alteration and minor mineralisation have been discovered.

This project is at an early stage and Stelar plans to advance exploration when the licence is granted to define targets for drilling.

CSA Global Opinion

Based on CSA Global's assessment, it is our opinion that Stelar's exploration strategy is of sound technical merit and the projects are considered to have sufficient potential to warrant the proposed exploration activities.

CSA Global concurs with Stelar's approach and considers that the IOCG model for the Evelyn, Bill's Lookout–West Well and Gunson projects is based on reasonable geological interpretation of the available data.

The Zambian-style exploration model for the Linda, Gunson and Baratta projects is supported by encouraging exploration results from neighbouring tenements.

The Linda Zinc Project has significant carbonate hosted (MVT) zinc mineralisation which is described in historical reports by BHP.

Stelar has demonstrated that historical exploration on its project areas has not systematically tested the predominant styles of mineralisation being targeted by Stelar.

CSA Global notes that the exploration being undertaken by Stelar is at an early stage. The risks inherent in these projects are therefore high.

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1 Introduction

1.1 Context, Scope and Terms of Reference

CSA Global Pty Ltd (CSA Global), an ERM Group company, was requested by Stelar Metals Limited (Stelar) to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to support an initial public offering (IPO) of shares for Stelar to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of exploration and evaluation of the project areas.

Stelar holds the right to acquire four granted tenements in South Australia (SA) from Resource Holdings Pty Ltd (Resource Holdings), together with two tenement applications made by BR1 Holdings Pty Ltd which are pending.

The ITAR is subject to the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2015 ("VALMIN Code"). In preparing this ITAR, CSA Global:

- Adhered to the VALMIN Code.
- Relied on the accuracy and completeness of the data provided to it by Stelar, and that Stelar made CSA Global aware of all material information in relation to the projects.
- Relied on Stelar's representation that it will hold adequate security of tenure for exploration and assessment of the projects to proceed.
- Required that Stelar provides an indemnity to the effect that Stelar would compensate CSA Global in respect of preparing the ITAR against any and all losses, claims, damages and liabilities to which CSA Global or its Associates may become subject under any applicable law or otherwise arising from the preparation of the ITAR to the extent that such loss, claim, damage or liability is a direct result of Stelar or any of its directors or officers knowingly providing CSA Global with any false or misleading information, or Stelar, or its directors or officers knowingly withholding material information.
- Required an indemnity that Stelar would compensate CSA Global for any liability relating to any consequential extension of workload through queries, questions, or public hearings arising from the reports.

1.2 Compliance with the VALMIN and JORC Codes

This ITAR has been prepared in accordance with the VALMIN Code[1], which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC[2] Code and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and ASX that pertain to Independent Expert Reports.

1.3 Principal Sources of Information and Reliance on Other Experts

CSA Global has based its review of the projects on information made available to the principal authors by Stelar, along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data. CSA Global has also relied upon discussions with Stelar's management for information contained within this assessment. This ITAR has been based upon information available up to and including 22 October 2021.

CSA Global has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this ITAR is based. Unless otherwise stated, information and

[1] Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015 Edition, prepared by the VALMIN Committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. <http://www.valmin.org>

[2] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). <http://www.jorc.org>

data contained in this ITAR, or used in its preparation, has been provided by Stelar in the form of documentation and digital data.

Stelar was provided a final draft of this ITAR and requested to identify any material errors or omissions prior to its lodgement.

Stelar has warranted to CSA Global that the information provided for preparation of this ITAR correctly represents all material information relevant to the projects. Full details on the tenements are provided in the Independent Tenement Report elsewhere in the prospectus.

CSA Global has not independently verified the legal status or ownership of the property or any of the underlying agreements; however, all the information appears to be of sound quality. This information should be contained within the Independent Tenement Report and described therein under Summary of Material Agreements, elsewhere in the prospectus. CSA Global makes no other assessment or assertion as to the legal title of tenements and is not qualified to do so.

This ITAR contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government sources or the ASX. The authors of these reports have not consented to their statements use in this ITAR, and these statements are included in accordance with ASIC Corporations (Consent and Statements) Instrument 2016/72.

1.4 Authors of the Report

CSA Global, an ERM Group company, is a privately owned, mining industry consulting company headquartered in Perth, Western Australia (WA). CSA Global provides geological, resource, mining, management and corporate consulting services to the international mining sector and has done so for more than 30 years.

This ITAR has been prepared by a team of consultants sourced principally from CSA Global's Perth, WA office. The individuals who have provided input to the ITAR have extensive experience in the mining industry and, are members in good standing of appropriate professional institutions. The Consultants preparing this ITAR are specialists in the field of geology and exploration, particularly relating to gold and base metals.

The following individuals, by virtue of their education, experience and professional association, are considered Competent Persons, as defined in the JORC Code (2012), for this report. The Competent Persons' individual areas of responsibility are presented below:

- Principal author – Dr Mark Allen (Principal Consultant Geologist with CSA Global in Perth, WA) is responsible for the entire ITAR.
- Contributing Author – Mr Charles Gianfriddo (Senior Consultant Geologist with CSA Global in Perth, WA) is responsible for the entire ITAR.
- Peer reviewer – Mr Max Nind (Principal Consultant Geologist with CSA Global in Perth, WA) is responsible for the entire ITAR.

Mark Allen is a geologist with more than 20 years' experience in mineral exploration and mineral deposit evaluation. He possesses an outstanding knowledge of base metal mineral deposits and has evaluated projects and led exploration teams around the world. Prior to joining CSA Global, Mark held senior exploration and business development roles with companies including Pasminco, Oxiana, and OZ Minerals. He has implemented and encouraged the highest standards of technical and operational excellence across technical support groups.

Charlie Gianfriddo is a geologist with more than 10 years' experience. Charlie worked with MMG in the Project Generation group covering a wide range of base metal mineralisation. He is formerly the Chief Geologist with Castlemaine Goldfields in the Victorian Goldfields. Charlie has published on aspects of metallogenesis in northern Australia.

Max Nind has 30 years' experience in the resources and financial sectors in exploration, mining and corporate management in Australia, New Zealand, Canada and United States of America. He has extensive knowledge of regional exploration targeting and management; business development; project evaluations; and management of economic studies. He has led multi-disciplinary study and exploration teams globally in the search for base metals, gold and bulk commodities.

1.5 Independence

Neither CSA Global, nor the authors of this ITAR, has or has had previously, any material interest in Stelar or the mineral properties in which Stelar has an interest. CSA Global's relationship with Stelar is solely one of professional association between client and independent consultant.

CSA Global is an independent geological consultancy. Fees are being charged to Stelar at a commercial rate for the preparation of this ITAR, the payment of which is not contingent upon the conclusions of the ITAR. The fee for the preparation of this ITAR is approximately A$45,000.

No member or employee of CSA Global is, or is intended to be, a director, officer or other direct employee of Stelar. No member or employee of CSA Global has, or has had, any shareholding in Stelar.

There is no formal agreement between CSA Global and Stelar as to Stelar providing further work for CSA Global.

1.6 Declarations

1.6.1 Purpose of this Document

This ITAR has been prepared by CSA Global at the request of, and for the sole benefit of Stelar. Its purpose is to provide an ITAR of Stelar's mineral assets.

The ITAR is to be included in its entirety or in summary form within a prospectus to be prepared by Stelar, in connection with an IPO. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this ITAR are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 22 October 2021 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

1.6.2 Practitioner/Competent Person's Statement

The information in this ITAR that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Dr Mark Allen, a Competent Person who is a Member of the AIG. Dr Allen is employed by CSA Global. Dr Allen has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Allen consents to the inclusion in the ITAR of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results is based upon information compiled by Stelar. Colin Skidmore, the Chief Executive Officer of Stelar, has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Skidmore consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

1.6.3 Site Inspection

No site visits were made to the project areas. CSA Global has determined that there would be little additional material information to be gained from conducting site visits due to the relatively early stage of the projects. In CSA Global's professional judgement, sufficient information is available that a site visit is not likely to add materially to its understanding of the prospectivity of the tenements.

1.7 About this Report

This ITAR describes the prospectivity of the mineral assets that Stelar has a right to acquire, which are located in SA (as illustrated in Figure 1).

The geology and model for mineralisation for each of the five project areas are discussed, as well as the exploration work done, and the results obtained therefrom. Maps of all the tenement areas are presented.

2 Tenure

Stelar has a right to acquire four granted exploration licences (ELs) and two exploration licence applications (ELAs) in SA (Table 1, Figure 1). A summary of pastoral leases and land use for the ELs and ELAs is given in

Table 3. Four licences are due for renewal in 2021; and Stelar has informed CSA Global that this process is underway and expects these to be renewed in due course.

Further details on the tenements (joint venture agreements, royalties, Native Title, Crown Reserves etc.) are provided in the Independent Tenement Report (IRT, Hetherington Legal, 19 January 2022) elsewhere in the prospectus. CSA Global makes no other assessment or assertion as to the legal title of tenements and is not qualified to do so.

The renewal status of the exploration licences is described in the ITR and summarised in Table 2. CSA Global understands that EL 6263 and EL 6264 have been renewed recently and are current into 2023. The renewal of EL 5792 is expected to be finalised shortly while EL 6572 is in the normal renewal process.

Table 1: Summary of the tenement holdings and applications in SA

EL	Name	Grant date	Expiry date	Application date	Status	Licensee	Area (km²)
EL 5792	Evelyn Dam	25 May 2016	24 May 2021*		Granted	Resource Holdings Pty Ltd	134
EL 6263	Linda Zinc	5 Oct 2018	4 Oct 2023		Granted	Resource Holdings Pty Ltd	190
EL 6264	Bill's Lookout	5 Oct 2018	4 Oct 2023		Granted	Resource Holdings Pty Ltd	992
EL 6572	West Well	17 Dec 2020	16 Dec 2021*		Granted	Resource Holdings Pty Ltd	222
Total granted							**1,538**
ELA 2021/00073	Gunson			18 Jun 2021	Application	BR1 Holdings Pty Ltd	172
ELA 2021/00037	Baratta			3 May 2021	Application	BR1 Holdings Pty Ltd	455
Total applications							**627**
TOTAL AREA (granted plus applications)							**2,165**

**Stelar has informed CSA Global that the renewal process is underway for these licences, see Table 2.*

Table 2 Renewal status of Stelar Tenements. Source: Hetherington Legal, 19 January 2022.

Tenement	Expiry Date	Renewal Application Type	Renewal Application Lodgement Date
EL 5792	24 May 2021	New Act Renewal	23 April 2021*
EL 6263	4 October 2023	New Act Renewal	N/A
EL 6264	4 October 2023	New Act Renewal	N/A
EL 6572	16 December 2021	Old Act Renewal	15 November 2021
Tenement		**Application Date**	
ELA 2021/0037		3 May 2021	
ELA 2021/0073		28 June 2021	

**The renewal for EL 5792 is currently being processed by the Department, correspondence has been received by the tenement holder from the Department confirming the renewal is expected to be finalised shortly.*

Table 3: Summary of pastoral leases and land use for the ELs and ELAs

Tenement	Project	Land use/Station name
EL 5792	Evelyn Dam	Mahanewo Station
		Nonning Station
		Yalymboo Station
		Lake Macfarlane
EL 6264	Bill's Lookout	Mulgaria Station
		Andamooka Station
		Witchelina Station
		Lake Torrens
EL 6572	West Well	Lake Torrens
EL 6263	Linda Zinc	Wirrealpa Station
		Martins Well Station
		Willow Springs Station
		Angorichina Station
		Bunkers Conservation Reserve
ELA 2021/00073	Gunson	Arcoona Station
		Pernatty Lagoon
		Pernatty Station
		Oakden Hill Station
ELA 2021/00037	Baratta	Holowiliena Station
		Bibliando Station
		Willippa Station
		Baratta Station
		Holowiliena South Station

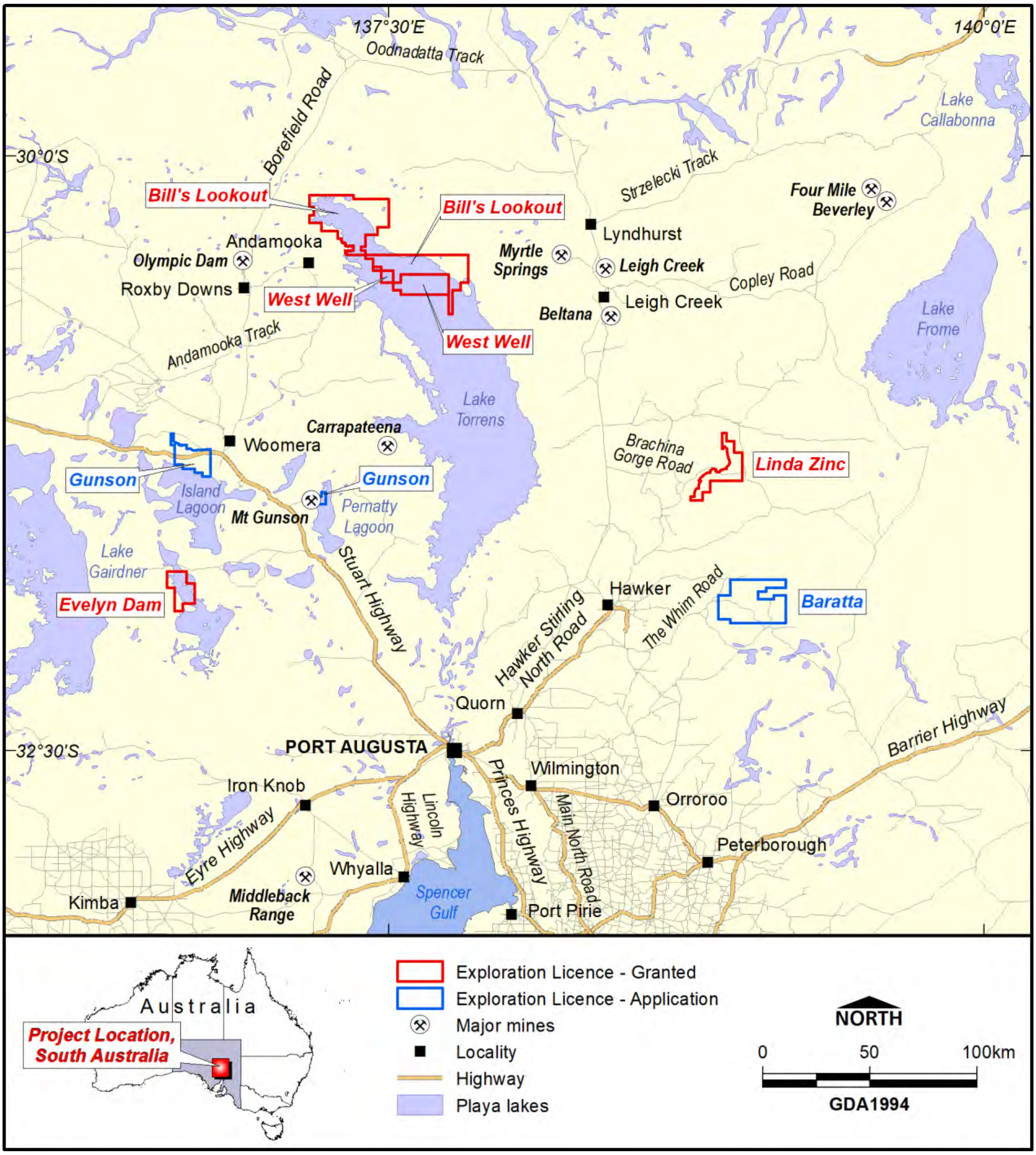


Figure 1: Location map for the ELs and ELAs

3 Regional Geology and Metallogeny

3.1 Geology

The projects overlie three important and prospective geological domains in SA; the Gawler Craton, Stuart Shelf, and Adelaide Fold Belt.

The Stuart Shelf overlies the eastern margin of the Gawler Craton (Figure 2, Figure 3). This area is within the Mesoproterozoic Olympic Domain which hosts three major operating mines; Olympic Dam, Prominent Hill and Carrapateena as well as a number of prospects. The Neoproterozoic Stuart Shelf sequence hosts copper mineralisation at Mount Gunson which supports the view that the area is prospective for Zambian-style copper mineralisation. The Stuart Shelf sequence correlates with the Adelaide Fold Belt. The Adelaide Fold Belt developed as an intracontinental rift during the break-up of the Rodinia supercontinent between about 750 Ma and 630 Ma, the same period within which the Central African Copperbelt developed. The Stuart Shelf recorded a relatively thin sedimentary succession on the margin of the rift.

The geology and geodynamics of the Gawler Craton is described by Reid (2019), Tiddy et al. (2020), and Fanning (2007). The Gawler Craton contains Meso-Neoarchaean basement complex overlain by Palaeoproterozoic supracrustal sequences from about 2000 Ma to 1740 Ma. The Kimban Orogeny (1735–1604 Ma) was a major compressional tectonic and metamorphic event which effects these rocks.

Rocks deformed during the Kimban Orogeny form the basement to the Gawler Range Volcanics (GRV). The GRV and associated Hiltaba Suite intrusives formed between 1595 Ma and 1575 Ma. The GRV comprise voluminous flood dacite and associated mafic units as well as coarse clastic sedimentary rocks, especially at the base. Hiltaba Suite intrusive rocks are comagmatic with the GRV and comprise dominantly A-type granite and associated felsic intrusive rocks. The Hiltaba Suite intrusive rocks are generally accepted to have played a key role in the formation of iron oxide copper-gold (IOCG) mineralisation (Skirrow et al., 2019). The Hiltaba Suite shows systematic variation in age from east to west across the Gawler Craton, with older, dominantly A-type intrusions in the east in the Olympic Domain and younger, I-type intrusions in the western Gawler.

The Kararan Orogeny occurred between c. 1570 Ma and 1540 Ma, largely post-dating the Hiltaba Event. This period of regional northeast-southwest oriented shortening formed discrete shear zones and local folds.

The GRV are overlain by the Pandurra Formation, a unit of dominantly fluviatile red clastic rocks constrained to between 1454 Ma and 1592 Ma in age (Rollinson, 2016). The lower age is constrained by the Roopena Volcanics which occur in the basal section of the Pandurra Formation and are considered to be a late phase of the GRV.

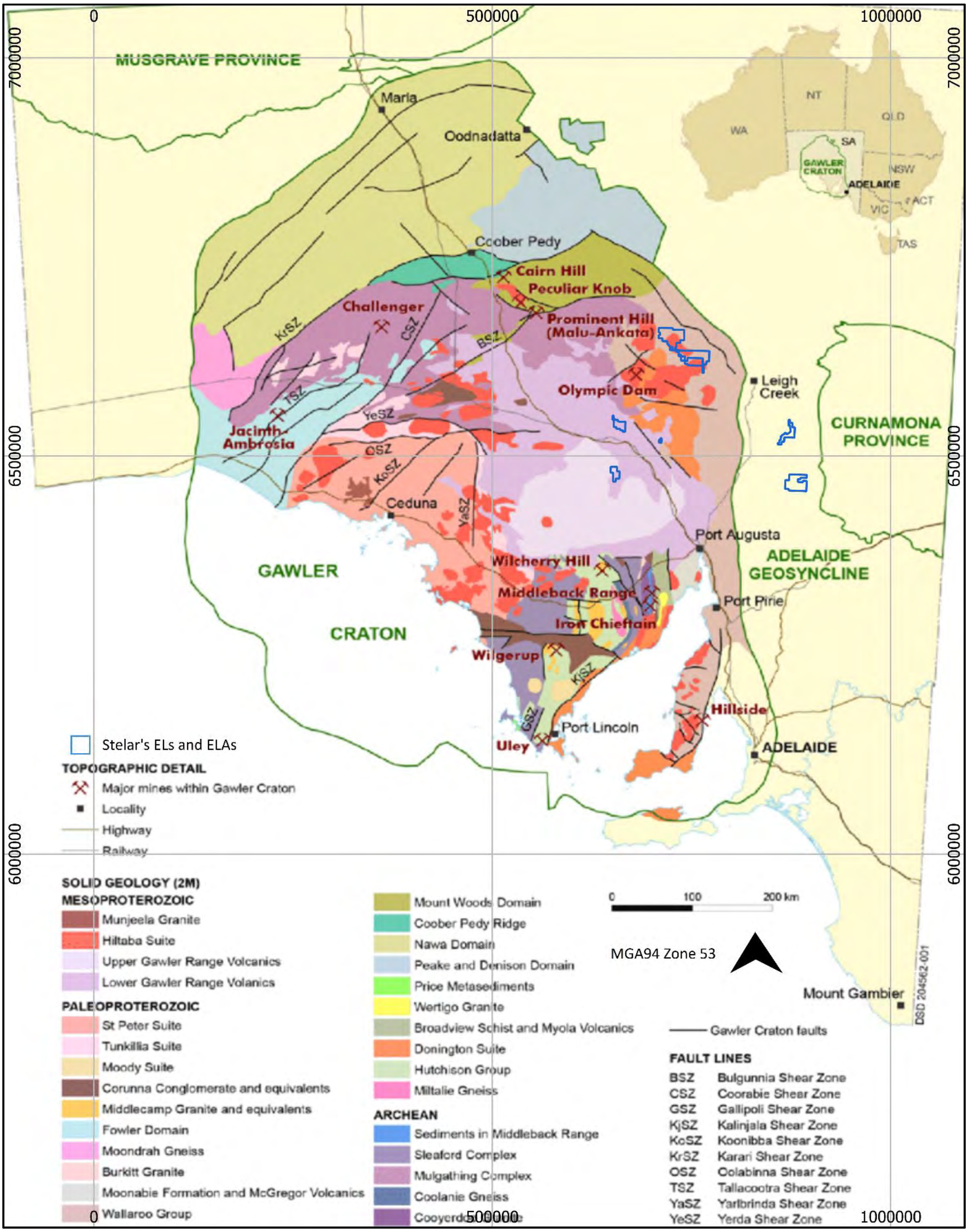


Figure 2: Simplified solid geology interpretation of the main litho-tectonic elements of the Gawler Craton
Source: Modified from Wade and Curtis (2017)

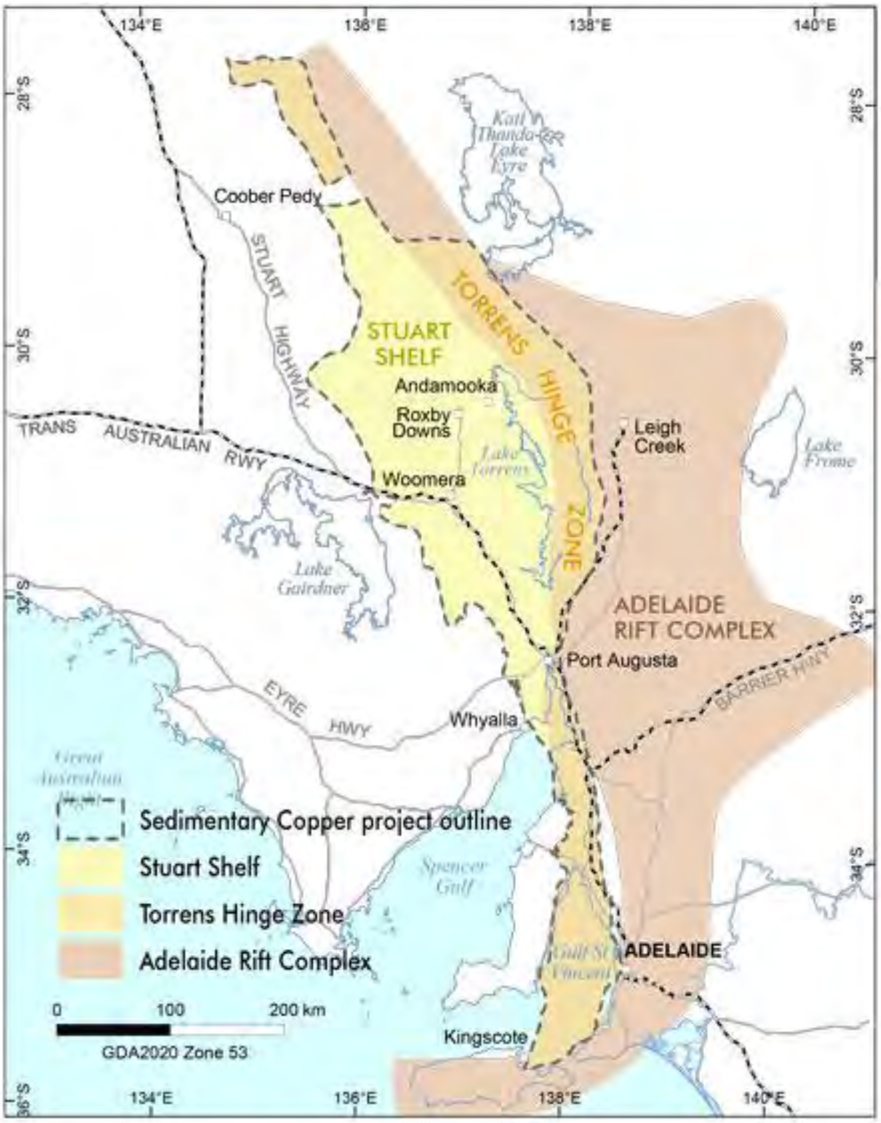


Figure 3 *Location of Stuart Shelf and Adelaide Rift Complex.*
Source: GSSA

Adelaidean sedimentary and volcanic rocks occur on the Stuart Shelf (Figure 4) where they are unconformable on the Pandurra Formation and older rocks of the Gawler Craton. There is significant topography on this unconformity which controls the thickness and facies distribution of Adelaidean units and may reflect the fundamental structure of the basin. This sequence hosts copper mineralisation at Mount Gunson and is recognised as prospective for Zambian-style copper mineralisation by Stelar. Mount Gunson is associated with a pronounced palaeo-topographical high on the top of the Pandurra Formation known as the Pernatty Culmination.

The Adelaidean rocks of the Stuart Shelf formed on the margin of a major Cryogenian-Ediacaran rift-sag basin now exposed as the Adelaide Fold Belt (Adelaide Rift Complex or Adelaide Geosyncline). The Adelaidean Fold Belt formed in this discreet rift-sag basin with extensive halite formation during the rift phase, near the base. Towards the end of this period the low-density halite became unstable and rose upwards through the upper parts of the succession forming diapirs and carrying older rocks to higher levels of the succession as clasts in kilometric scale breccias.

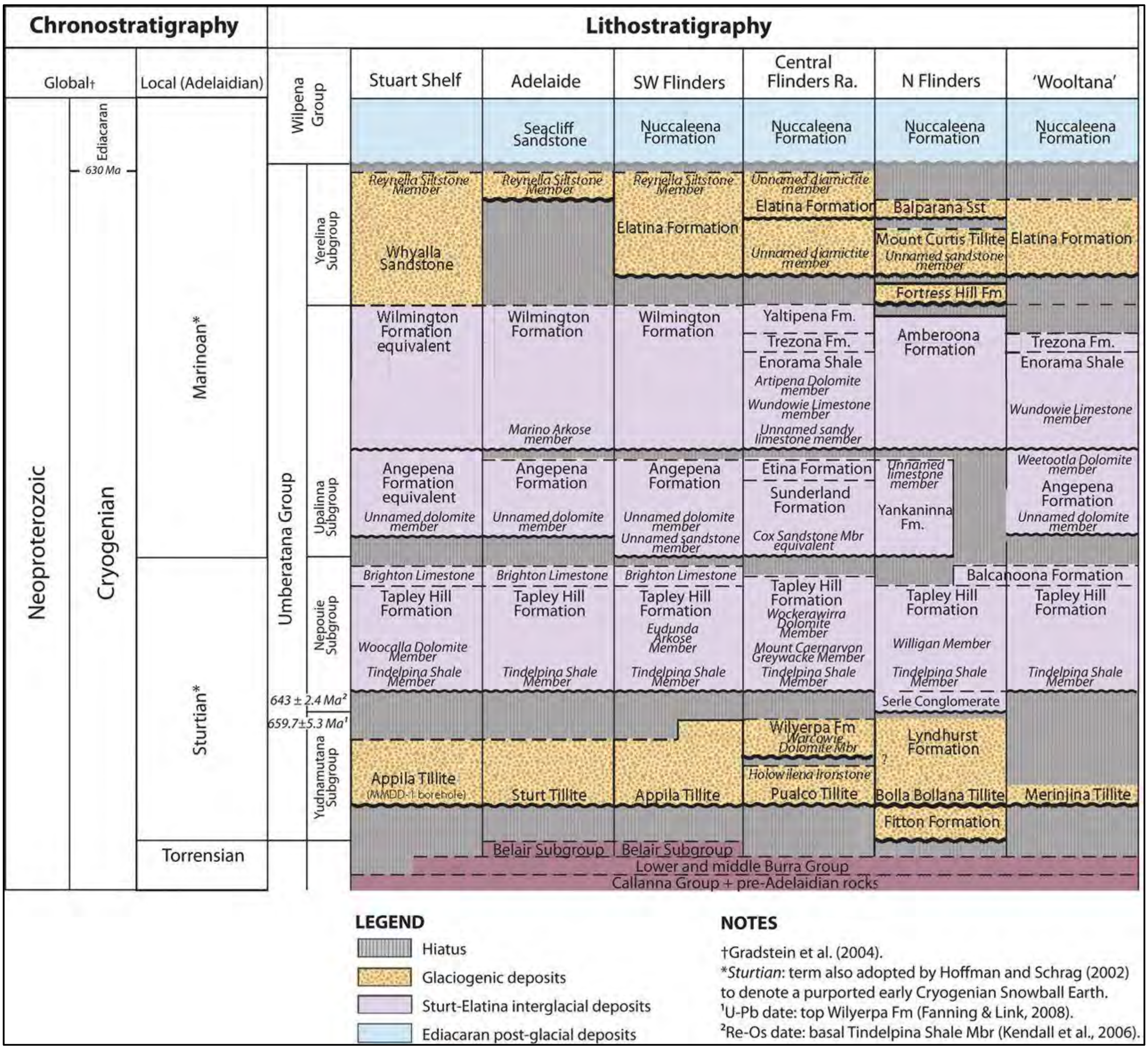


Figure 4: Stratigraphy of the Stuart Shelf and the neighbouring Adelaide Geosyncline
Source: Le Heron and Craig (2012)

The Adelaidean rift-sag and shelf sequences share similar age, facies and architecture to the Central African Copperbelt. Interesting copper mineralisation, close to the Gunson, Baratta and Linda projects, is noted as Zambian-style from the Tapley Hill Formation by DGO Gold (ASX announcement DGO, 28 September 2001 and Taruga Minerals (ASX announcement TAR, 30 August 2021).

Two cover sequences overlie the Adelaidean and older rocks. The thickness of these varies; they are thin or absent in the Gunson and Evelyn Dam Project areas and well developed to the north of Olympic Dam:

- Upper Palaeozoic; Late Carboniferous – Permian, Arckaringa Basin sediments include the Boorthanna Formation diamictite and glacial sediments. Coal is locally present at the top of this sequence.
- Mesozoic; Jurassic – Cretaceous sediments include the sandstone aquifers of the Great Artesian Basin.

Later orogenic events are the Cambrian-Ordovician Delamerain Orogeny which effects the Adelaidean succession and the Alice Springs Orogeny which caused localised strain in Palaeozoic and older rocks.

3.2 Metallogeny

Stelar recognises three principal and potentially economic target types for its projects (Table 4).

Table 4: Target mineralisation styles

Style	Projects	Host sequence
IOCG (Olympic Dam type)	Evelyn Dam, Gunson and Bill's Lookout and West Well.	Mesoproterozoic GRV and Hiltaba Suite
Sediment-hosted copper (Zambian type)	Baratta, Gunson and Linda Zinc. Secondary target type for other projects.	Adelaidean (Tapley Hill Formation)
Carbonate-hosted zinc-lead (Kipushi-Beltana type, MVT)	Linda Zinc project.	Adelaidean-Cambrian, carbonate and clastic rocks proximal to diapiric structures

CSA Global is of the opinion that the projects Stelar has a right to acquire are prospective for potentially economic target types. An IOCG model is appropriate for the four projects which overlie the Gawler Craton. Carbonate-hosted base metals models for Linda Zinc are well supported by evidence from historical exploration. The sediment-hosted copper model is supported by recent exploration in the region and is appropriate for the Baratta, Linda Zinc and Gunson projects but needs further work to refine targets in other areas.

3.2.1 IOCG (Olympic Dam Type)

Stelar has a right to acquire three projects on the eastern margin of the Gawler Craton (Table 4). The Olympic Province on the eastern margin of the craton hosts a number of large and high-grade IOCG deposits; Olympic Dam, Prominent Hill, and Carrapateena.

Since the discovery of Olympic Dam in 1975, extensive exploration has been done on the eastern margin of the Gawler Craton. The general strategy applied is to target gravity and magnetic anomalies associated with haematite and magnetite which are characteristic of this deposit type.

IOCG mineralisation is associated with intense iron alteration, typically zoned with both haematite and magnetite. Phases of mineralisation are typically zoned from chalcocite and bornite associated with haematite to chalcopyrite and pyrite associated with magnetite. All the known economic examples on the Gawler Craton are haematite dominant while the Cloncurry district IOCG deposits in the Mount Isa Inlier are typically magnetite dominant.

Models for the formation of IOGC deposits are described by Reeve et al. (1990), Skirrow et al. (2019), McPhie et al. (2011), and Bull et al. (2015). Despite alternative views held by many authors on this subject, most observations converge on an age of about 1580 Ma for the major Gawler mineral deposits, placing them towards the final phases of intrusion of Hiltaba Suite granites (Figure 5). A magmatic-hydrothermal model is generally accepted and has been placed in a Mineral System context (Figure 6) by Skirrow et al. (2019). This model is broken down into component parts:

- Sources of metals, fluids, ligands, and sulphur. The model has two fluids, one shallow saline and oxidised which is the main source of metals, and a second deep-seated reduced fluid which is an important source of iron. The chemistry of the source fluids is inferred from the alteration within and around the mineral deposits.
- Drivers and sources of energy. The principal sources of energy driving the IOCG-forming hydrothermal systems are thought to be the mafic/ultramafic and felsic magmas coeval with formation of the IOCG deposits.
- Architecture and pathways. Crustal-scale and lithospheric-scale faults are empirically related to mineralisation. The interpretation is that these faults control the distribution of magmatic rocks in the lithosphere as well as the hydrothermal systems generated.
- Ore depositional gradients. Deposition of copper, gold, uranium, rare-earth elements (REE) and other metals occurs through a range of processes, including changes in temperature and pressure; oxidation-reduction state; pH or ligand activity of the fluid carrying the metals. The major deposits on the Gawler Craton all show an important oxidation gradient between magnetite and haematite altered rocks.

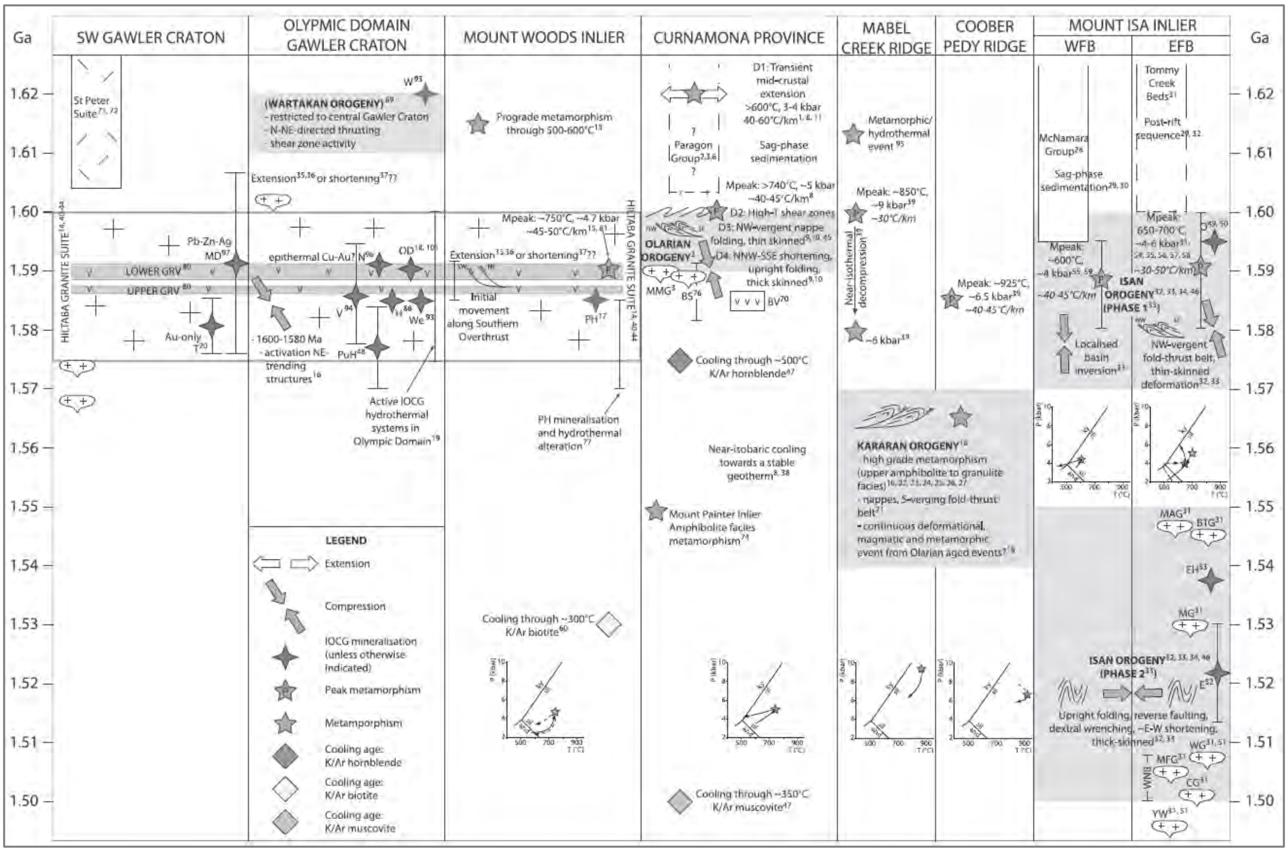


Figure 5: *1.62–1.50 Ga cladogram of selected terranes in eastern Proterozoic Australia*
Source: Tiddy and Giles (2020)

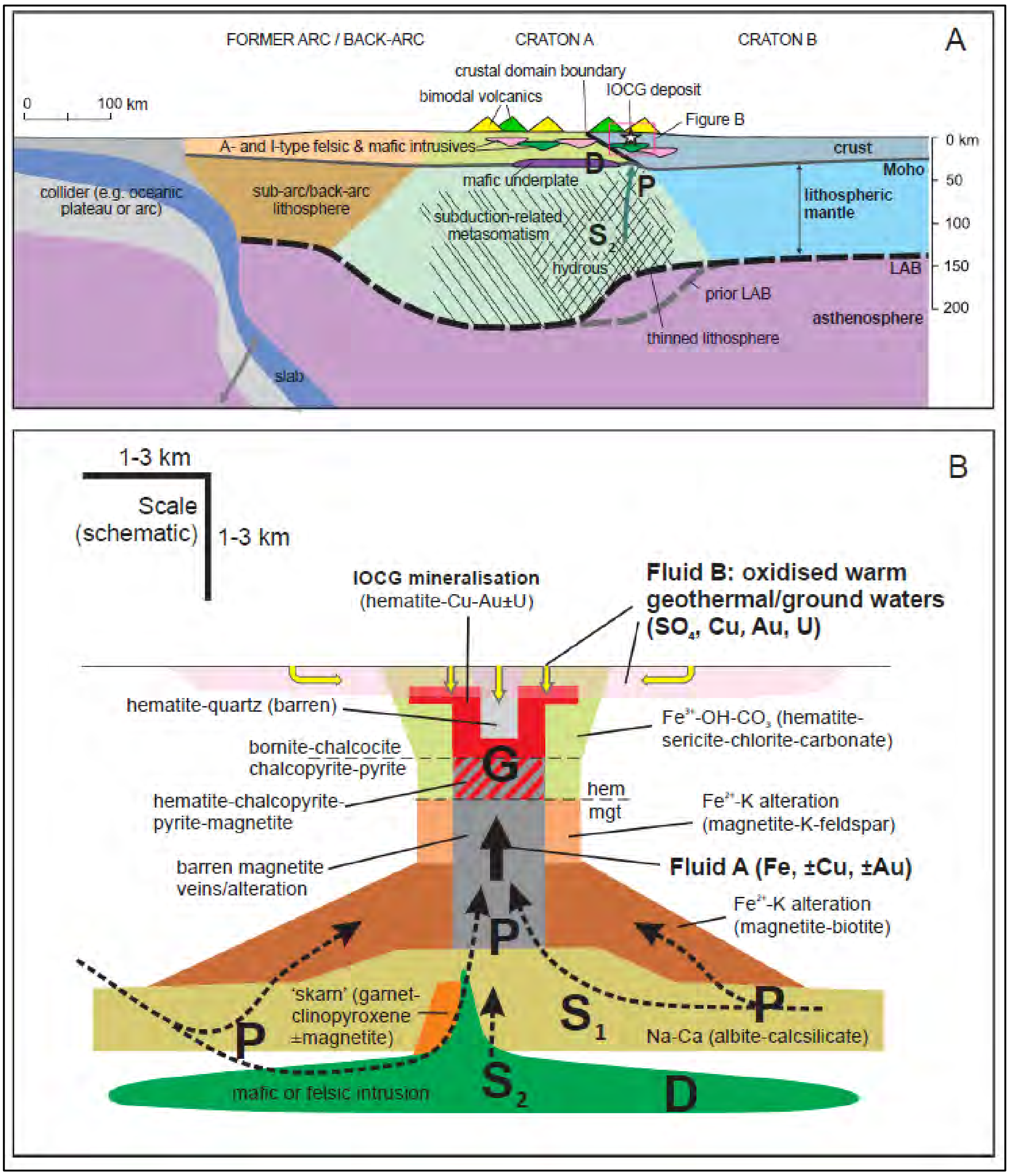


Figure 6: *Multi-scale mineral system model for IOCG deposits of the haematite-rich Olympic Dam type*

A: Lithosphere-scale cross section of an IOCG mineral system, showing mineral system components: hypothetical metal source region within the lithospheric mantle (S2), architecture of pathways of magmas and/or fluids from mantle lithosphere into the crust (P), and lower crustal/upper mantle mafic underplate as part of the energy sources/drivers of the mineral system (D). B: Crustal/regional-scale schematic cross section of an IOCG mineral system, showing zoning of hydrothermal alteration and mineralisation, and mineral system components: alternative hypothetical metal and fluid sources (S1 – host rock source, S2 – magmatic-hydrothermal source), energy source/driver (D), fluid pathways (P), and ore depositional gradient (G). Source: Skirrow et al. (2019).

Tiddy and Giles (2020) propose a model where magmatism and mineralisation are controlled by north dipping subduction under the Gawler Craton. The model involves a change in the architecture of the subduction zone from a rollback subduction geometry in which extensional basins were developing in the overriding plate from c. 1.67–1.604 Ga to a flat-slab subduction environment where c. 1.65–1.604 Ga arc magmatism was shut off and hot, extensional basins were inverted under high-temperature/low-pressure metamorphic conditions. This model is consistent with the observations by Allen et al. (2016) and McPhie et al. (2011) that clastic sedimentary rocks of GRV age or younger developed in extensional basins (Figure 7) which play an important role in mineralisation providing an oxidised saline metalliferous brine which interacts with reduced deep seated magmatic fluids (Figure 7). This model provides vital linkage between districts and explains much of the observed variation within the IOCG class.

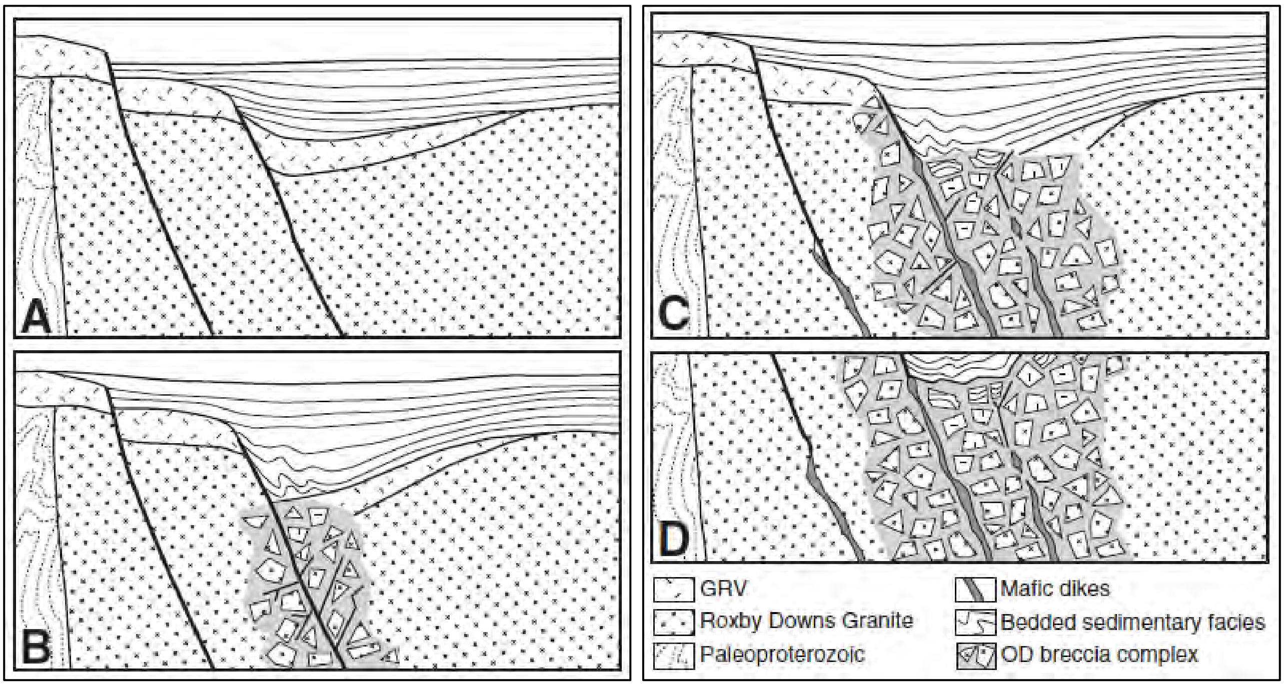


Figure 7: Model for the development of the Olympic Dam deposit

A: Bedded sedimentary facies accumulated in fault-bound basin above Mesoproterozoic granite and lavas. B: Fault controlled subsurface fragmentation of Roxby Downs Granite, GRV lavas, and bedded sedimentary facies formed Olympic Dam (OD) breccia complex. C: Mafic dykes intruded granite and breccia complex along faults. D: Erosion unroofed breccia complex, removing almost all traces of bedded sedimentary facies. Source: McPhie et al. (2011).

Most of the area prospective for IOCG mineralisation within the Gawler Craton lies under cover, making geological interpretation more challenging. The cover thickness varies from less than 100 m to over 1 km in places. Despite the cover, exploration is progressing on deep prospects such as Oak Dam. Cover sequences are generally transparent to magnetic and gravity geophysical techniques, but conductive units such as the Bulldog Shale, Boorthanna Formation and saline groundwater can complicate the application of electrical methods.

3.2.2 Sediment-Hosted Copper Deposit (Zambian Type)

The Stuart Shelf and Adelaide Fold Belt compare with the Central African Copperbelt in age, stratigraphy and architecture. Stelar recognises that sections of the Adelaidean succession are prospective for sediment-hosted copper deposit (SHCD) mineralisation. In particular, the Gunson Project is close to the Mount Gunson deposit where copper mineralisation is hosted in Adelaidean sediments associated with a basement high known as the Pernatty Culmination. Basement structure and associated facies distribution has a clear control on the distribution of mineralisation in Zambia (Selley et al., 2005). A good example of this control is highlighted in Figure 8 where economic mineralisation is concentrated on the margins of basement highs.

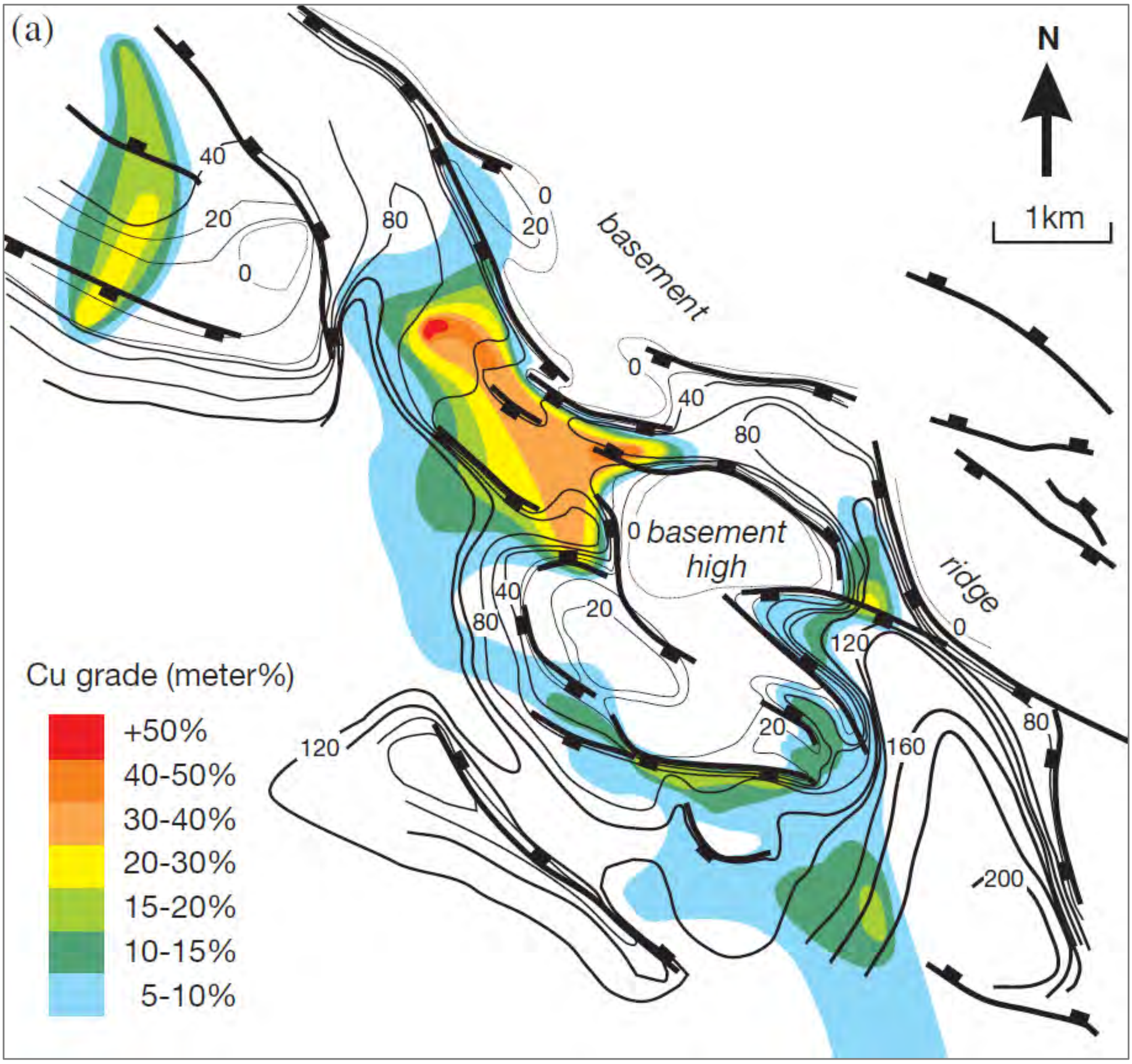


Figure 8: Chambishi, Zambia – copper distribution relative to interpreted structures and basement highs
Source: Selley et al. (2005)

Significant mineralisation is known on top of the Pernatty Culmination at Mount Gunson. Here, mineralisation is hosted in the Whyalla Sandstone as well as weathered basement rocks directly beneath the unconformity. This area was a topographic high during deposition of the Adelaidean sedimentary sequence. The Woocalla Dolomite Member forming in a shallow marine setting surrounds the topographic high while the shaley facies of the Tapley Hill Formation was deposited in deeper water basinal conditions further from land. By the time of deposition of the Whyalla Sandstone, the initial topography had been filled and sandstone was deposited across the Pernatty Culmination.

Mineralisation at Mount Gunson supports a general Copperbelt-type mineralisation model. Mineralisation is precipitated from an oxidised basin brine formed in the lowest units of a rift basin. Deposition of mineralisation is triggered by reaction with reduced facies rocks. Migration of mineralising fluids is controlled by the interaction of basin structure and stratigraphic aquifers. The Stuart Shelf is a relatively thin sedimentary sequence sitting adjacent to a thick salt-bearing succession in the Adelaidean Rift which is a likely source for mineralising basin brines (Figure 9). Dewatering of the Adelaidean Basin would progressively focus into the lowest permeable units on the Stuart Shelf which become thinner towards the Pernatty Culmination. Reduced facies rocks are known in the Tapley Hill Formation which are potential host rocks.

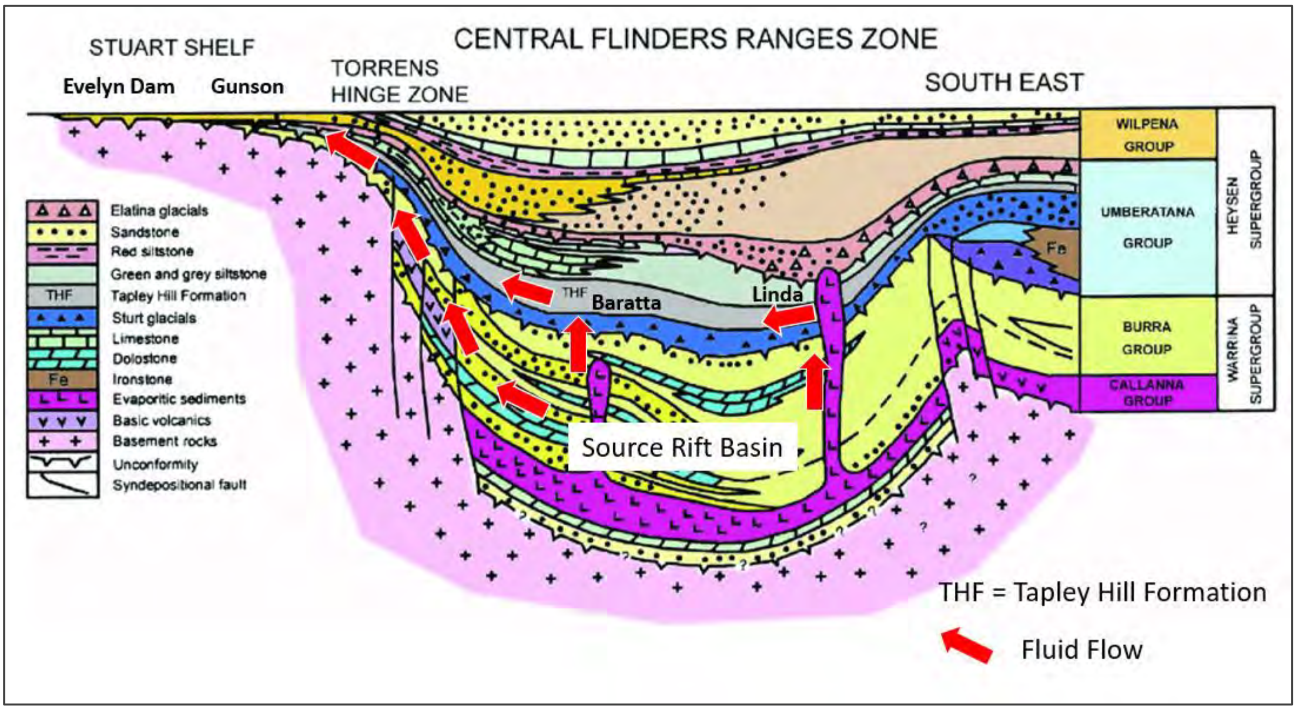


Figure 9: *Diagrammatic section for Adelaidean Rift Basin and Stuart Shelf*
Note: Facing North. Not to scale; project settings indicated. Modified from Kruse and Jago (2016).

Evidence from Mount Gunson and recent drilling results with significant copper, cobalt and silver mineralisation at the base of the Tapley Hill Formation by DGO support the view that this process was active in the area. The concept is also supported by the similarity in age, structure and sedimentology between the Adelaidean and Zambian Copperbelt.

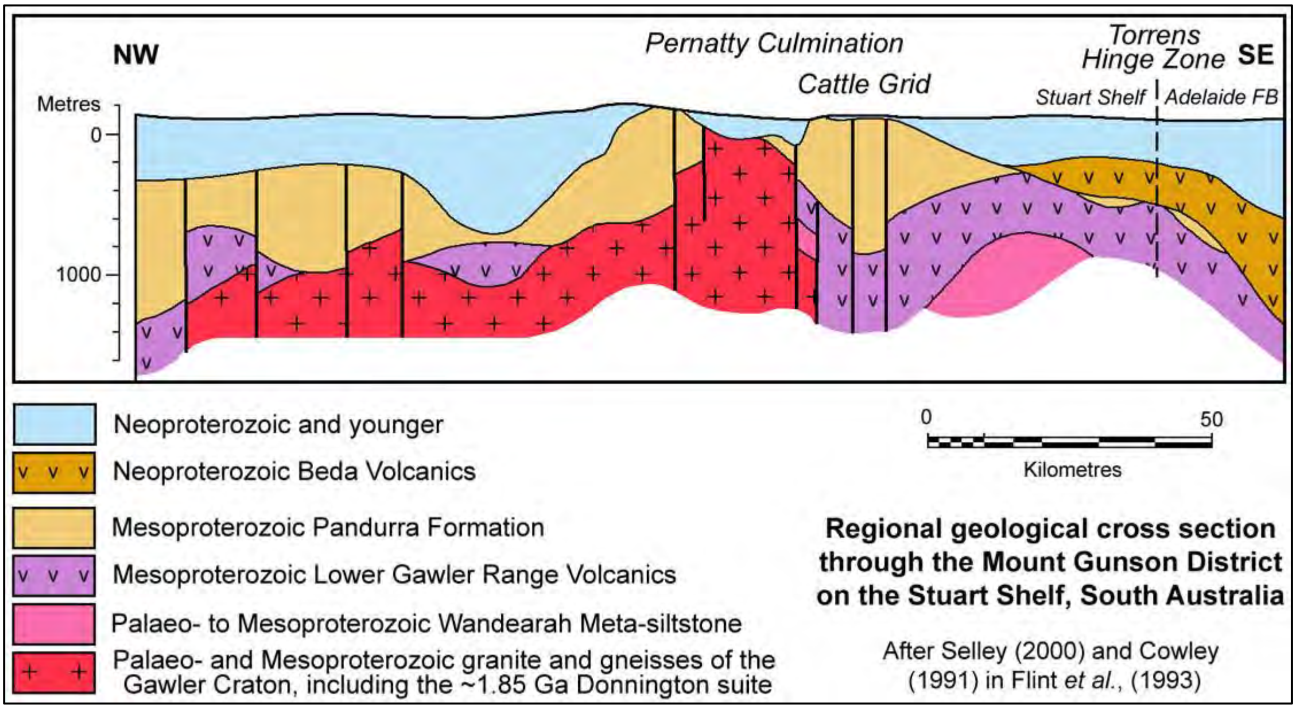


Figure 10: *Mount Gunson District geological cross-section*
Source: Selley (2000)

3.2.3 Carbonate-Hosted Base Metals

Carbonate-hosted base metal deposits form a continuum of basin-related styles including Irish type, Mississippi Valley type (MVT) and Kipushi type. These styles form an important part of world production for zinc and lead. Basin-related deposit styles are distinct in the mechanism of formation from skarn and manto deposits which are controlled by igneous intrusion.

The variability between the recognised styles of basin related carbonate hosted mineralisation is determined by the temperature of formation and variations of the host rocks which triggered the deposition of mineralisation. These styles are linked by the fundamental geological processes that formed them. The Kipushi type is pertinent to the Adelaide Fold Belt evidenced by the high-grade Beltana and Aroona deposits which have strong geological similarities to the classic deposits hosted in the Central African Copperbelt.

Irish Type

Irish type carbonate hosted deposits are an economically attractive style with generally high grade and good continuity of mineralisation. Many authors have considered Irish type mineralisation to be a variant on MVT. CSA Global defines Irish type as those carbonate-hosted deposits where mineralisation is dominantly formed by the replacement of the host rocks and this contrasts with MVT deposits where mineralisation is formed by infilling existing pore-space or karstic cavities. Sandstone-hosted deposits are therefore classified with MVT, as the models are very similar. There is a continuum between Irish type and MVT with some deposits exhibiting both replacement and infill styles. This distinction is important when considering the economic potential as typically Irish type deposits will be high grade and continuous and MVT's will be low grade and discontinuous.

The classic locality for Irish type mineralisation is the Lower Carboniferous in the central midlands of Ireland where the Carboniferous host rocks overlie a Devonian red clastic basin. A comparable geological setting hosts similar mineralisation in the Canning Basin in Western Australia and in basins of the same age in southern China. The Mesozoic Tethyan Belt hosts many good examples of this deposit style from Reocin (Spain) and Touissit (Morocco) in the West to Angouran (Iran) and Duddar (Pakistan) in the east.

The model for formation of Irish type deposits has many similarities to the SHCD model. Mineralisation is entirely dependent on the host basin and the relatively high temperature hydrothermal fluid (150–350°C), contrasting with the MVT model which typically had fluid <100°C. Irish type deposit components are:

- Source: The source of metals and hydrothermal fluids is a deeply buried rift basin. Maturation by burial to >4 km is required to generate the hydrothermal fluids. The source basin is typically immature red sandstone often with volcanics and saline evaporites yielding an acid, oxidising and saline solution.
- Focus: The dewatering of the source basin is controlled by permeability of the basin. Hydrothermal fluids migrate upwards in permeable units and laterally under seals. Basin controlling faults and associated structures focus the fluids up the stratigraphy and allow it to interact with reactive rocks of the overlying sag phase.
- Deposition: The fundamental feature of this deposit style is the reaction between the hydrothermal solution and the host rock. Reactive rock types such as carbonaceous limestone, diagenetic pyrite/marcasite and sulphate evaporites will allow reduction by dissolution of the host rock and precipitation of mineralisation by reduction and neutralisation of the low pH solution in an alkaline environment.

Irish type deposits are generally high grade (10 – 15% Zn). Mineralisation is dominantly zinc with subordinate lead with some deposits having recoverable silver grades. Good continuity of mineralisation allows for cost effective resource definition and mining. These deposits also tend to have excellent metallurgical performance with low penalties.

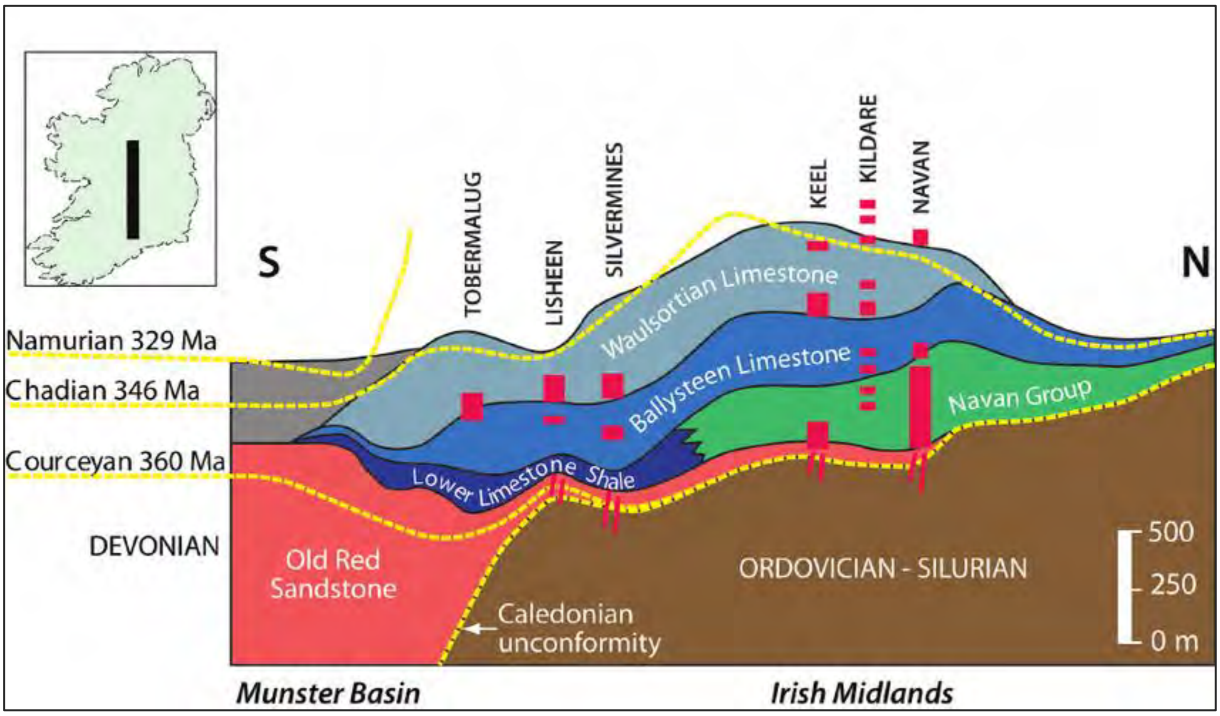


Figure 11: Simplified stratigraphic section in central Ireland showing the position of mineralisation

The diachronous nature of sediment facies is shown from south to north across the Irish Midlands and the stratigraphic location of mineralisation in a number of deposits (pink bars) and footwall veins (pink lines). Dashed yellow lines represent approximate time equivalent surfaces. The Old Red Sandstone is interpreted as the source basin for mineralising fluids which migrated upwards and laterally into the reactive host rocks. Not to scale. Source: Wilkinson et al. (2015).

Kipushi Type

This class of deposits are one of the most attractive economically – universally very high grade zinc and generally of moderate scale. They share a unique set of characteristics and are only known from three late Neoproterozoic-Cambrian basins in the southern hemisphere. Common models proposed for these deposits are that they are a type of MVT or have a supergene origin. The host basins all have clear evidence of salt tectonics and the model which best fits the observation is that they have formed in salt withdrawal structures – in most cases, with a strongly crosscutting pipe-like geometry. They are associated with large alteration zones with extensive albitisation and dolomitisation of the host carbonate rocks. Willemite is known to form instead of or as well as sphalerite in very saline oxidising conditions.

Kipushi and Willemite type deposits are hosted in discordant structures dominantly in carbonate rocks within the sag phase of the basin. Formation is entirely controlled by the host basin. Deposit components are:

- Source: The source basin is the rift phase immature sediments, halite and volcanics which have matured to >4 km depth yielding an oxidising highly saline acid brine with temperatures up to about 350°C. The three basins known to host this style of mineralisation are Damara-Katanga (Central Africa), Adelaidean (Australia) and Bambui (Brazil). These basins have very similar fill and contain two glacial markers in the upper part. Extensive halokenetic structures are prominent features of these basins. The mineralising fluid that formed Kipusi, Kabwe and Tsumeb is interpreted as the same as that which formed the Central African Copperbelt.
- Focus: Halokenetic structures are controlled by the structure of the basin. These focus fluids from the rift phase source rocks into the void or withdrawal breccia left by the halite.
- Deposition: There is no obvious chemical trap in these deposits although the very large alteration zones are clear evidence that substantial fluid-rock interaction took place. Gypsum is a common relic in salt structures and would have been reactive and a source of sulphur for the precipitation of metal sulphides. Zonation is common – Kabwe has a rim of Willemite and a core of sulphide, suggesting either an evolving fluid or progressive reaction with the host rocks.

Kipushi and Willemite type deposits tend to have very high zinc grades with associated lead and copper, a small footprint and tall vertical extent (Figure 12). They all have an extensive alteration zone of dolomite with up to 1% Zn and coloured red with small amounts of haematite. Alteration may be recognisable up to 5 km from the deposit. Typical ore minerals are sphalerite, willemite, galena, chalcopyrite and bornite. Willemite is acid soluble and can be processed to cathode on site and can be blended into existing smelter process routes. Port Pirie uses willemite as a flux for lead concentrate, the zinc is recovered from hot slag in a zinc fuming plant. High silica can be an issue for the direct processing of willemite in electrolytic smelters.

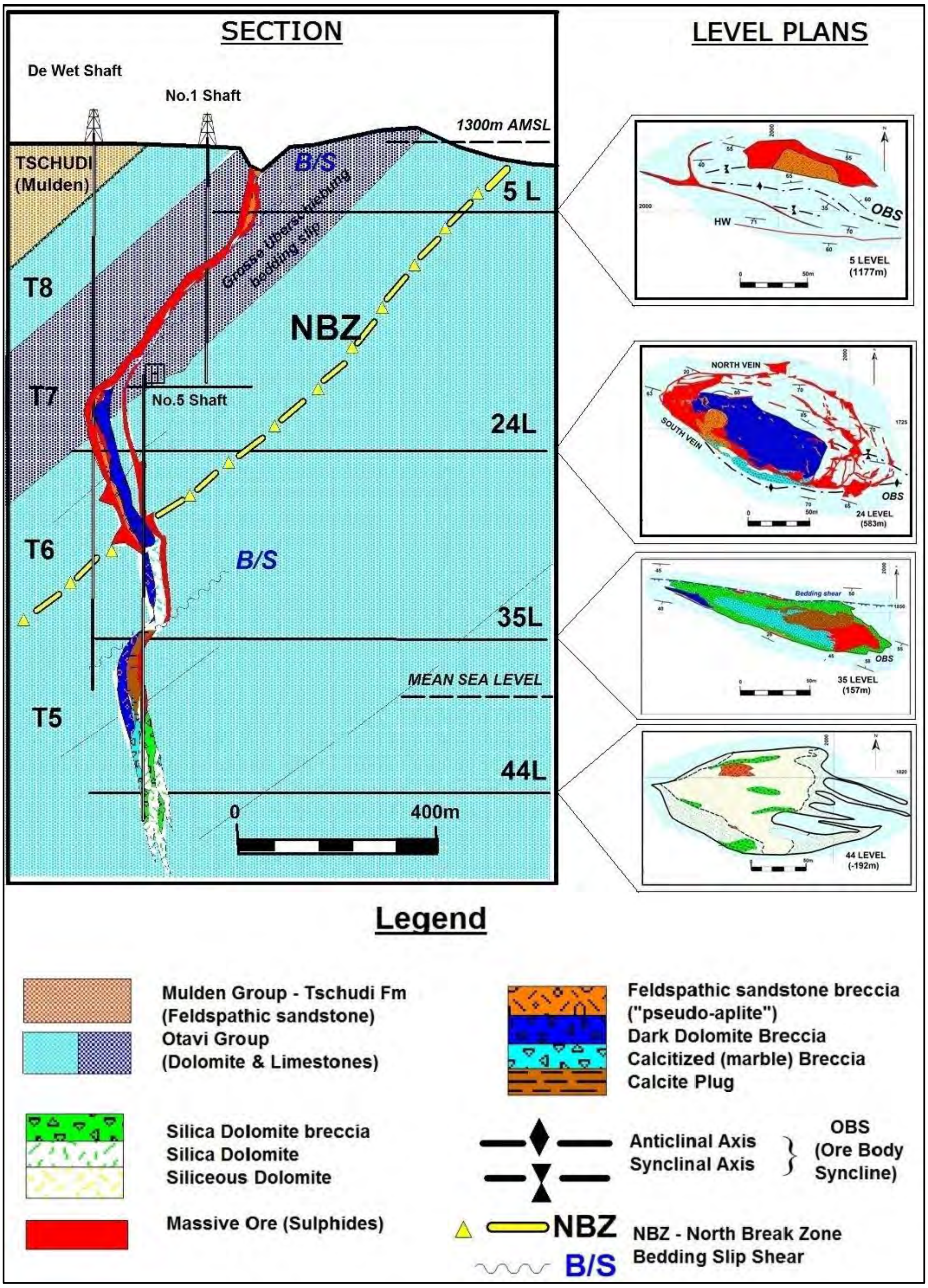


Figure 12: Cross section and level plans for the Tsumeb deposit

The Tsumeb deposit in Namibia is an example of the Kipushi type style of mineralisation. The cross section shows the discordant distribution of mineralisation. Source: http://www.tsumeb.com/en/geology/

Mississippi Valley Type

MVT deposits are carbonate-hosted deposits best known from the eastern USA. Deposits such as Gordonsville and Clinch Valley (former Pasminco deposits) are hosted in the Ordovician Mascot Dolomite and the classic Viburnum trend lead-zinc mineralisation is hosted in the Cambrian Bonneterre Formation within stromatolitic reefs beneath an overlying aquiclude.

The key feature which distinguishes MVT mineralisation from Irish and Kipushi type mineralisation is that MVT mineralisation is dominantly precipitated into open cavities, either pore space or karstic cavities compared with replacement of the host rock in the other styles. Sandstone hosted mineralisation is similar to MVT with mineralisation precipitated in the intergranular pore space. MVT deposits are formed at low temperatures (50–150°C) and typically show strong zonation of metals laterally across a district. The presence of hydrocarbons is indicative of an underlying basin which is mature at least to the oil window. MVT deposits are stratigraphically controlled at a district scale and the local geometry may be complex due to the interaction of a number of controls such as karstification, diagenetic porosity and porosity generation by dolomitisation and alteration.

The general MVT model is similar to that for Irish type with the mineralisation being sourced and deposited entirely within the basin. The source for the mineralising fluids is the underlying basin which is then dewatered and metals deposited at a higher level of the basin. The low temperature of the mineralising fluid implies that the fluid will be less reactive with the host rock and deposition is more a function of cooling and mixing with meteoric aquifers and less a lowering of solubility due to reaction with the host rock. In many deposits both occur giving both open space fill and replacement/alteration of host rock. Deposition by cooling is supported by the strong zonation noted across some MVT districts.

An alternative model to the basin dewatering is the gravity driven flow model (Figure 13). In this model, continuous flow is generated from a highland area recharging an aquifer and transporting metals to a depositional site. A viable model for the Cambrian hosted Viburnum trend is that mineralisation and fluid flow is driven by Alleghanian (Carboniferous) deformation of the Ouachita Mountains and associated Arkoma foreland basin.

Mineralisation may be very coarse grained where precipitated in large cavities with a very low iron content in sphalerite. MVT deposit components are:

- Source: Underlying clastic basin or lateral gravity driven aquifer. Low temperature <150°C acid fluid.
- Focus: Basin dewatering along growth faults, strong stratigraphic control on hydrology at district scale.
- Deposition: Deposition primarily as open space fill by cooling and fluid mixing. There is compelling evidence that some MVT mineralisation was precipitated into hydrocarbon reservoirs. Also, precipitation by replacement of cements especially in sandstone hosted examples. Mineralisation may be focused into a linear feature such as a reef or dolomitisation front within a stratigraphic unit and will be controlled by an overlaying aquiclude.

The geometry of mineralisation is generally stratigraphically controlled at a district scale but may become very complex at a local scale. Deposits hosted dominantly in karsts may be very high grade and difficult to mine due to the irregularities in the host karst. Deposits that are hosted in stratigraphically controlled, permeable units will be more consistent, but the grade will be limited by the amount of pore space which is rarely more than 5% of the rock mass. Continuity of mineralisation is an important economic factor and should be predictable at the province scale.

MVT systems can be very large like the Viburnum trend >100 Mt and Touissit district in Morocco >80 Mt. Jinding in Yunnan is an example of a very large sandstone hosted system. Parts of Jinding are quite high-grade c. 10% Zn where it is hosted in a calcareous sandstone, while the majority of the mineralisation is restricted to intergranular pore space with a grade of about 5% Zn. Contrasting with Irish type deposits, MVT districts may be strongly zoned with lead-rich mineralisation at the proximal end and zinc-rich at the distal end.

MVT deposits tend to have good metallurgy with coarse grain size giving very good recovery and the low temperature of formation giving extremely low iron zinc concentrate. They are also typically low in penalty elements and in credits such as copper, silver or gold.

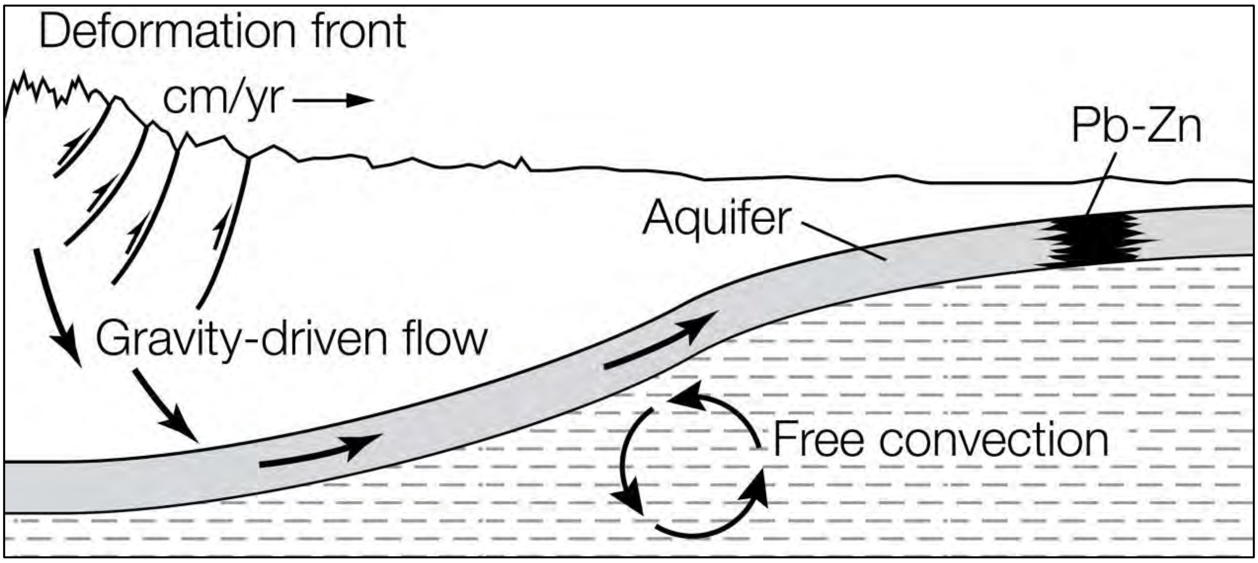


Figure 13: Gravity driven fluid flow model for MVT mineralisation (Ingebritsen and Appold, 2013)

4 Evelyn Dam – South Australia

4.1 Location, Access and Infrastructure

The Evelyn Dam Project is located about 50 km south of Pimba in South Australia (SA) (Figure 14). Pimba is on the Stuart Highway about 150 km from Port Augusta at the junction of the highway and the road to Woomera and Roxby Downs. The Stuart Highway is a major highway which links Adelaide to Alice Springs and Darwin. Access around the project is via a network of established, unsurfaced tracks.

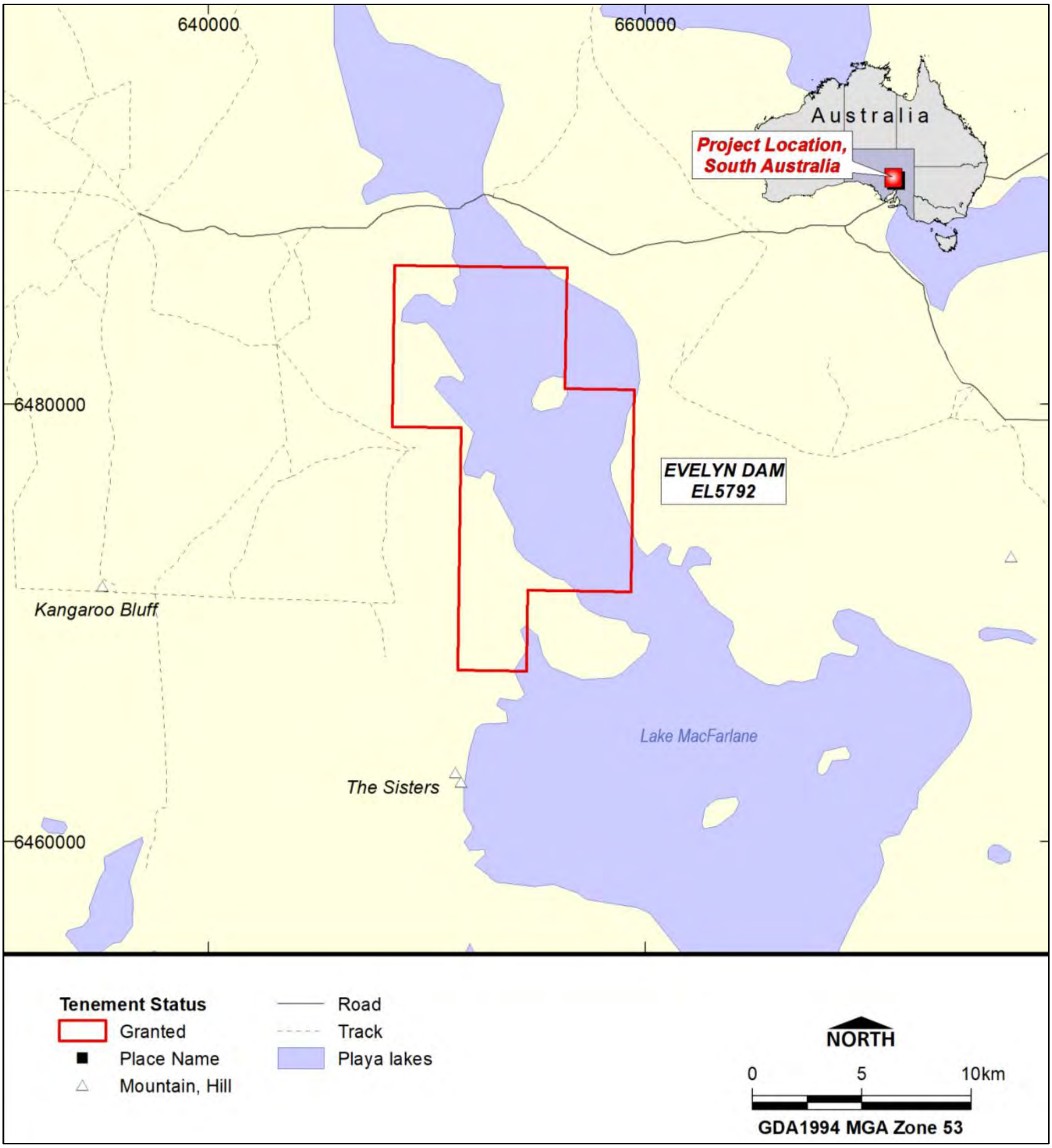


Figure 14: Location of the Evelyn Dam Project tenement in South Australia

The Adelaide to Perth and Darwin railway runs parallel to the Stuart Highway close to the project area. Additionally, regular air services are available at Roxby Downs and Port Augusta.

Stelar has informed CSA Global that Native Title agreements are in place and planned drill sites have been approved. Stelar are required to become a party to the existing Native Title Agreement between Kokatha, Rio Tinto and Resource Holdings.

Part of the EL occurs over Lake MacFarlane where additional access approval may be required.

4.2 Climate, Topography and Landforms

The Evelyn Dam Project area has a warm and dry climate. While summer daytime temperatures can frequently exceed 40°C, night time temperatures in winter can fall below freezing. Annual average rainfall is low and ranges from about 140 mm at Roxby Downs to about 215 mm at Port Augusta with most rain occurring in winter. The closest weather stations are Roxby Downs and Port Augusta (Figure 15).

Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Temperature													
Mean maximum temperature (°C)	37.1	35.7	32.2	27.3	22.3	18.5	18.7	20.8	25.3	28.7	32.2	34.7	27.8
Mean minimum temperature (°C)	21.3	20.2	17.2	12.8	8.1	5.0	4.2	5.5	9.3	12.8	16.5	19.0	12.7
Rainfall													
Mean rainfall (mm)	13.0	16.5	7.9	16.5	8.8	14.8	5.9	9.4	9.9	11.9	12.8	15.9	139.0
Decile 5 (median) rainfall (mm)	3.2	6.8	2.8	4.8	9.6	4.2	1.4	5.2	6.0	4.4	9.7	10.8	131.0
Mean number of days of rain ≥ 1 mm	1.7	1.6	1.4	1.7	1.7	1.9	1.5	1.9	1.9	1.7	2.0	2.3	21.3
Other daily elements													

Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Temperature													
Mean maximum temperature (°C)	34.3	33.1	30.5	26.8	21.5	18.0	18.0	20.0	24.0	27.3	30.4	32.4	26.4
Mean minimum temperature (°C)	19.5	18.8	16.6	12.9	8.7	5.8	4.6	5.3	8.4	11.9	15.4	17.4	12.1
Rainfall													
Mean rainfall (mm)	12.3	17.9	13.2	19.5	17.5	24.6	15.8	15.5	18.2	17.1	18.6	24.2	215.5
Decile 5 (median) rainfall (mm)	9.8	4.5	3.3	6.9	15.4	22.2	14.0	11.9	9.8	11.8	14.3	14.6	216.0
Mean number of days of rain ≥ 1 mm	1.6	1.5	2.1	2.0	3.6	4.3	3.4	3.8	2.9	2.6	2.9	3.0	33.7

Figure 15: Roxby Downs climate data (top) and Port Augusta climate data (bottom)
Source: Australian Bureau of Meteorology

The project has low relief with topography ranging from about 60 m above sea level at Lake MacFarlane, to maximum elevations of about 90 m on low hills. The project area occurs between Lake Torrens and Lake Gairdner, an area which contains a number of playa lakes.

Lake MacFarlane covers about half the EL. Other landforms include gibber plains (stony desert) with shallowly incised ephemeral drainage, low dunes, and ridges. Vegetation is sparse throughout.

4.3 Local Geology

The Evelyn Dam Project tenement is located predominately under Cainozoic cover in the eastern part of the Gawler Craton.

The oldest rocks outcropping in the broader area are flat-lying or shallowly dipping Gawler Range Volcanics (GRV) which outcrop on islands in Lake Gairdner to the west. These are overlain by flat-lying sedimentary rocks of the Pandurra Formation and then by rocks of the Adelaidean sequence. The basement rocks underneath the GRV are not well constrained but are likely to be older metamorphic rocks deformed in the Kimba Orogeny.

The GRV suite are felsic and mafic rocks formed between 1595 Ma and 1575 Ma. They are dominantly dacite to rhyolite with subordinate andesite and basalt. A thick sequence of felsic GRV was intersected from 430 m to 735 m in hole EVE001, the only hole completed in the EL. The base of the GRV was not intersected.

The Pandurra Formation is a dominantly fluviatile red-bed sequence up to 1,000 m thick. It is unmetamorphosed and between 1592 Ma and 1425 Ma in age (Rollinson, 2016). It comprises a poorly sorted, medium to coarse-grained, subangular quartz and lithic sandstone with minor conglomerate, mudstone and siltstone. It displays large-scale cross-bedding and graded bedding.

The Adelaidean sequence unconformably overlies the Pandurra Formation. It is known to thin from east to west across the Stuart Shelf. Pandurra Formation rocks are mapped in the eastern part of the EL suggesting that the Adelaidean is absent in the EL or only occurs in the most eastern part of the EL. A significant period of erosion is interpreted before the Adelaidean units overlying the Pandurra Formation were deposited. The erosional topography as well as active extensional tectonics control local thickness and facies expression in the Adelaidean and these are likely a control on mineralisation. The palaeo-topographic surface consisted of low hills and broad valleys. The typical Adelaidean succession has five major stratigraphic divisions:

- Beda Volcanics: Basaltic lava, locally amygdaloidal, with pyroxene. Thin sandy lenses occur between many flows. Basic dykes of the Gairdner Swarm which are co-magmatic with the Beda Volcanics intrude the Pandurra Formation.
- Tapley Hill Formation: Dominantly basinal shale facies with siltstone, grey to black, dolomitic and pyritic grading upwards to calcareous, thinly laminated, locally cross-bedded; dolomite, grey, flaggy to massive; limestone conglomerate, intraformational; greywacke.
- Woocalla Dolomite Member (part of Tapley Hill Formation): Includes black shale, dolomitic shale, oolitic dolomite, stromatolitic dolomite and dolomite muds and clay.
- Whyalla Sandstone: Mature, subaerial, lithic quartz arenite. Composed of quartzite and carbonate clasts. It is about 65 m thick.
- Tregolana Shale: Laminated red, brown and green, partly micaceous, shales.

Only one drillhole has been completed at Evelyn Dam (EVE001). This hole was collared in the western side of the EL and intersected a thin sequence of Cainozoic cover before intersecting rocks of the Pandurra Formation down to 430 m (Table 5). Holes to the west of the EL also show that the Adelaidean is absent there. Holes drilled east of the EL intersected Adelaidean rocks and it seems likely that these may continue into the EL and that the Pandurra-Adelaidean unconformity may sub crop somewhere under Lake MacFarlane.

The Pandurra Formation and older rocks are crosscut by a set of dolerite dykes of the Gairdner Suite. These are oriented north-northeast to south-southwest, are steeply dipping, and are related to the Beda Volcanic Formation which occurs in the lower part of the Adelaidean sequence and is related to west-southwest to east-northeast extension during rifting along what is now the Adelaide Fold Belt.

Table 5: EVE001 lithology log summary

Major lithology	Depth from (m)	Depth to (m)
SURFACE SOILS	**0.0**	**2.5**
PANDURRA FORMATION	**2.5**	**429.6**
Sedimentary Cu-U	250	360.0
BRECCIA UNCONFORMITY	**429.6**	**431.0**
GAWLER RANGE VOLCANICS (rhyolite, rhyodacite, felsic dacite)	**431.0**	**735.8**
Rhyolite, fractured; sericite-chlorite alteration, carbonate veining	447.0	467.6
Rhyolitic volcanic breccia, pyroclastic flow rock and rhyolite; sericite alteration, carbonate veining	477.0	488.3
Rhyodacite contact breccia, sericite-chlorite alteration, carbonate veining	488.3	508.2
Dacite sill with adularia rims around K-feldspar phenocrysts, pervasive sericite alteration	508.2	514
Rhyodacite with regular Mn carbonate veining, chlorite-sericite alteration	514.0	600.6
Plagioclase-K-feldspar rich rhyodacite and rhyolite; sericite alteration, carbonate-fluorite-quartz veining, rare pyrite, galena	600.6	675.7
Rhyodacitic pyroclastic flow rocks and lavas, carbonate-fluorite veining	675.7	703
Plagioclase-K-feldspar rich dacite; brecciated, sericite-chlorite alteration, rare zircon, late quartz veins, weak sulphide veinlets	703	735.8

Source: Rio Tinto: Pitt (2018)

4.4 Exploration History

Historical exploration data has been compiled and reviewed by Stelar using open file and public domain sources (Figure 16). Relevant work has been completed in three historical campaigns focused on an Olympic Dam type IOCG model using gravity and magnetic data. An earlier campaign of exploration targeted base metal mineralisation in the Pandurra Formation prior to the discovery of Olympic Dam. No historical drilling on the EL has been recorded.

4.4.1 ENV02996 – 1977 to 1979, EL768, Australian Selection Pty Ltd

In 1977–1978, a program of percussion drilling of magnetic targets was completed (drillholes PIL 1-11, total of 2,031 m). None of these drillholes were on the current EL. Most were collared to the east of the EL and intersected a stratigraphic sequence with Tent Hill, Cattle Grid, Tapley Hill, and Pandurra Formations. Petrological studies of cuttings confirmed the Pandurra Formation interpretation. No economic mineralisation was encountered, though minor lead-zinc anomalism is reported in dolomitic siltstones of the upper Tapley Hill Formation. Radiometric logging was completed on most of the holes.

In 1977, diamond drillhole SAT-1 was drilled to 320.4 m using PIL-3 as a pre-collar. The hole is located c. 10 km north of the current EL. The hole was cored at c. 180 m depth in Pandurra Formation.

In 1978, six ground magnetic traverses (approx. 1 km lines with 100 m spaced readings) were completed over aeromagnetic anomalies. Most of the surveys produced dyke-like signatures.

In 1978, a further nine percussion holes were drilled for a total of 1,830 m (PIL12-18, 18A, 18B). None of these drillholes were on the current EL. Most were collared to the west of the EL and intersected a stratigraphic sequence of Pandurra Formation and GRV with Gardiner Dyke intrusions. Petrological studies of dyke intersections were completed.

4.4.2 ENV04115 – 1980 to 1981, EL768, Seltrust Mining Corp. Pty Ltd

The only new information included in this report is the geochemistry data for drill core samples from SAT-1, located c. 10 km north of the current EL. No significant results were recorded, except for low-level uranium and cerium elevation toward the bottom of the hole.

4.4.3 ENV11609 – 2007 to 2012, EL3721, Archer Exploration Ltd

In October 2007, an infill ground gravity survey was completed over a 3 mGal gravity anomaly defined originally in the PACE 2006 regional gravity survey at Evelyn Dam. The infill survey was completed on a 400 m x 400 m grid with detailed 100 m station data collected along north-south and east-west profiles (Figure 17).

This survey indicated the anomaly has a maximum amplitude of approximately 8 mGal. One interpretation of the anomaly provided by Archer Exploration Ltd (Archer) at that time was that the anomaly represents a haematite body associated with IOCG mineralisation.

In 2008, a high-resolution magnetic survey was also completed over the Evelyn Dam anomaly to delineate the Gairdner Dykes swarm so as to avoid intersecting these during drilling.

Planned drill testing of the anomaly never eventuated.

4.4.4 ENV12423 – 2012 to 2014, EL4888, BHP Billiton Pty Ltd

In June 2013, a 2,560 line-km Falcon gravity gradiometry and magnetics survey was flown. Line spacing was 600 m north-south and terrain clearance was 60 m. The survey extended further than Archer's ground gravity survey.

Planned drill testing of the Evelyn Dam anomaly never eventuated.

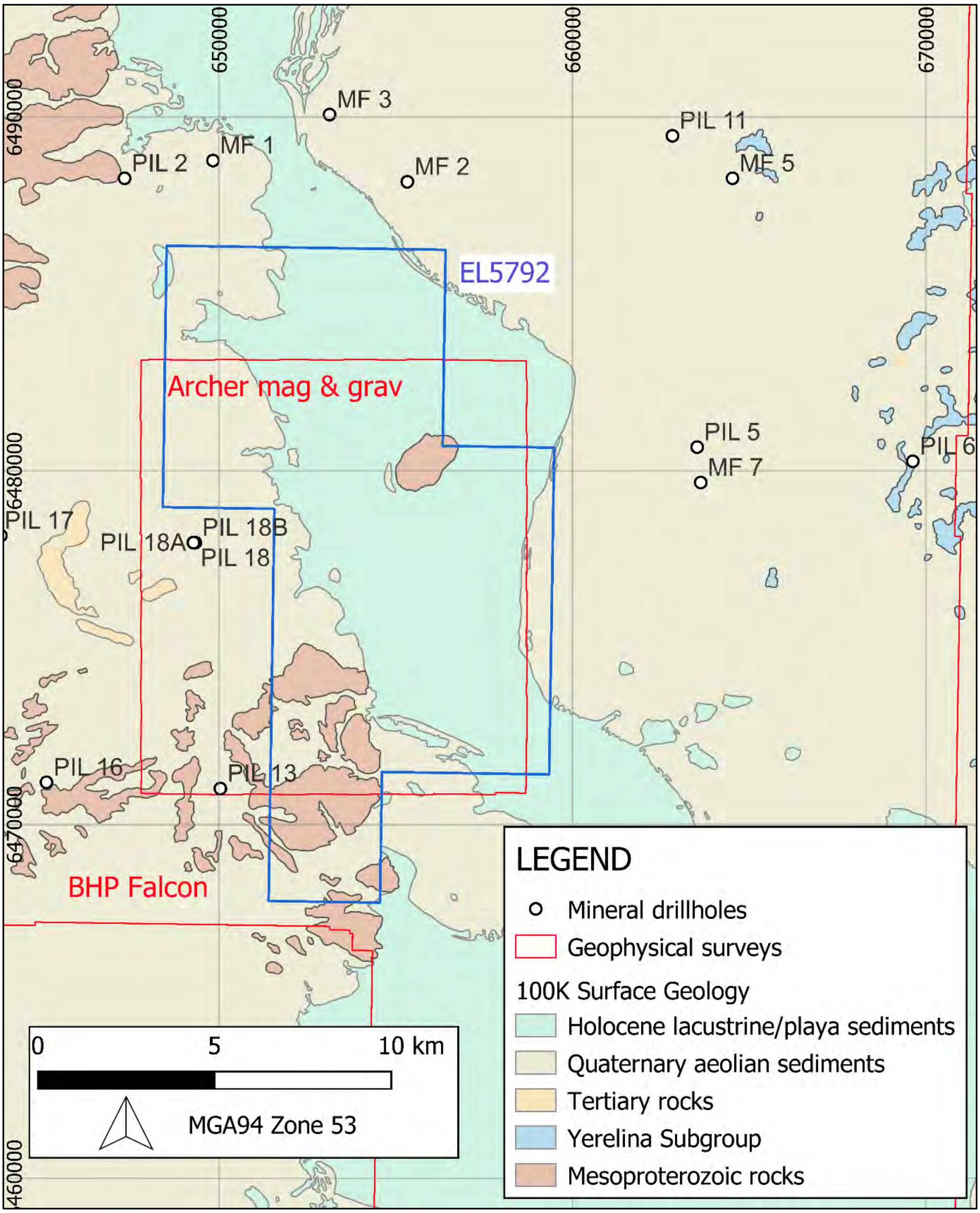


Figure 16: Location of historical exploration surveys
Data source: SARIG

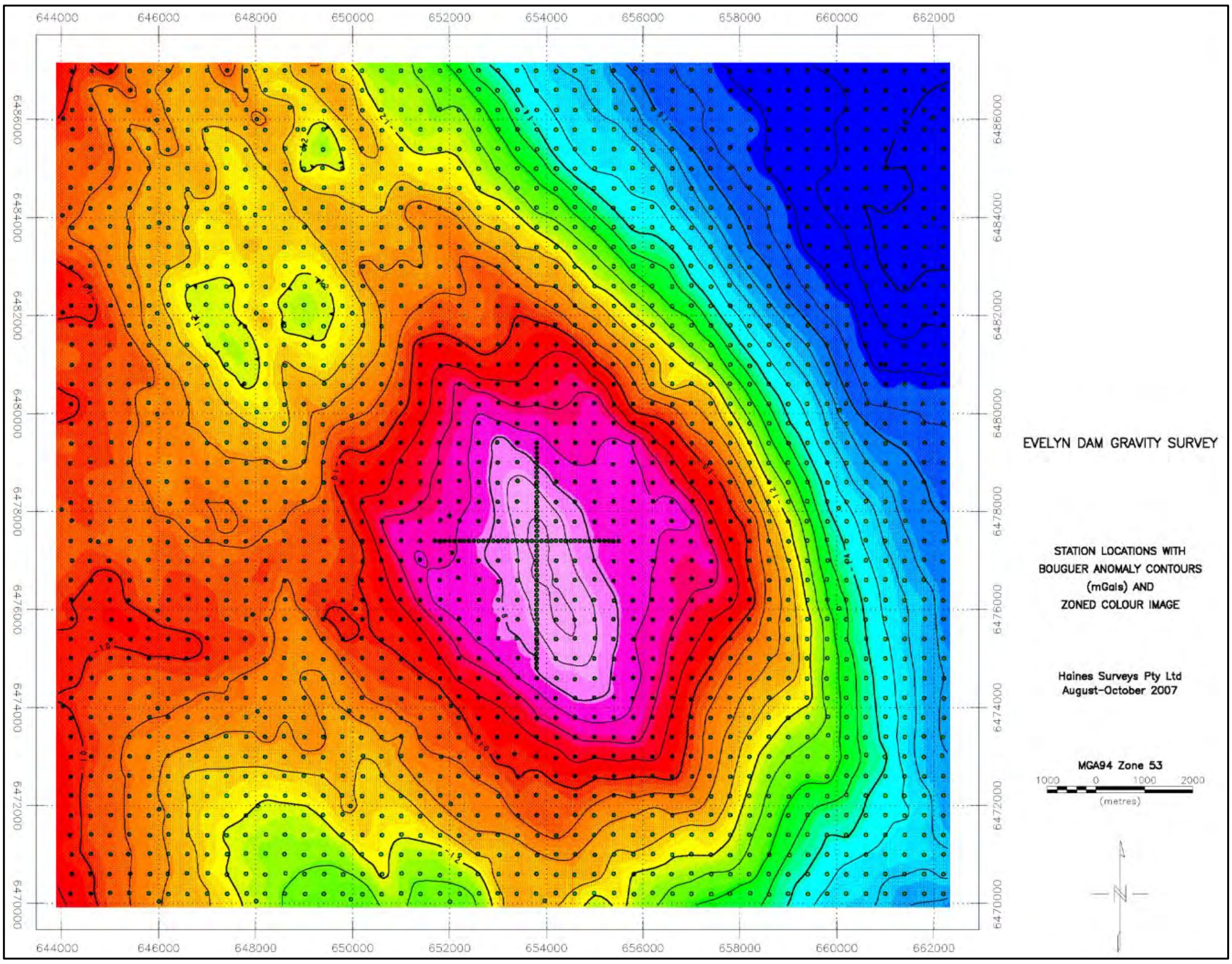


Figure 17: Ground gravity stations and Bouger anomaly image
Source: Hutchens Geophysics (2015)

4.5 Exploration Models

The impetus to explore this licence is the large gravity anomaly evident from both ground and airborne data. Stelar consider the gravity anomaly may be indicative of IOCG mineralisation of Olympic Dam style (Section 3.2.1). It is known from the gravity response at Olympic Dam that this style of mineralisation is caused by intense haematite alteration associated with copper-gold mineralisation.

CSA Global concurs with this assessment and notes that this model has potential for economic mineralisation.

4.6 Recent Exploration

Stelar has completed a detailed evaluation of the geology of the project area and is focused on the Evelyn Dam gravity anomaly as an Olympic Dam type IOCG target.

Since the EL was issued in 2016, Resource Holdings has advanced exploration on the project:

- A Native Title agreement was executed on 18 January 2018. Three drill sites have been cleared for drilling which give access to test the gravity anomaly.
- Resource Holdings entered a joint venture with Rio Tinto to explore the EL. Rio has since withdrawn from the joint venture and the project has reverted to 100% Stelar ownership.
- Gravity data was reprocessed and modelled by Hutchens Geophysics (2017).
- One diamond hole, EVE001, with reverse circulation (RC) pre-collar was completed by the Rio Joint Venture to a total depth of 735 m in 2018 (Table 6, Table 7).

- Multi-element assays were carried out on samples from the base of the Pandurra Formation to the end of hole.
- Downhole geophysics was carried out on EVE001 by Borehole Wireline.
- 20 petrographic samples were collected and described.
- Spectral data was collected by ASD TerraSpec Halo Mineral Identifier.

Table 6: Drill collar table for Evelyn Dam Project

Hole ID	Grid name	East	North	RL	Dip	Depth	Start date	End date
EVE001	GDA94_MGA_53	653370	6476010	150	-90	735.8 m	21 Feb 2018	17 Mar 2018

Stelar is in the process of analysing these data to refine the exploration model and better target further drilling. Stelar believes the single drillhole completed did not explain the gravity anomaly and it shows encouraging signs of alteration interpreted as distal to an IOCG system.

Table 7: Principal exploration activities undertaken in 2018

Exploration activity (EL5792)	Summary of activity
Conventional air chip drilling	EVE001 from 0 m to 178.7 m of conventional air chip drilling. This method of drilling was utilised to promptly drill through the majority of the Pandurra Formation cover.
Diamond drilling	EVE001 from 178.7 m to 735.8 m of diamond drill core. This method of drilling was utilised to ensure the basement of the Gawler Range Volcanics was effectively captured. HQ size (63.5 mm) diamond coring down to 329.8 m and NQ size (47.6 mm) diamond coring down to 735.8 m.
Drill core sampling	Six samples were collected from the conventional air chip section (PCD). 92 sections of diamond drill core were sampled.
Drill core analysis	Rock chip samples have been fine crushed to <2 mm (70%), pulverised (1,000 g to 85% <75 µm), and analysed by four-acid digest and ICP-MS of 48 elements. 92 quarter core samples were cut by Euro Exploration Services in Adelaide with the remainder kept as reference. Core samples have been fine crushed to <2 mm (>70%) and pulverised (1,000g to 85% <75 µm). Analysis of major and trace elements included Super Trace Lowest DL four-acid digest and ICP-MS of 48 elements, plus gold by 30 g fire assay with ICP-AES finish, and 12 REE elements by ICP-MS.

CSA Global has reviewed the available data and broadly concurs with Stelar's assessment that the anomaly has not been adequately tested. The following points and recommendations are important to considering further drilling on the anomaly:

- The core photos and drill logs show no lithologies which would produce a density anomaly. The rocks intersected are sandstone and felsic-intermediate volcanics. Density data collected by the Rio Joint Venture support this view (Table 8), thus implying that the anomaly remains unexplained and untested.
- The single drillhole completed, EVE001, appears to be poorly targeted relative to the gravity model developed by Hutchens Geophysics. The drillhole was moved from the original planned position and does not appear to intersect the modelled density anomaly (Figure 18, Figure 19). An inclined hole from the same position can be designed to test the main part of the modelled anomaly.
- CSA Global recommends that the gravity model be reviewed and validated and in particular the depth to the target should be confirmed. Also determine if the gravity model would be significantly improved by gathering additional infill ground gravity data.
- Minor native copper is noted in the drill logs from reduced spots in the Pandurra Formation.
- Various intensities of alteration with haematite, chlorite, sericite and/or carbonate are noted in the drill logs and core photos (Figure 20) below the unconformity. These observations are interpreted by Rio Tinto (Pitt, 2018) as consistent with distal facies of IOCG alteration. The reddening of the rocks with haematite is a classic alteration facies often dubbed Red Rock Alteration. While this is a clear feature of IOCG systems, it can also form in other geological settings.
- Fluorite is noted as veinlets and infill in the lower section of EVE001, from 667 m (Figure 21). Fluorite can be an important indicator mineral for IOCG mineralisation. The chemistry of fluorite can be used to define

distinctive alteration zones which is described in detail by Schlegel et al. (2020). The chemistry of the fluorite intersected has not been investigated to date.

- The presence of phengite or phengitic muscovite is an important aspect of IOCG alteration and is known to form within a distal alteration halo around Olympic Dam and Prominent Hill. Interpretation of shortwave infrared (SWIR) spectral data by the Rio Joint Venture (Pitt, 2018) shows a trend from muscovite dominant compositions to more phengitic compositions down hole below 525 m (Figure 22). This observation supports the view that the alteration observed is the distal part of an IOCG system and upgrades the gravity anomaly as an IOCG target. Paragonitic compositions are typically encountered more proximal to mineralisation in IOCG systems and therefore should be assessed for in follow-up drill testing.

Table 8: Full core density tests completed on EVE001 (Pitt, 2018)

Depth	Lithology	SG
427 m	Pandurra Formation – sandstone	2.68
428 m	Pandurra Formation – siltstone w/reduction spots	2.71
435 m	GRV – unaltered directly below unconformity (at 429 m)	2.79
545 m	GRV – weakly altered	2.58
668 m	GRV – unaltered	2.61
680 m	GRV – Metasediment/Gneissic fabric	2.58

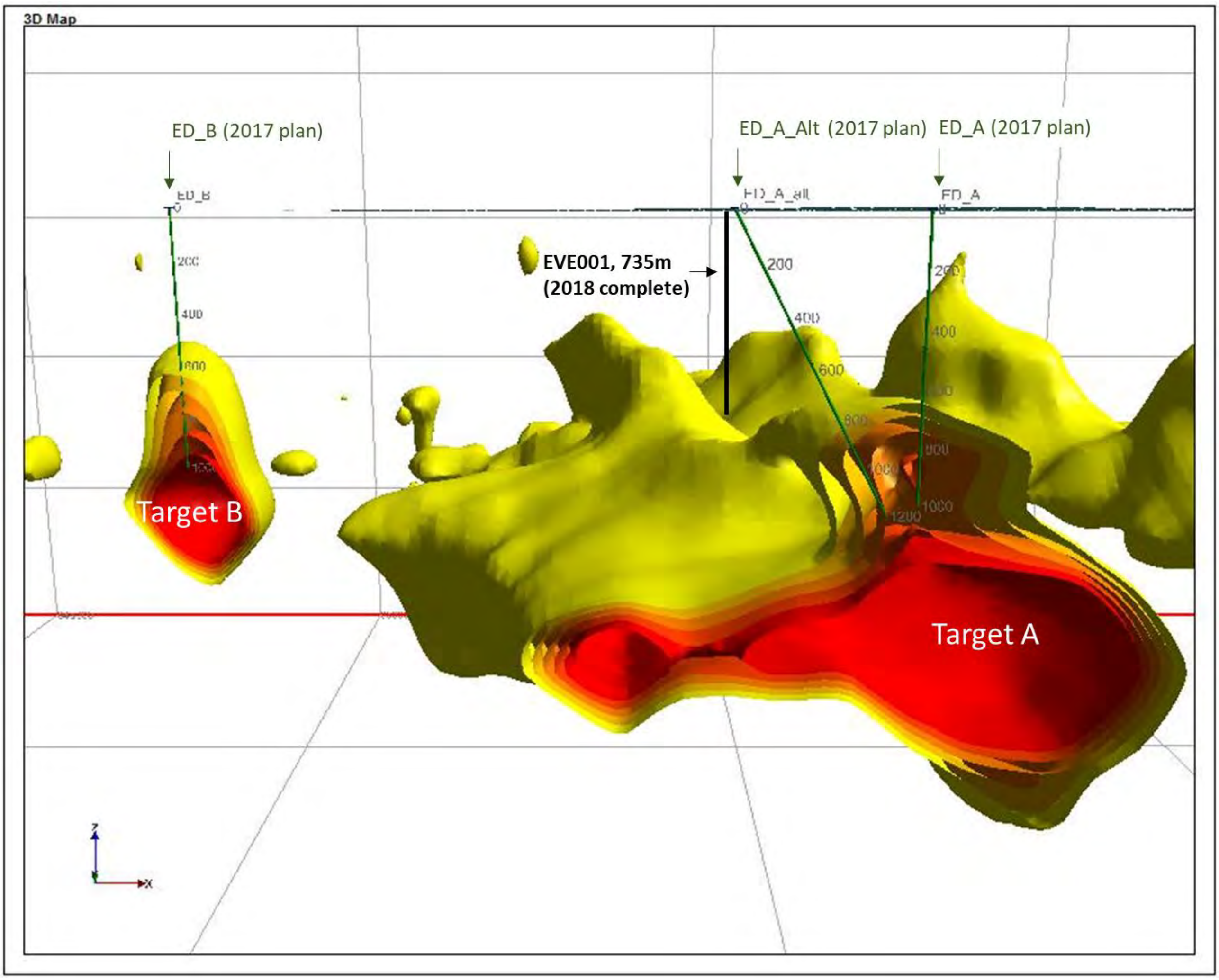


Figure 18: Gravity model (2017) with planned drilling facing north.

Note: Hole EVE001 was collared close to the planned inclined hole "ED_A_alt" but was drilled vertically and did not intersect the planned target. Source: Modified from Hutchens Geophysics (2017).

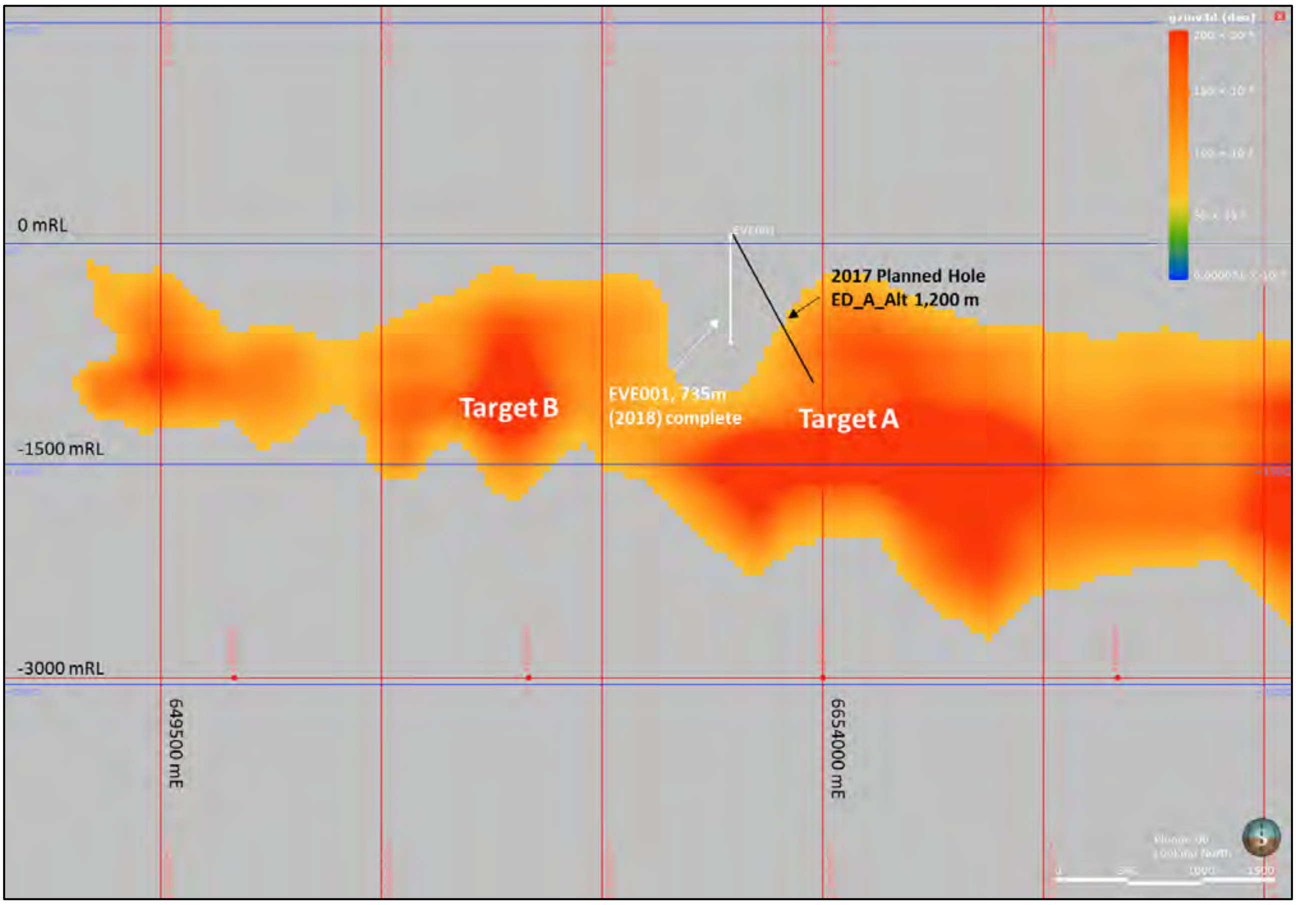


Figure 19: Gravity model with drilling completed by Rio Joint Venture

Source: facing north. Gravity model from ground gravity data by Hutchens Geophysics (2017). Cross section facing north, MGA94 Zone 53 coordinates. Model is clipped at +70 x 10^{-3} g/cc.

Hematitised microgranophyre pebbles in a sedimentary with disseminated carbonate @429.6m

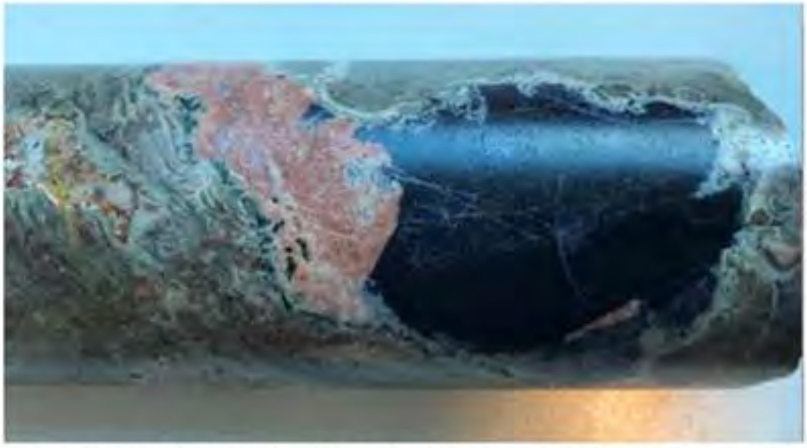
Weakly altered (K feldspar - hematite) porphyritic rhyolite @448.4m

Flow foliation in rhyodacite @686.5m; K-feldspar phenocrysts in devitrified sericitised quartz-plagioclase matrix.

Dacite sill with adularia rims occurring in the GRV @ 511 - 514m

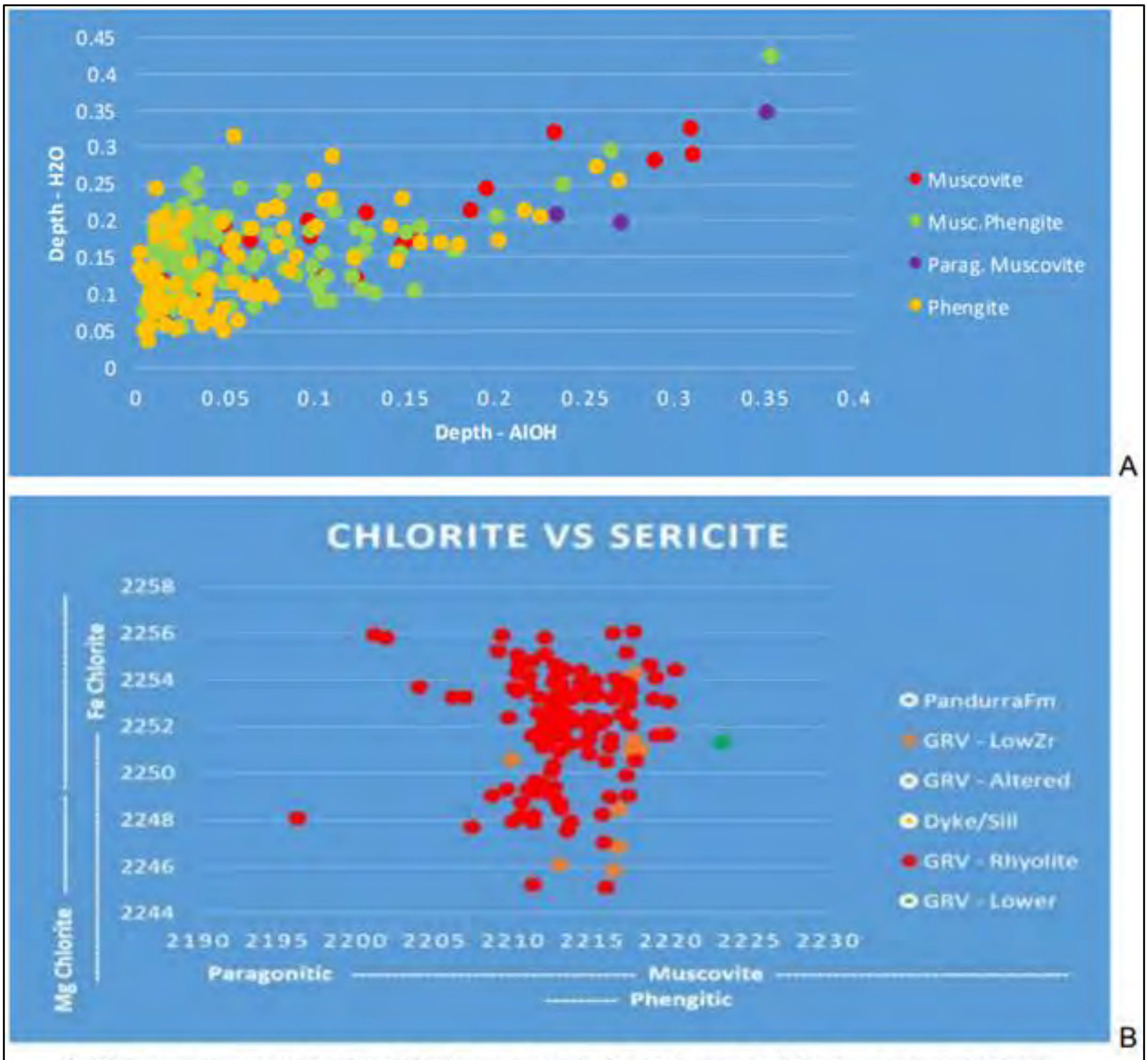
Figure 20: Examples of alteration and rock textures in EVE001

Source: Adapted from Rio Tinto (Pitt, 2018)



Pink carbonate - fluorite vein with chlorite rim in sericitised rhyolite with remnants of flow textures @691m

Figure 21: Fluorite occurrence in EVE001
Source: Adapted from Rio Tinto (Pitt, 2018)



A - White mica crystallinity: Depth of AlOH feature vs. Depth of H2O feature. B – Chlorite vs sericite distribution

Figure 22: Analyses of ASD results from EVE001
Source: Adapted from Rio Tinto (Pitt, 2018)

4.7 Exploration and Development Strategy

Stelar has advised CSA Global that its exploration strategy for the Evelyn Dam Project area is to explore for Olympic Dam type IOCG mineralisation.

Stelar is in the early stage of exploration on a licence which covers a large gravity anomaly. Results from initial drilling show indications of alteration associated with the distal parts of an IOCG system, thus providing encouragement to design and carry out better targeted drilling.

Stelar plans to carry out infill ground gravity and geophysical modelling to better define the anomaly followed by drill testing.

CSA Global concurs with Stelar's approach and considers that the selection of exploration targets for the project is based on a thorough examination of the available information. Further work is required to analyse new data and refine the targeting model using these data.

5 Linda Zinc

5.1 Location, Access and Infrastructure

The Linda Zinc EL is located about 160 km from Port Augusta and 30 km from Blinman in SA.

The project area is in the Flinders Ranges which run north-northeast from near Port Augusta for about 430 km. The Flinders Ranges are the largest mountain range in SA, reaching a maximum elevation of 1,171 m.

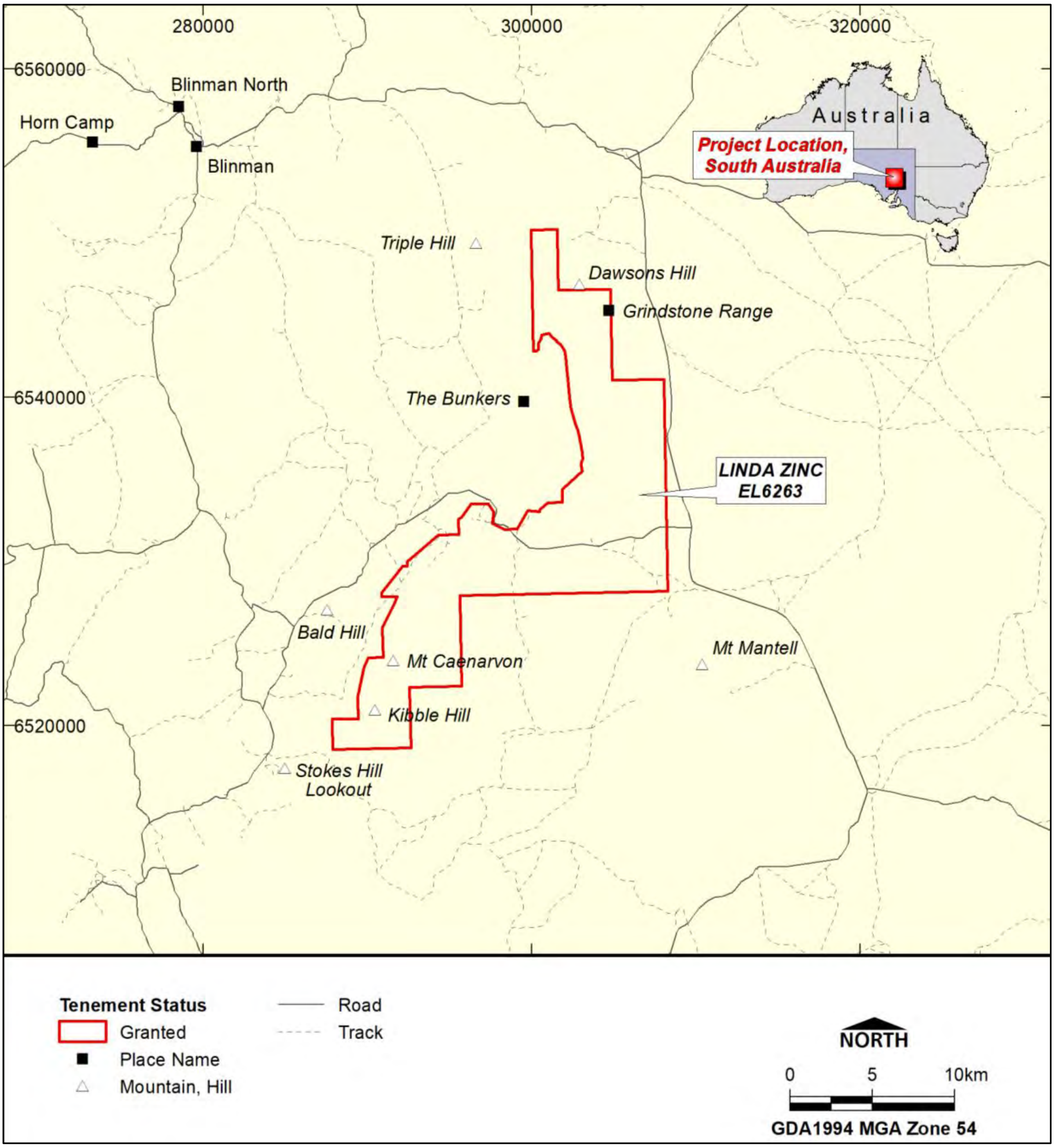


Figure 23: Linda Zinc Project – location map

Regular scheduled flights are available to Port Augusta. The licence is accessed by a network of unsurfaced roads off the all-weather Outback Highway which connects Port Augusta to Leigh Creek and the Flinders Ranges Way which runs to within 3 km of the southwestern corner of the EL.

5.2 Climate, Topography and Landforms

The Flinders Ranges area has a warm and dry climate. Summer day time temperatures can exceed 40°C and winter day time temperatures are in the range of 12°C to 20°C. Night time temperatures in winter can fall below freezing. Annual average rainfall is low at about 300 mm. Snow has been recorded in the area with the most recent snowfall reported in 1995. The closest weather station is at Hawker (Figure 24).

Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Temperature													
Mean maximum temperature (°C)	34.4	33.5	30.1	25.5	20.0	16.4	16.0	17.8	21.8	26.0	29.4	32.1	25.3
Mean minimum temperature (°C)	18.1	18.0	15.0	11.1	7.2	4.5	3.7	4.2	6.8	10.0	13.6	16.1	10.7
Rainfall													
Mean rainfall (mm)	20.0	20.8	16.2	19.9	30.2	37.5	32.9	31.4	27.1	24.2	22.4	22.1	305.3
Decile 5 (median) rainfall (mm)	8.9	7.4	7.8	9.9	21.4	28.3	28.1	28.2	18.3	17.3	14.0	13.2	293.2
Mean number of days of rain ≥ 1 mm	2.1	1.9	1.9	2.5	3.9	5.0	5.1	5.0	3.9	3.6	2.8	2.6	40.3

Figure 24: Hawker, South Australia, climate data
Source: Australian Bureau of Meteorology

The project has significant relief with topography ranging from about 220 m in the east to maximum elevations of about 857 m at Mount Caenarvon.

Vegetation is generally sparse with acacia scrub, sugar gum, cypress pine, mallee, and black oak.

5.3 Local Geology

EL6263 is located in the Central Flinders Zone of the Adelaide Rift Complex. Outcropping geology within the EL (Figure 25) comprises a northeast to north trending segment of Adelaidean stratigraphy which spans the Yudnamutana Subgroup to the Rawnsley Quartzite. This represents the southeast limb of an anticlinal dome that is intruded by the Oraparinna diapir breccia complex of which the Callanna Group crops out in the westernmost part of the EL. This is one of several diapir complexes within a regional northwest trending anticlinal dome series. In the northernmost part of the EL, Neoproterozoic Adelaidean stratigraphy is in fault contact with a northeast trending syncline cored by Cambrian Arrowie Basin sediments referred to as the Wilkawillina graben.

Local geology in the southern part of EL6263 is described by South Australia Ludi Mining Pty Ltd (SALM) (ENV12360, 2012) following mapping which focussed on the Tindelpina Shale Member. The Tindelpina Shale Member occupies a wooded erosional valley between the sharply dipping razor-back ridges of the Wilyerpa Quartzites and Tapley Hill Formation. Units dip towards the east transitioning from 70–80° in the west at the contact with the Wilyerpa Formation to 30–40° at the contact between the Tapley Hill Formation and Mount Caernarvon Greywacke Member. A transitional contact composed of thinly laminated dolomite and siltstone beds comprise the Tindelpina Shale Member over a thickness of only 50–100 m. The transition into the Tapley Hill Formation is marked by a thickening of beds and an increase in sandy sediments.

The Linda Zinc prospect is an extensive outcropping zone of fracture-fill and disseminated blebs of zinc-lead mineralisation associated with a biohermal bank in Cambrian Wilkawillina Limestone carbonates on the southern limb of the Wilkawillina graben. Three small hydrozincite gossans occur within this zone. The mineralisation is interpreted from drill core to be associated with localised dolomitisation and karstic structures.

Three copper occurrences are recorded within EL6263 in the SARIG mineral occurrences dataset; the Kibble Hill Mine hosted in veins in the Tapley Hill Formation, the Loves Mine stratabound within a sandstone unit in the Yudnamutana Subgroup, and the Loves Reward prospect hosted in veins in the Curdimurka Subgroup. Seven barite occurrences are also recorded. These mineral occurrences all have limited mining histories.

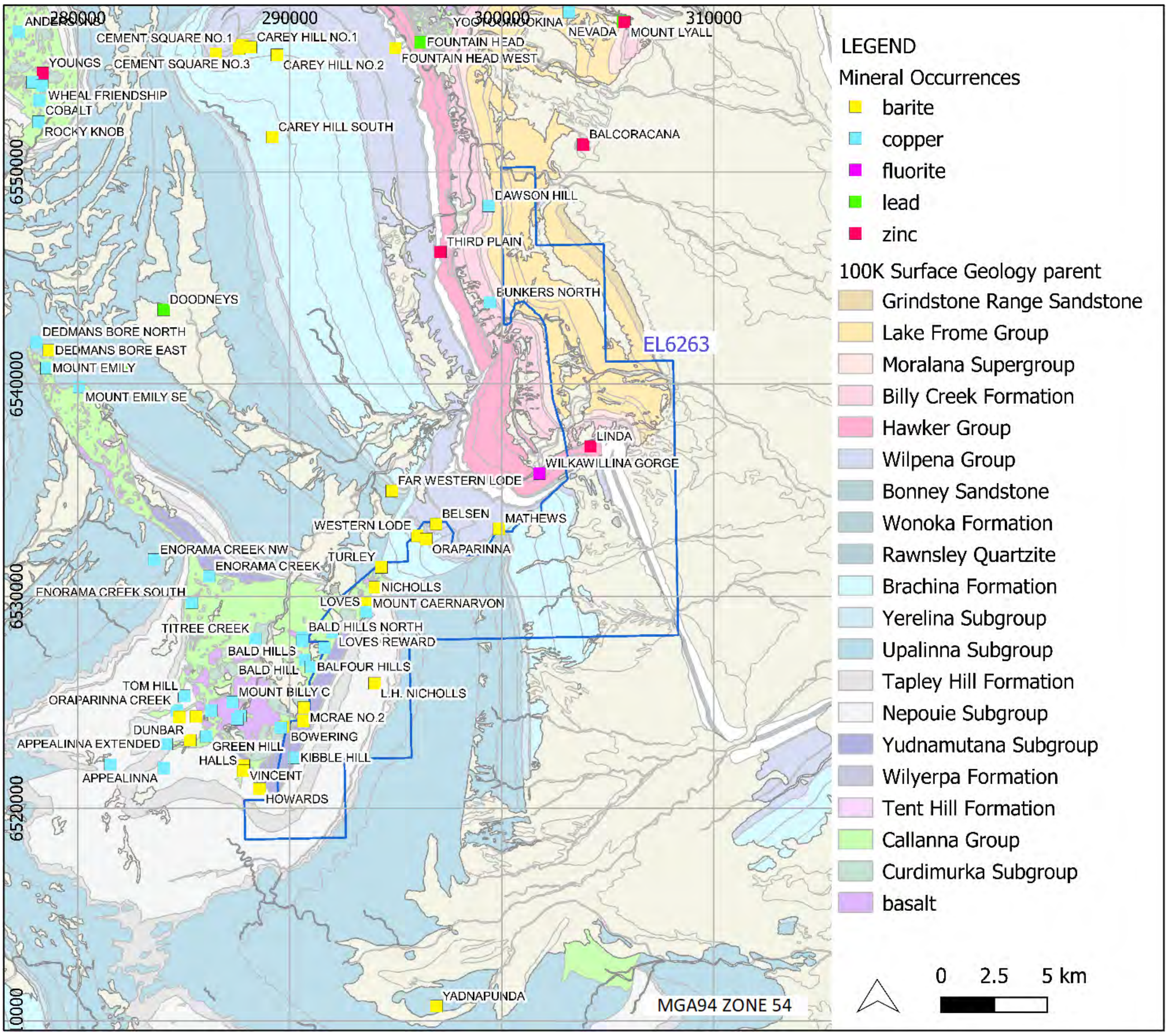


Figure 25: *Linda Zinc Project – geological map*
Source: SARIG mineral occurrences database

5.4 Exploration History

In the 1980s, BHP systematically explored for MVT-style zinc-lead mineralisation within the Cambrian carbonate sequence in the broader Adelaide Fold Belt area. This led to the discovery of several zinc silicate and zinc sulphide deposits of this type, including the Linda Zinc sulphide prospect on the EL. The Linda Zinc prospect was discovered in 1984 during field inspection of surface geochemical anomalism in a regional stream sediment survey. BHP followed up with several phases of surface sampling and drilling (Figure 26), but the prospect has not been drill tested since this period.

Over the years, several explorers have also pursued copper mineralisation in the Tindelpina Shale Member and Yudnamutana Subgroup at locations on the current EL.

Historical drilling data is given in Appendix D.

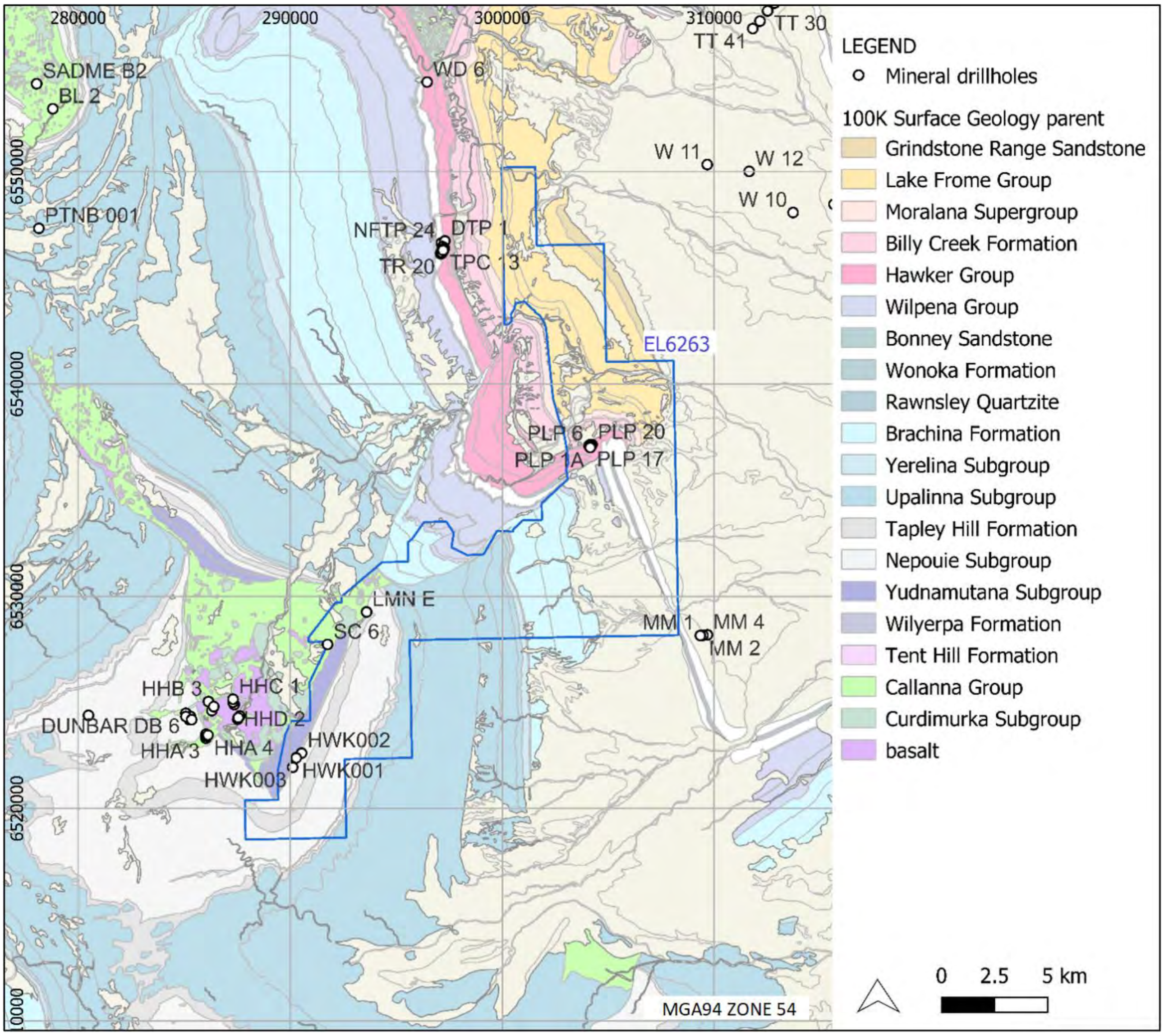


Figure 26: Linda Zinc Project – geology and drilling
Source: SARIG drillhole database

5.4.1 ENV01578 – 1971 to 1972, SML537, South Australia Barytes

In August 1971, reconnaissance induced polarisation (IP) was completed which detected anomalies coincident with a mapped copper-mineralised siltstone-sandstone unit interpreted to be within the Yudnamutana Subgroup. Four main stratiform target areas were defined.

Area 3 is also known as the Balfour Hill prospect. In 1971, it was tested with 15 RC drillholes (SC1–SC15). However, only SC6 (42.7 m) is recorded in the SARIG database (Figure 26). SARIG places SC6 on the current EL, but not the Balfour Hill prospect. It is not clear to what extent this prospect or the other anomalies overlap the current EL.

The Loves Mine prospect was drilled in 1971. The SARIG drillhole database records only one RC drillhole here (LMN E, 42.7 m), but figures in ENV03968 suggest at least five more drillholes were completed. Figures indicate this is the same host unit and mineralisation-style as Balfour Hill and the Loves Mine prospect may correspond to Area 1.

Acid leach and floatation tests were carried out on the Balfour Hill sandstone ore.

5.4.2 ENV03968 – 1980 to 1987, EL725/1085, Dampier Mining Co. Ltd and BHP

This EL was part of a regional project that was being systematically explored by BHP for MVT-style zinc-lead at the time (Figure 27).

In 1980–1981, reconnaissance mapping was completed leading to the discovery of the Linda Zinc prospect. Also, gravel sampling for kimberlite indicator minerals was completed. No significant results were recorded.

In 1981–82, tenement-wide stream sediment sampling was completed. The samples were sieved at the laboratory with -20 and +80 mesh size fractions analysed for zinc and lead by AAS using a perchloric/hydrochloric acid digest. Several anomalous zones were identified in the area of the current EL. The survey defined the Linda Zinc prospect.

In 1983, 441 rock chip and soil samples were collected at over an area of 1 km^2 at the Linda Zinc prospect. These were assayed for copper-lead-zinc-silver by AAS using a perchloric/hydrochloric acid digest. The results demonstrated the high-grade potential of the prospect.

In 1984, 20 RC drillholes spaced 25 m apart were completed at Linda Zinc for a total of 502 m (PLP1–PLP20). Several of these holes are missing in the SARIG drillhole database but their locations are indicated on maps in ENV01578 (e.g. p.155). Sporadic zinc-lead was encountered in all holes (Figure 28). Two metre composites were split to 2 kg and assayed using acid attack leach and AES analytical method. Best intercepts were 2 m at 1.8% Pb+Zn in PLP1A and 5 m at 2.0% Pb+Zn in PLP17. The Zn:Pb ratio is stated to be 10:1.

In 1985, two diamond drillholes, DLP1 (200.5 m) and DLP2 (101.9 m), were drilled at the Linda Zinc prospect, collared at the same location. Sporadic sphalerite mineralisation was intersected in both drillholes. The core was assayed for copper-lead-zinc by AAS methods. Best intercepts were 1.3% Zn between 44–55 m in DLP1 and 6 m at 1.5% Zn in DLP2. Mineralisation is hosted in the Wilkawillina Limestone and is associated with localised dolomitisation.

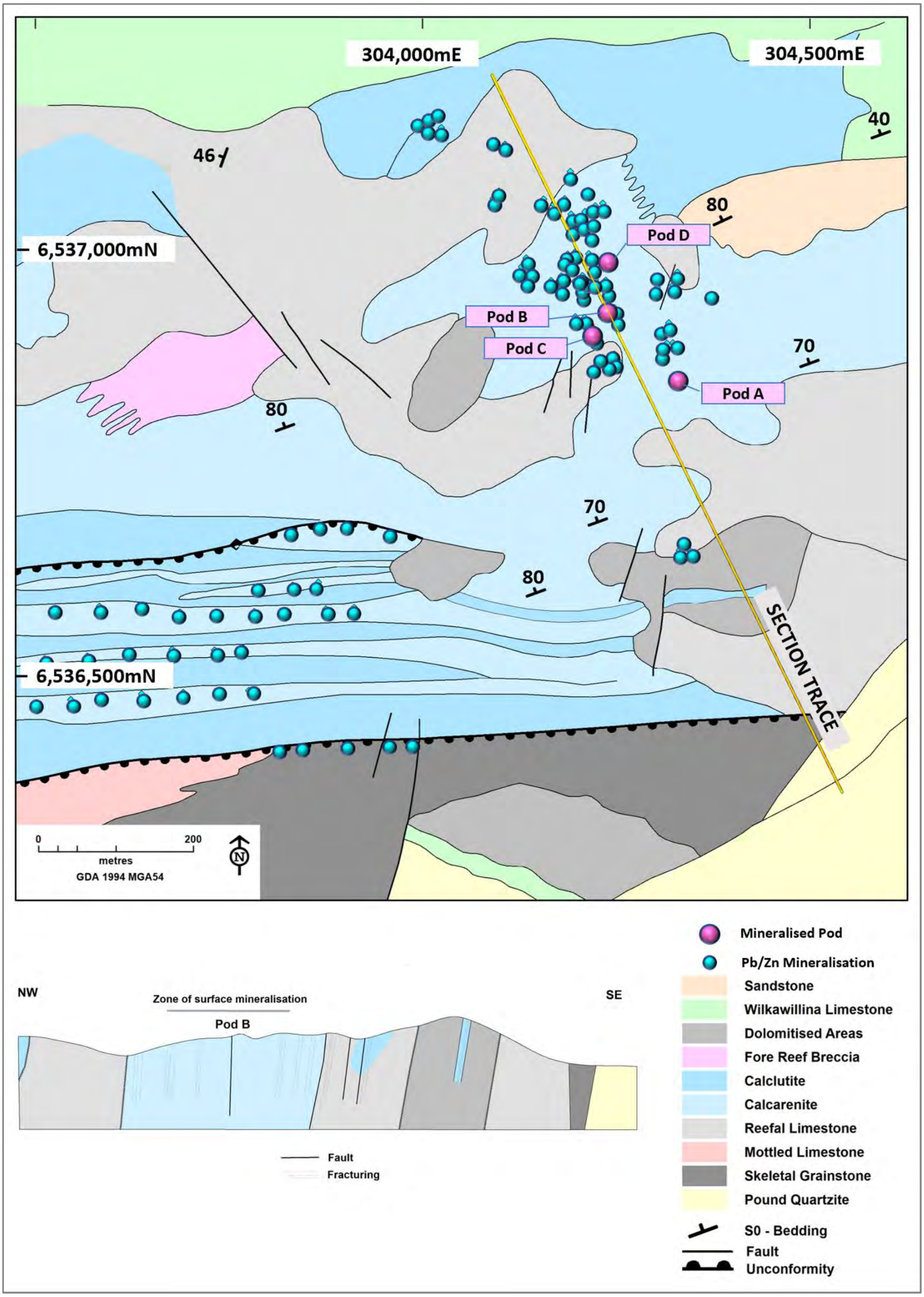


Figure 27 *Linda Zinc, geology and cross section .*
Source: Stelar Metals, adapted from BHP, ENV03968, p.126

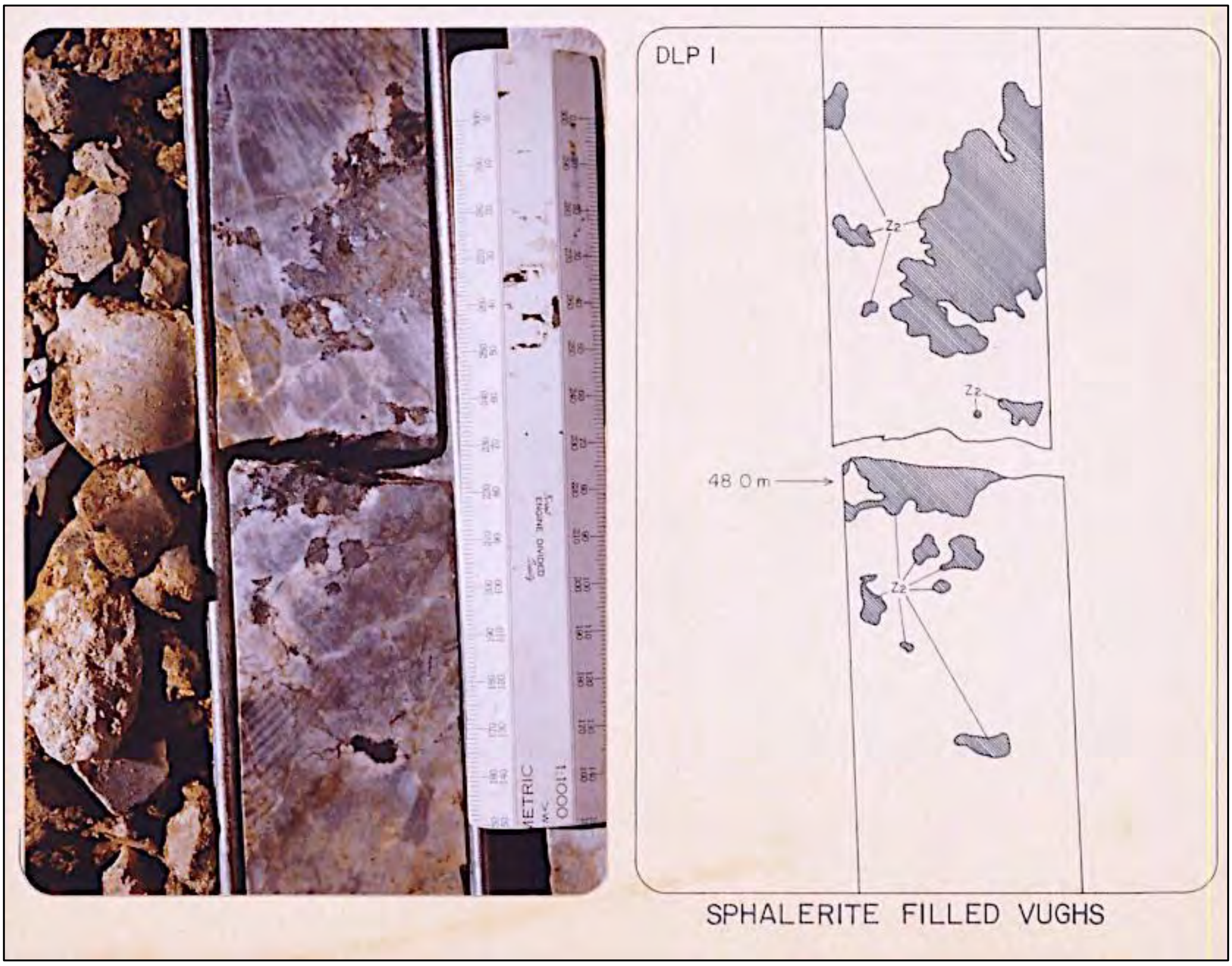


Figure 28: Example of coarse-grained zinc mineralisation at Linda Zinc
Source: ENV03968, p.385

5.4.3 ENV12360 – 2011 to 2016, EL4810, South Australia Ludi Mining Pty Ltd

EL4810 was a large EL with only a small amount of overlap with the southern part of the EL. However, the majority of SALM's exploration was focused in this overlapping zone.

SALM was exploring for copper in the Tindelpina Shale Member of the Tapley Hill Formation.

In 2011, seven transects of field mapping and radiometrics were completed within the area of the EL, and 44 rock chip samples were collected and assayed using aqua regia digest and ICP-MS analysis. No significant radiometric anomalies were noted. Three copper occurrences of >1% were located (all within historical pits, including at Kibble Hill Mine), all associated with quartz-siderite veins within the Tindelpina Shale Member.

In July-August 2012, a gradient array IP survey was carried out at the Kibble Hill Mine historical prospect. A total 512 data points over 13 lines and approximately 25.6 line-km were collected (Figure 29).

In May 2014, three diamond drillholes were completed (HWK001–HWK003) at Kibble Hill Mine. Samples were assayed for silver, copper and zinc using a four-acid digest and ICP-MS analysis and gold by 40 g fire assay AAS. No significant mineralisation was intersected.

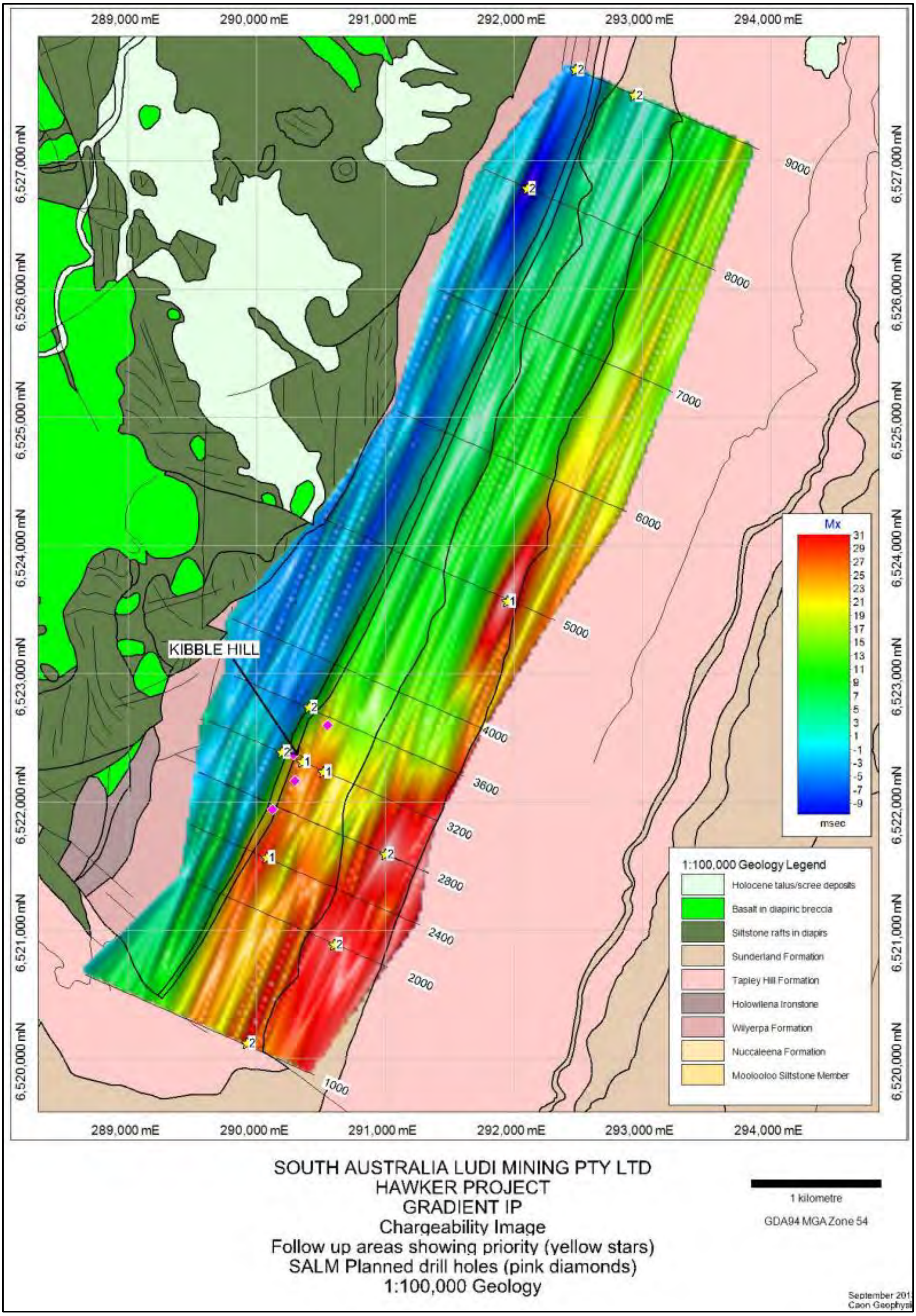


Figure 29: Kibble Hill copper prospect, IP chargeability image with SALM planned drilling
Source: ENV12360, p.91

5.4.4 ENV09920 – 2000 to 2010, EL2627/2675/2593, Perilya Limited

Perilya Limited (Perilya) geologists completed mapping at the Linda Zinc prosect and noted features such as mineralised breccia trends, a fracture zone association to the main hydrozincite pods first identified by BHP, dolomitisation and haematite alteration, and outcropping sphalerite and galena coincident with the hydrozincite.

5.4.5 ENV13008 – 1999 to 2017, EL2627/3273/4478/5723, Perilya Limited

These tenement(s) were part of a much larger tenement package that was being explored primarily for Beltana-type zinc silicate mineralisation.

Limited work was completed on area that overlap with the current EL but included tightly spaced portable x-ray fluorescence (XRF) soil surveying and rock chip sampling over the immediate Linda Zinc prospect as well as broader spaced portable XRF surveying in peripheral areas. A total of 1,005 portable XRF soil readings were taken, and 27 rock chip samples collected and submitted for major and trace element analysis. Results indicated a surface expression to the mineralisation of 150 m x 150 m (Figure 30).

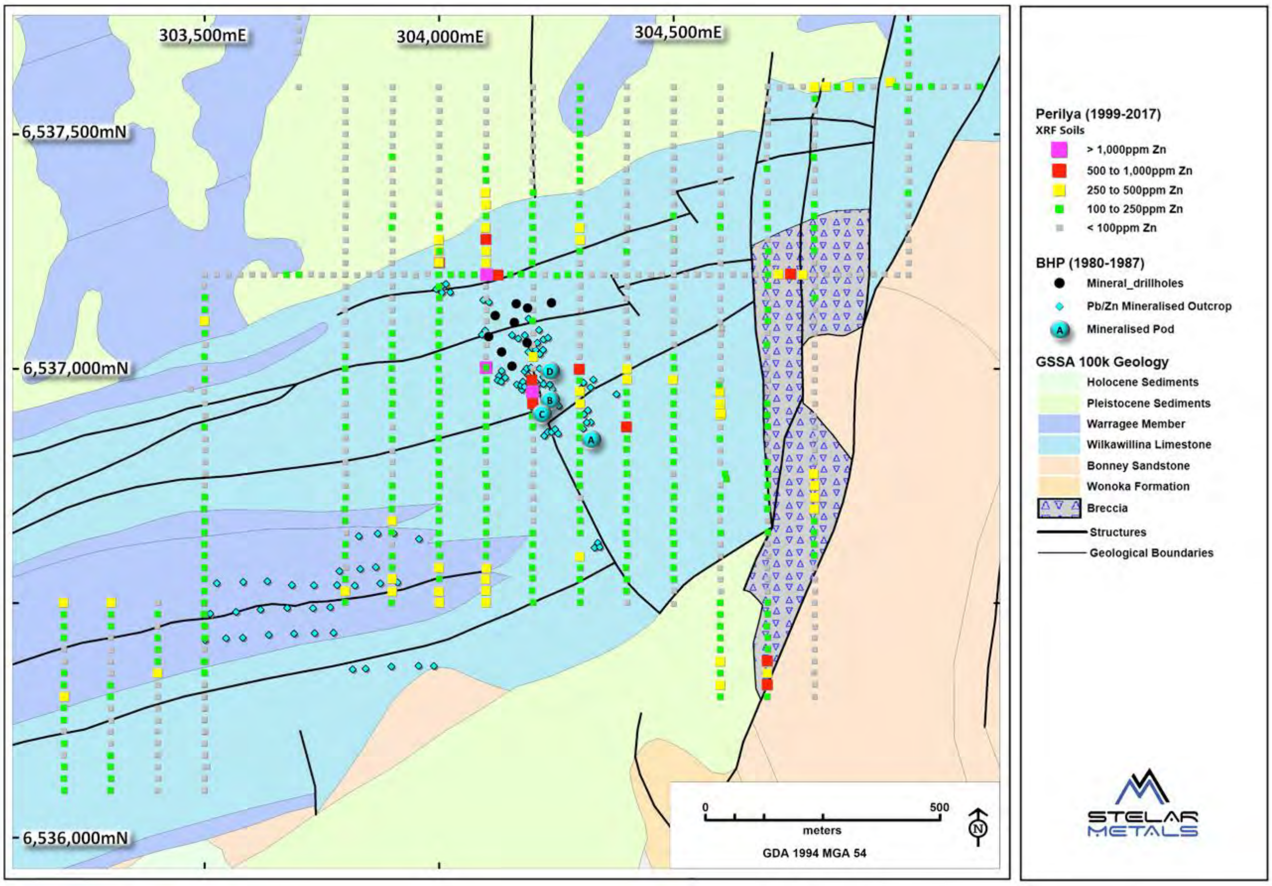


Figure 30 Soil geochemistry for Linda Prospect.
Source: Stelar Metals. Data from Perylia (ENV13008)

5.5 Exploration Models

Stelar considers that two exploration models are valid for the project area. Carbonate and diapir hosted zinc (MVT and Beltana-Kipushi type) and Zambian-style sediment hosted copper (SHCD).

High-grade zinc silicate and sulphide deposits were discovered in the Flinders Ranges during the late 1960s to mid-1980s, including willemite deposits (not on Stelar's EL) at Beltana, Aroona and Third Plain, the latter occurring c. 10 km along strike north of the sulphide mineralisation at the Linda Zinc prospect. The Beltana, Reliance and Aroona orebodies are among the highest-grade zinc deposits in the world.

Zinc mineralisation at the Linda Zinc prospect is hosted in a similar geological setting as these examples of economic mineralisation. Stelar believes the Linda Zinc Project has potential for further high-grade carbonate-hosted mineralisation, as well as potential for large-scale zinc stratiform sedimentary mineralisation.

Copper mineralisation is known at Kibble Hill and Loves Mine as well as a number of occurrences inside the EL. The geological setting of the Adelaide Fold Belt is very similar to the Central African Copperbelt and its prospectivity for SHCD mineralisation is supported by occurrences within the EL and in the region. The Tindelpina Member of the Tapley Hill Formation is a clear stratigraphic target.

CSA Global concurs with this assessment and notes that both models have potential for economic mineralisation.

5.6 Recent Exploration

Stelar is in the early stages of exploration on the Linda Zinc Project. Exploration on the ground by Resource Holdings was curtailed due to COVID-19 restrictions.

Stelar has compiled and reviewed the historical exploration. Interpretation by Stelar of mapping and geochemical surveys by Perilya has identified new untested zinc targets. Based on the success of historical surveys such as these in the area, Stelar also intends to undertake new geochemical surveys utilising portable XRF assaying of soils, additional mapping and rock-chip sampling ahead of further drill testing.

The key targets identified are:

- Linda Zinc: The Linda Zinc prospect has been drilled revealing significant zinc mineralisation. The style of mineralisation is consistent with an MVT system. The prospect is hosted in Cambrian Wilkawillina Limestone in a similar setting to the nearly high grade Third Plain prospect. It is also proximal to a northeast trending fault which links to a diapiric structure which is a potential important conduit for mineralisation. Stelar plan to target further drilling to define the extent of this system targeting MVT and Beltana-Kipushi type mineralisation.
- Kibble Hill: The Kibble Hill area includes the old Kibble Hill copper mine. The target area centres on the Tindelpina Member of the Tapley Hill Formation. This unit is a potential reducing host rock and is prospective for SHCD mineralisation. The target is proximal to a diapir structure which may have been an important conduit for mineralisation fluids.
- Loves: The Loves target area include the Loves Reward mine and a number of barite occurrences. The target occurs at a favourable structural position where two basin controlling faults intersect the margin of a diapir structure. It is underlain stratigraphically by the lower part of the Tapley Hill Formation which is targeted regionally as a potential reducing host for SHCD mineralisation. Stelar considers that this target is prospective for Beltana-Kipushi type copper-zinc-lead mineralisation.

The location for the principal generated target areas generated by Stelar in EL6263 is shown in Figure 31.

Stelar have compiled and reviewed the prospect scale data for Linda. These data have been applied to define an initial work program for this prospect area (Figure 32).

- Target A: Stelar plans detailed geological mapping, infill XRF soils and slim-line RC drilling. This work is following up on pods of lead-zinc mineralisation mapped on the surface by BHP. Also follow up of the anomalous shallow drilling results by BHP in 1984 that are coincident with higher pXRF zinc soil results surveyed by Perilya.
- Target B: Detailed geological mapping and infill XRF soil analyses. Potential is recognised to apply slimline RC drilling in first round to immediate targets. Mapping will allow the nature of the breccia body described by GSSA 100k geological mapping to be defined. The breccia is an important potential host rock and is associated with anomalous pXRF results (ENV13008). This area is outside of BHP's detailed map area and mapping will allow potential to extend the known mineralised area.

- Target C: Detailed geological mapping and infill XRF soils required prior to developing future drill targets. A broad zone of moderate-level XRF soil anomalism with occurrences of base-metal mineralised outcrop (BHP mapping). Potential of stratigraphic control on mineralisation and bedding parallel structures are evident in regional mapping and geochemical data.
- Target D: Detailed geological mapping and infill soils are planned for this target area. Anomalous soils along the contact with Wilkawillina Limestone may indicate stratigraphically controlled mineralisation.

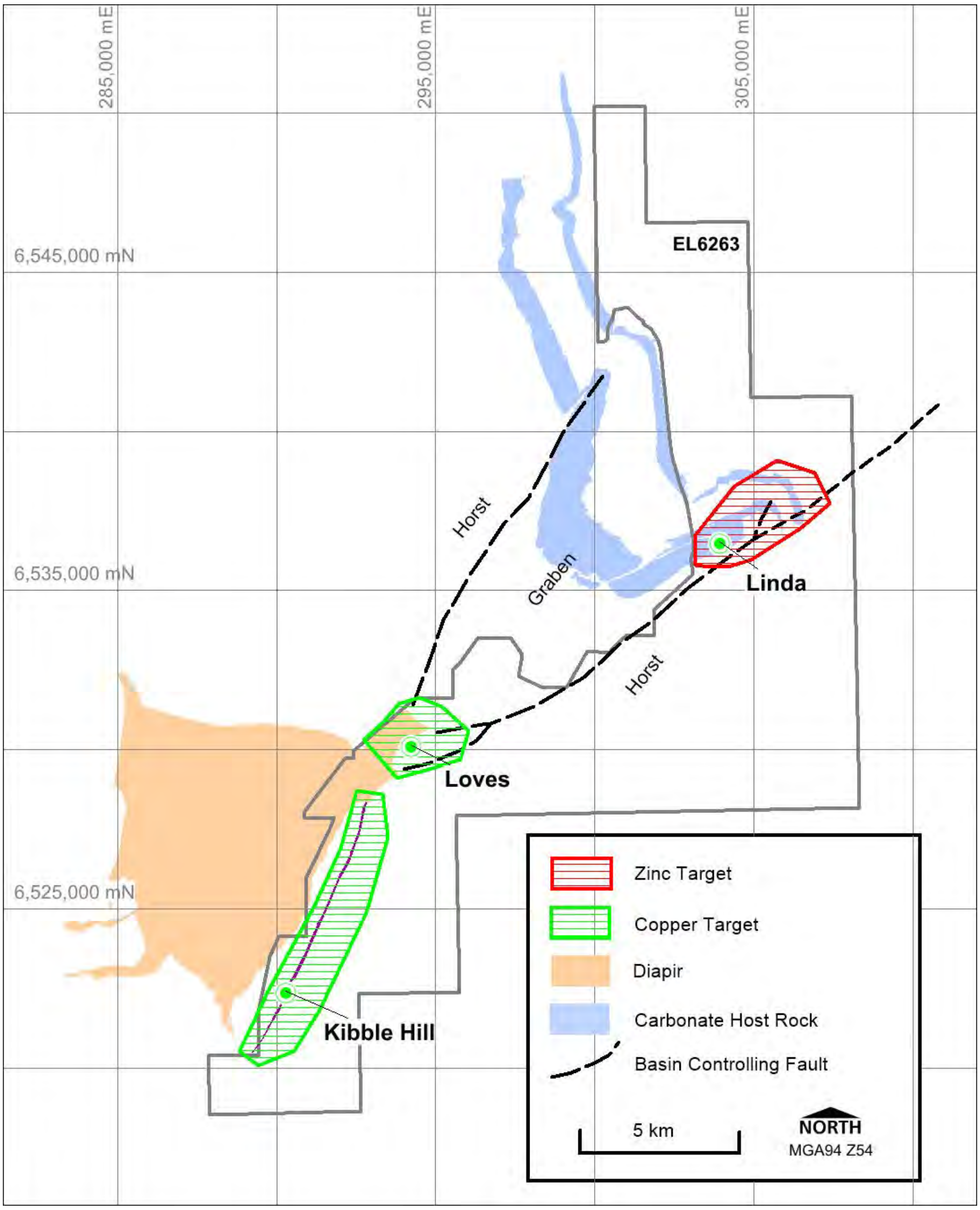


Figure 31: Linda – location map for main targets

Note: The Linda prospect sits on the margin of a syn-sedimentary structure, this setting is common to many important base metal deposits.

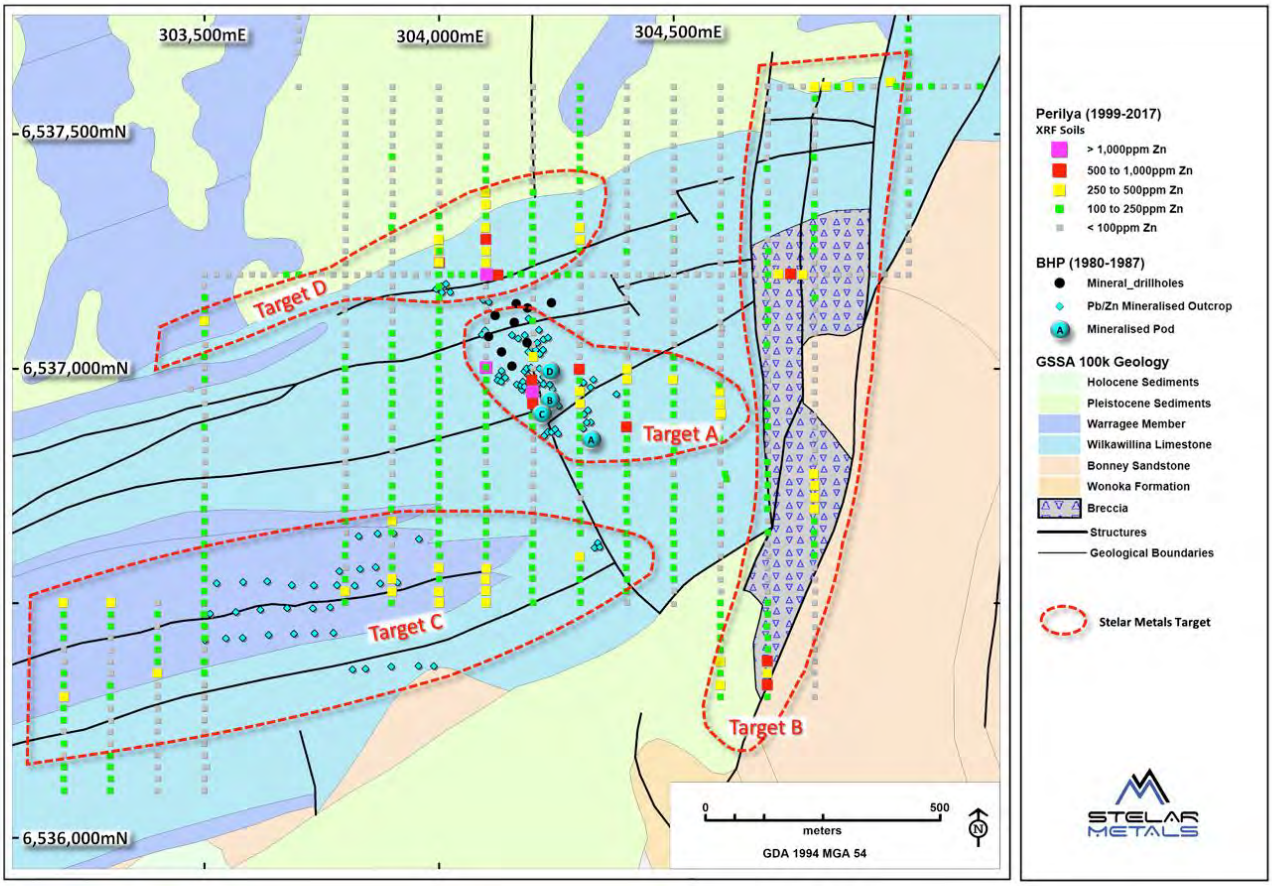


Figure 32 Linda Prospect – Target Map

Source: Stelar Metals.

5.7 Exploration and Development Strategy

Stelar has advised CSA Global that its exploration strategy for the Linda project area is to explore for high grade Beltana and MVT-style base metal mineralisation. Stelar also considers that units in the Adelaidean are prospective for sediment-hosted copper mineralisation. Taruga Minerals has discovered significant copper mineralisation at Wyacca, close to the Linda Project (ASX announcement TAR, 30 August 2021), hosted in the Tindelpina Shale Member of the Tapley Hill Formation.

Stelar will explore known targets by mapping and sampling prior to drill testing. Stelar is also planning to undertake an EL-wide targeting exercise by interpretation of regional datasets and carrying out regional mapping and surface geochemical surveys.

Drill targets defined by Stelar include:

- Diamond drilling under known mineralisation with 110–120° trends. Mineralisation is defined by historical mapping and sampling for high grade pods and pits, and drilling.
- RC drilling of untested geochemical, geological and alteration targets.

Other exploration planned by Stelar:

- Infill XRF geochemical survey
- Mapping and sampling of recently geochemical targets identified in historical data
- Extension of existing XRF soils geochemical surveys
- RC testing of targets
- Shallow rotary air blast (RAB) drilling of mineralised geology open under alluvial cover to the northeast and southeast.

CSA Global's opinion is that Stelar's approach is reasonable and that the target types proposed have potential for economic mineralisation and are supported by the regional setting and local geology.

6 Bill’s Lookout and West Well

6.1 Location, Access and Infrastructure

The Bill’s Lookout and West Well ELs (Figure 33) form a contiguous block which is located between 15 km and 60 km from Andamooka at the northern end of Lake Torrens in SA. Andamooka is about 20 km east of Olympic Dam and Roxby Downs which are accessed from the Stuart Highway. Regular scheduled flights are available at Roxby Downs.

The western and northern parts of the licence block are accessed by unsurfaced roads from Andamooka. The eastern parts of the licences can be accessed using unsurfaced roads from Myrtle Springs near Leigh Creek.

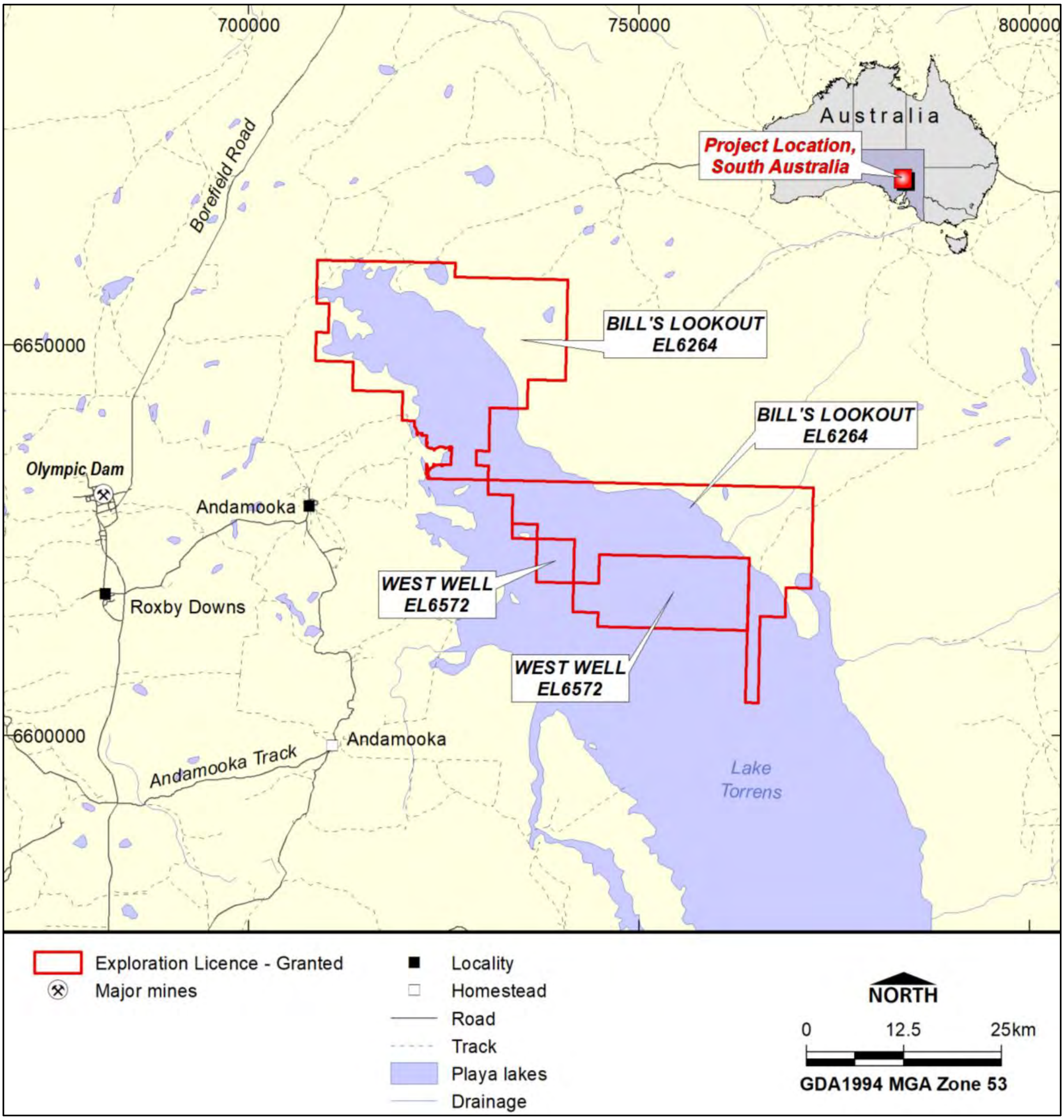


Figure 33: Bill’s Lookout and West Well – location map

Access to parts of the licence block within Lake Torrens is not currently established and may require additional permitting. Stelar notes that drilling has recently been permitted and completed by Argonaut Resources on Lake Torrens. Lake Torrens is an ephemeral lake and is normally dry.

BHP's Olympic Dam mine and associated infrastructure is located about 40 km east of Stelar's ground.

The project lies entirely outside the Woomera Prohibited Zone.

The area of Lake Torrens is covered by the Lake Torrens National Park. Areas outside of Lake Torrens are mostly utilised for low-density livestock grazing.

6.2 Climate, Topography and Landforms

The Bill's Lookout-West Well Project area has a warm and dry climate. While summer day time temperatures can frequently exceed 40°C, night time temperatures in winter can fall below freezing. Annual average rainfall is low at about 140 mm. The closest weather station is at Roxby Downs (Figure 34).

Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Temperature													
Mean maximum temperature (°C)	37.1	35.7	32.2	27.3	22.3	18.5	18.7	20.8	25.3	28.7	32.2	34.7	27.8
Mean minimum temperature (°C)	21.3	20.2	17.2	12.8	8.1	5.0	4.2	5.5	9.3	12.8	16.5	19.0	12.7
Rainfall													
Mean rainfall (mm)	13.0	16.5	7.9	16.5	8.8	14.8	5.9	9.4	9.9	11.9	12.8	15.9	139.0
Decile 5 (median) rainfall (mm)	3.2	6.8	2.8	4.8	9.6	4.2	1.4	5.2	6.0	4.4	9.7	10.8	131.0
Mean number of days of rain ≥ 1 mm	1.7	1.6	1.4	1.7	1.7	1.9	1.5	1.9	1.9	1.7	2.0	2.3	21.3

Figure 34: Roxby Downs climate data
Source: Australian Bureau of Meteorology

The project has low relief with topography ranging from about 30 m on Take Torrens to maximum elevations of about 70 m.

Much of the project area occurs over Lake Torrens. Lake Torrens is a large, normally dry, endorheic salt-lake in central South Australia. After sufficiently extreme rainfall events, the lake flows out through the Pirie-Torrens corridor to the Spencer Gulf. Other landforms include shallowly incised ephemeral drainage, low dunes and ridges. Vegetation is sparse throughout.

The central portion of the tenement overlaps the Lake Torrens National Park. All exploration activity on the lake requires an approved program for environment protection and rehabilitation (PEPR). Stelar has informed CSA Global that this process is being advanced.

6.3 Local Geology

The Bill's Lookout-West Well Project is located on the Torrens Hinge Zone, an Adelaidean structure which marks the boundary between thick rift fill sedimentary rock of the Adelaide Fold Belt and a relatively thin sedimentary succession of the Stuart Shelf which was deposited on the margin of the rift.

The project lies within the Andamooka map sheet. The geological map shows thin Cainozoic cover in the region. Rocks of the Mesozoic Eromanga Basin outcrop to the north and west of the project. The Eromanga basin is represented by sandstone of the Cadna-owie Formation and carbonaceous shale of the Bulldog Shale.

The Mesozoic succession unconformably overlies a thick sequence of Adelaidean to Lower Cambrian sedimentary rock. Outcropping rocks from this sequence sit mainly in the northwest and are predominantly Early Cambrian Andamooka Limestone with lesser Yarrawurta Shale, and minor Neoproterozoic Wilpena Group.

The depth to Mesoproterozoic basement is not well constrained in the project area. Geological Survey of Western Australia (GSWA) estimates, based on geophysical data, range between 600 m in the southeast to 1,200 m in the northwest. Similarly, the nature of basement is not well understood and is interpreted from geophysical data.

Hole BLD3 was drilled by Western Mining Corporation (WMC) to a depth of 1,024 m and hit Mesoproterozoic basement at 872 m, Hole BLD4 was drilled to 1,037 m and did not reach basement. Hole WWD1 was drilled to 762 m and failed intersect basement.

Several minor copper occurrences with limited mining histories occur within the Lower Cambrian Andamooka Limestone located just outside of Stelar's ELs. These appear to be predominantly associated with vein and fracture networks within the limestone.

The Peninsular prospect lies on the margin of EL6264 but is largely outside the EL. Drilling on this prospect returned copper mineralisation hosted in Cambrian limestone. Hole PR3 intersected 30 m at 0.20% Cu to end-of-hole at 108 feet (32 m).

Local geology, depth to basement, magnetics and gravity are presented as maps in Figure 35 to Figure 38.

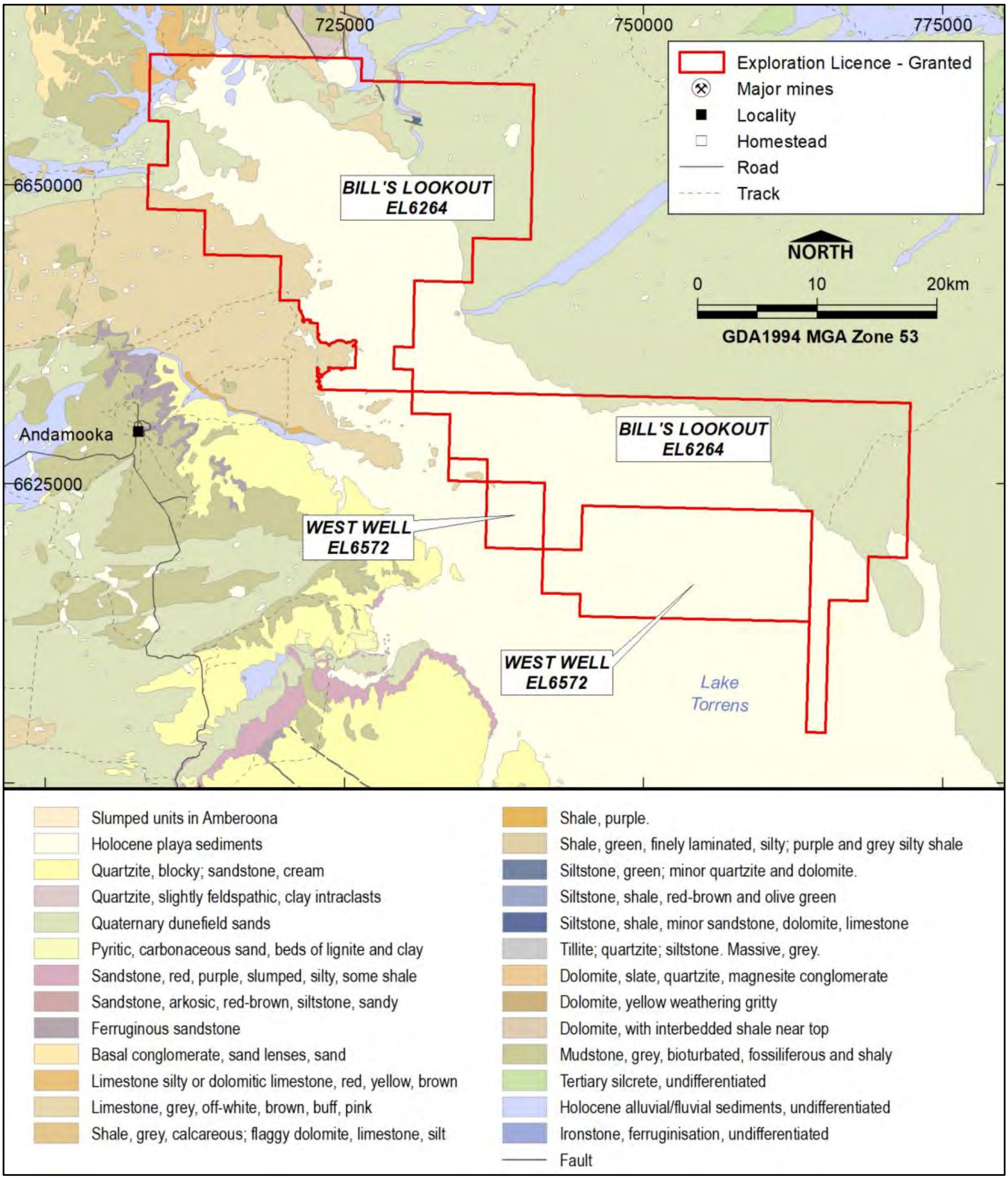


Figure 35: Geology of the Bill's Lookout-West Well tenements

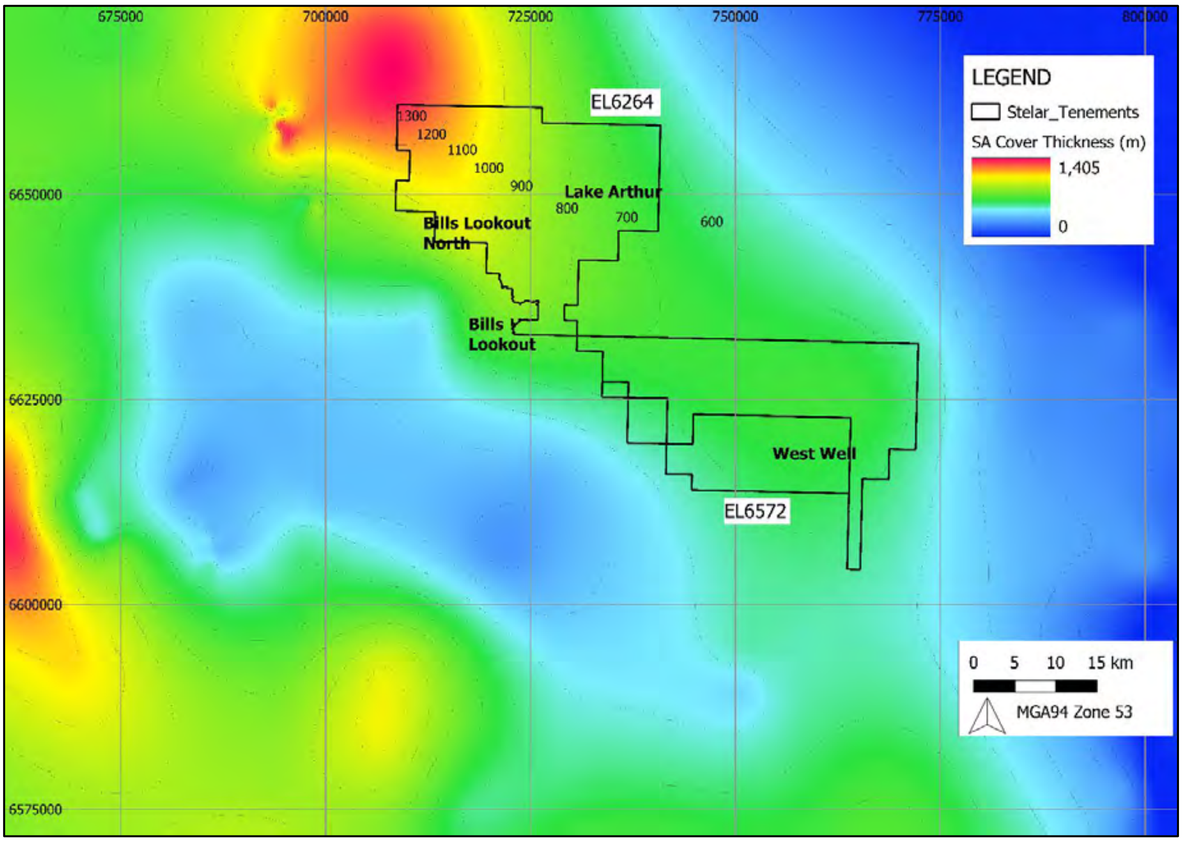


Figure 36: Bill's Lookout-West Well – depth to Mesoproterozoic basement
Note: Depth to basement, contours in meters below surface. Source: SARIG.

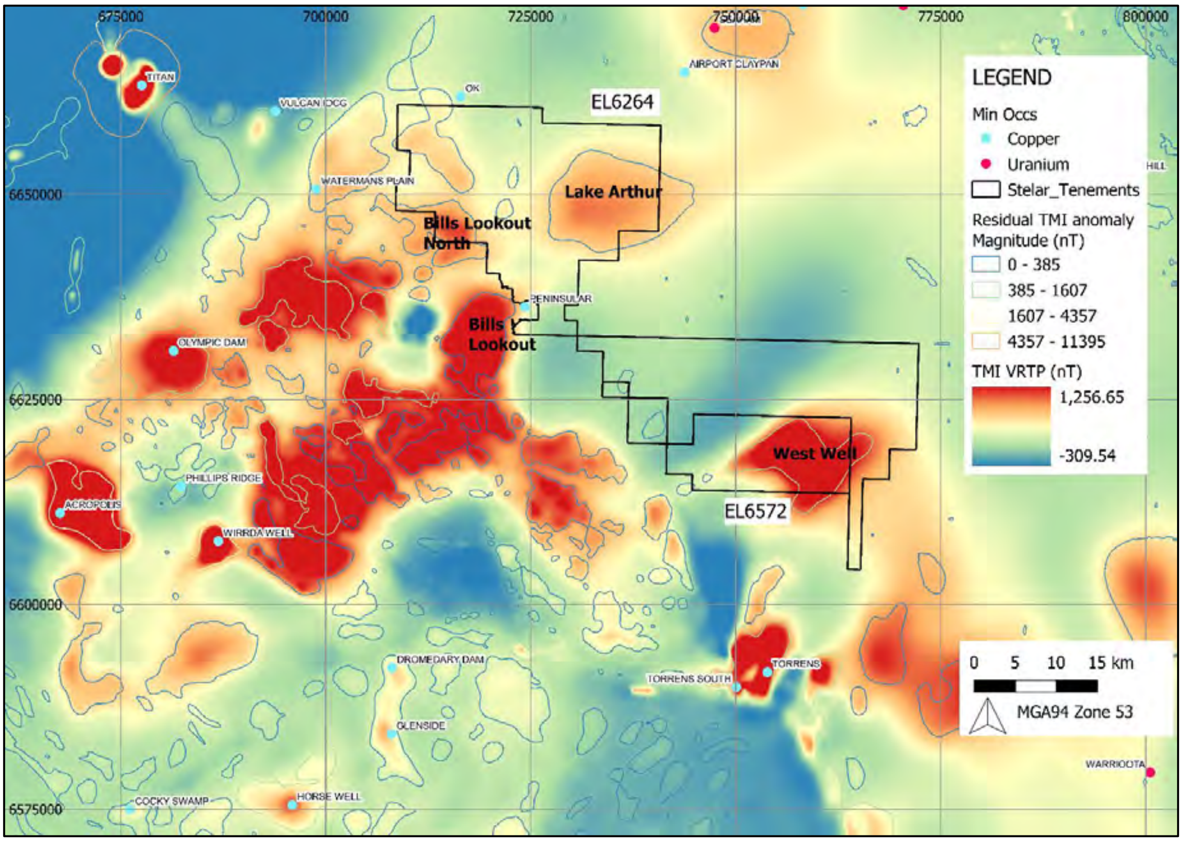


Figure 37: Bill's Lookout-West Well magnetic TMI VRTP image with residual gravity anomaly contours and nearby mineral occurrences
Source: SARIG (SA VRTP, 2016)

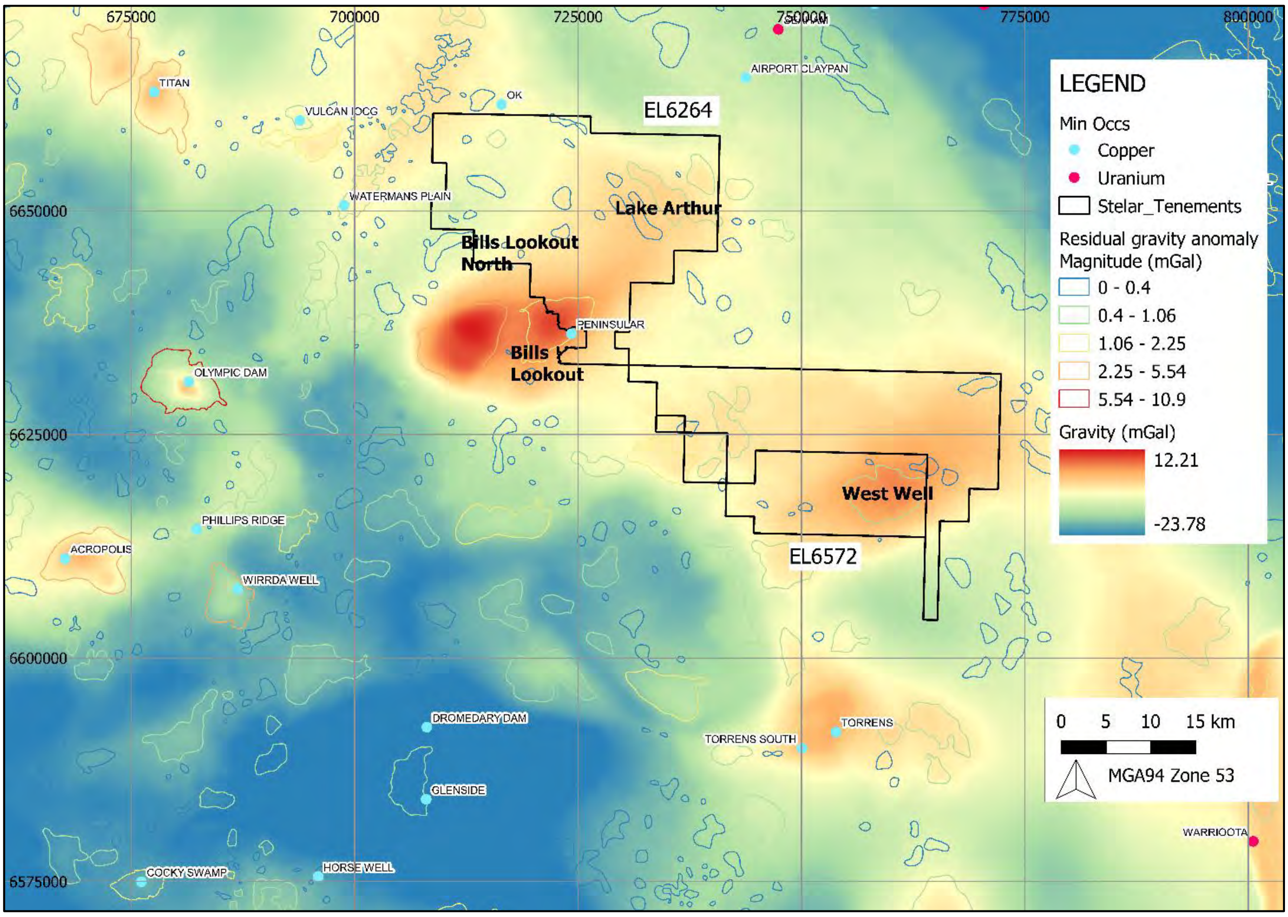


Figure 38: Bill's Lookout-West Well gravity image with residual gravity anomaly contours and nearby mineral occurrences

Source: SARIG (SA GRAVITY, 2016)

6.4 Exploration History

The only significant phase of exploration over these tenements occurred in the 1970s to mid-1980s when WMC tested several magnetics-gravity features exploring for Olympic Dam style IOCG mineralisation. Historical drilling data is given in Appendix D.

6.4.1 ENV01366 – 1970 to 1971, SML369, Asarko (Aust.) Pty Ltd

This project targeted base metals in the Cambrian Andamooka Limestone. Target analogues cited are copper in thin veins at the O.K. Copper Mines to the north of the ELs, and secondary base metals in limestones of the same age in the Flinders Ranges and at the nearby Ediacara Mine.

Exploration included rock-chip sampling, IP surveys and finally drilling of "Anomaly C", Peninsular prospect. This prospect is just outside the margin of the ELs such that only one of the 12 rotary percussion holes testing the Peninsular prospect (ANDRP7 in the series ANDRP1–ANDRP12) is recorded within the ELs. Copper mineralisation of 0.1–1.1% was intersected in a thin layer of weathered limestone.

6.4.2 ENV06562 – 1975 to 1986, EL1316, Western Mining Corporation

In 1979, the project-scale "Andamooka (Stuart Shelf) – Project 764" airborne magnetics/radiometric survey was undertaken. The survey was completed with 400 m north-south line spacing at a flight height of 100 m.

During 1981 to 1982, a project-scale ground gravity survey was undertaken with a nominal station spacing of 1 km.

Over 20 local grids were established across the course of WMC's exploration program. These grids were designed based on the geometry of geophysical features identified using WMC's project-scale datasets and government regional-scale datasets, so they are not consistently orientated. Detailed ground magnetics and gravity surveys were completed over each of the grids. Note that several of these surveys were completed prior to the 1979 airborne magnetics survey. Later, CSAMT and IP surveys were also completed over several of the grids. The grids in this report that overlap with the ELs are Bill's Lookout North, Lake Arthur, and West Well.

The West Well grid covers broadly coincident magnetic (25 km, 2000 nT) and gravity (35 km, 10 mGal) features defined in regional geophysical surveys. Both anomalies are elongate in the northeast direction. The detailed local surveys did not alter the nature of these anomalies except to define the gravity anomaly more precisely. Modelling by WMC suggested the source for the anomalies occurs at a depth of roughly 1,000–1,200 m. In June 1978, diamond hole WWD1 was drilled to 762 m to test the target. WWD1 failed to intersect Pre-Adelaidean basement. It was terminated in Bayley Range Siltstone, stratigraphically late in the Adelaidean sequence and is likely underlain by a further thick succession of Adelaidean sediments. Downhole temperature, gamma, and electrical logging was completed on the drillhole.

The Bill's Hill North grid covers a northwest trending magnetic anomaly (400 nT) with a sharp truncation on its southern margin identified in regional magnetics data. This is coincident with the north flank of the Bill's Lookout gravity high. In June 1984, diamond hole BLD-4 was drilled to 1,037 m to test the target. WMC felt that based on the drillhole position's proximity to the eastern edge of the Stuart Shelf, there may exist block-faulted remnants of Callanan Beds prospective for stratiform copper mineralisation. The drillhole was not ideally located due to access issues. BLD-4 failed to intersect Pre-Adelaidean basement and was terminated still within Adelaidean sediments (possibly Burra Group?). The Tapley Hill Formation was intersected between 818.67 m and 957.68 m depth.

The Lake Arthur grid covers a broad magnetic anomaly coincident with a weak gravity high on the flanks of the much larger Bill's Lookout gravity high. Modelling by WMC suggested the source for the anomaly occurs at a depth of ~2,000 m and the anomaly was not drill tested.

6.4.3 ENV08482 – 1975 to 1991, EL1338, Western Mining Corporation

EL1338 is a reduced version of EL1316 following re-application. All WMC exploration data over this area is reported in the open file envelope for EL1338, even when it occurred while EL1316 was active.

EL1338 was therefore incorporated into the same project-scale airborne magnetics/radiometrics and ground gravity surveys described in ENV06562.

Six local grids for detailed ground gravity and magnetics were established on EL1338. Only the Bill's Lookout grid overlaps the current ELs.

The Bill's Lookout grid is contiguous with the Bill's Lookout North grid. It covers a large gravity anomaly flanking a magnetic high.

In 1981, diamond holes BLD1–BLD3 were drilled to test the anomaly. Only BLD3 is within the current Els (Figure 39). BLD3 was drilled to 1,024 m. Basement of gabbro, dolerite, and minor granitoids was intersected at 872 m. The cause of the gravity anomaly was interpreted to be a gabbroic body with a remnantly magnetised core. Downhole temperature and gamma logging was completed on this drillhole. Bill's Lookout grid was further tested by complex resistivity, a dipole-dipole IP technique, but no significant anomalies were detected.

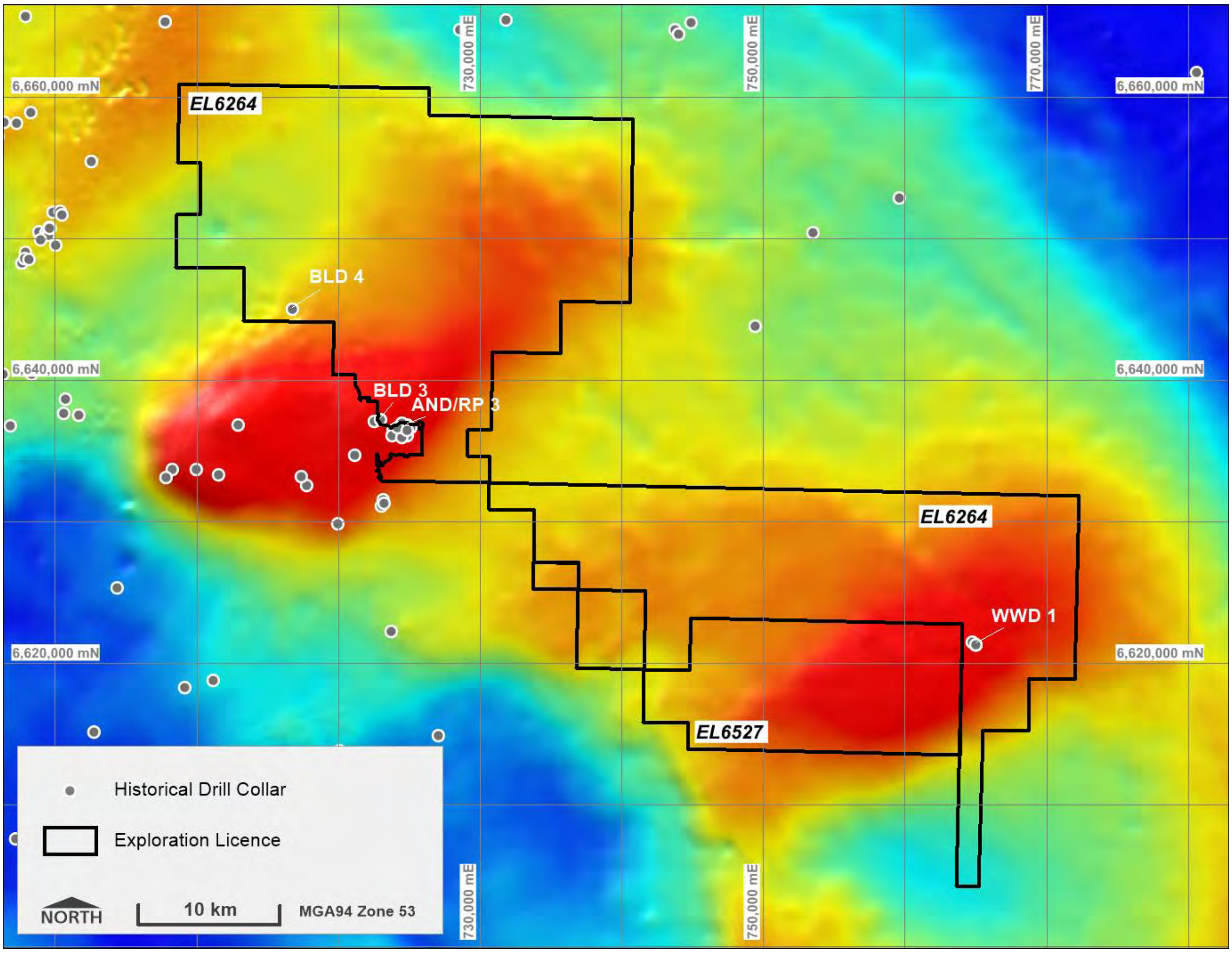


Figure 39: Historical drilling for Bill's Lookout and West Well
Gravity image background, see Figure 40 for gravity legend. Source: SARIG.

6.5 Exploration Models

Stelar considers that two exploration models are valid for the project area. The principal target is Olympic Dam style IOCG mineralisation hosted in the pre-Adelaidean basement. The project area lies between 30 km and 90 km east of Olympic Dam. The current exploration focus is on the known IOCG targets evident in geophysical data.

The Adelaidean sequence is also prospective for Zambian-style SHCDs. The Torrens Hinge Zone represents the margin of the Adelaidean Rift Complex. Basin margin settings may be important in controlling SHCD mineralisation and some important deposits occur in this setting (e.g. Kamoa in Democratic Republic of the Congo). Stelar intends to interpret current data to build an understanding of the structure of the Adelaidean and define and exploration strategy for this potentially valuable target type.

Prospectivity for SHCD mineralisation may be supported by as intersection with minor copper mineralisation intersected in hole RP3 hosted in Cambrian rocks (ENV01366, p75). Stelar also notes exploration activity north and south of the project by major companies targeting SHCD mineralisation in the Adelaidean.

CSA Global concurs with this assessment and notes that both models have potential for economic mineralisation.

6.6 Recent Exploration

Stelar is at an early stage of exploration and in the process of compiling and analysing existing data. Excellent historical work done by WMC define multiple IOCG targets based on gravity and magnetic datasets which have not been tested.

Stelar has interpreted gravity and magnetic data over the project area and defined a number of targets (Figure 40, Figure 41).

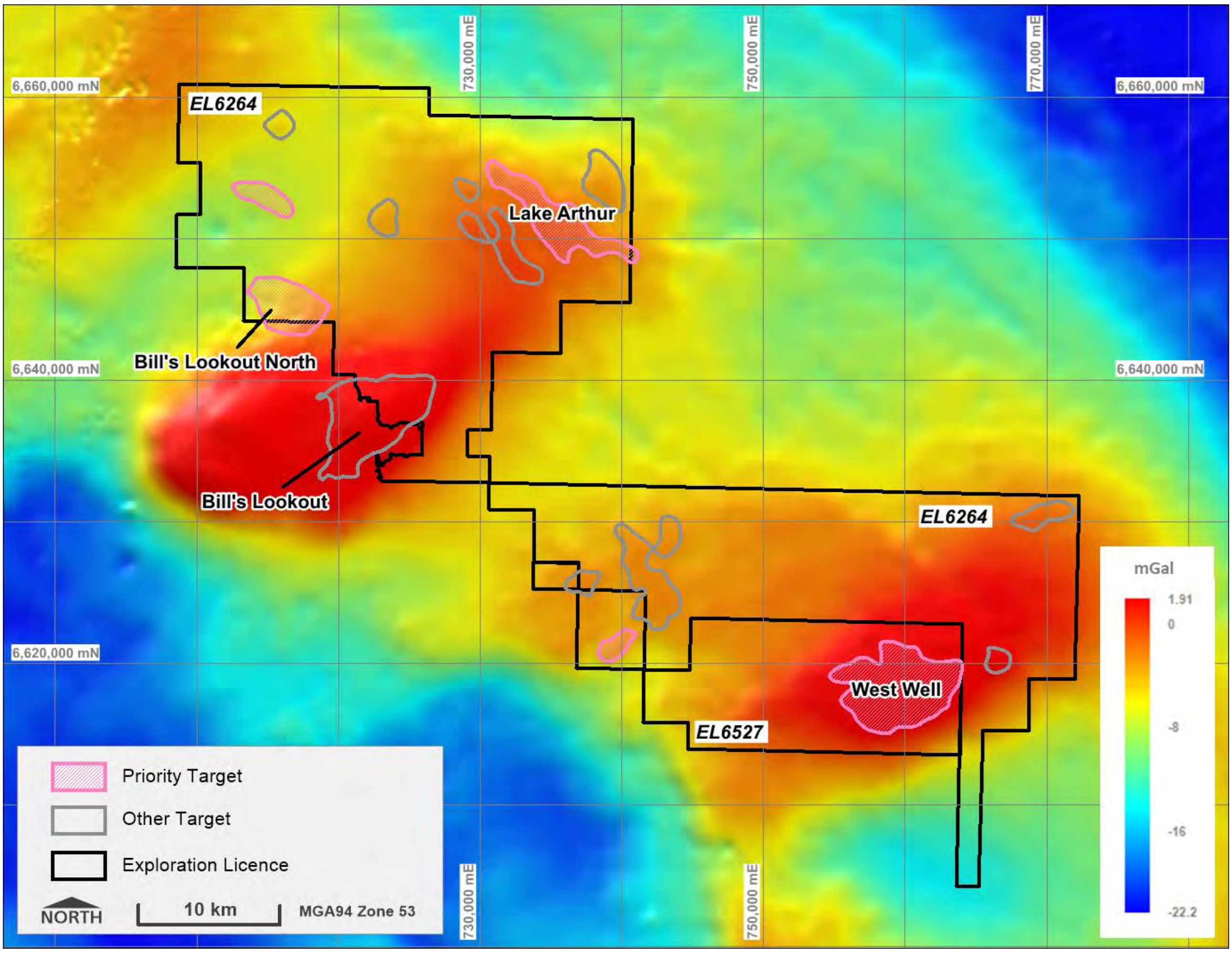


Figure 40: Bill's Lookout-West Well target map on gravity image
Source: Stelar, SARIG Bouguer Anomaly gravity image (SA GRAVITY, 2016)

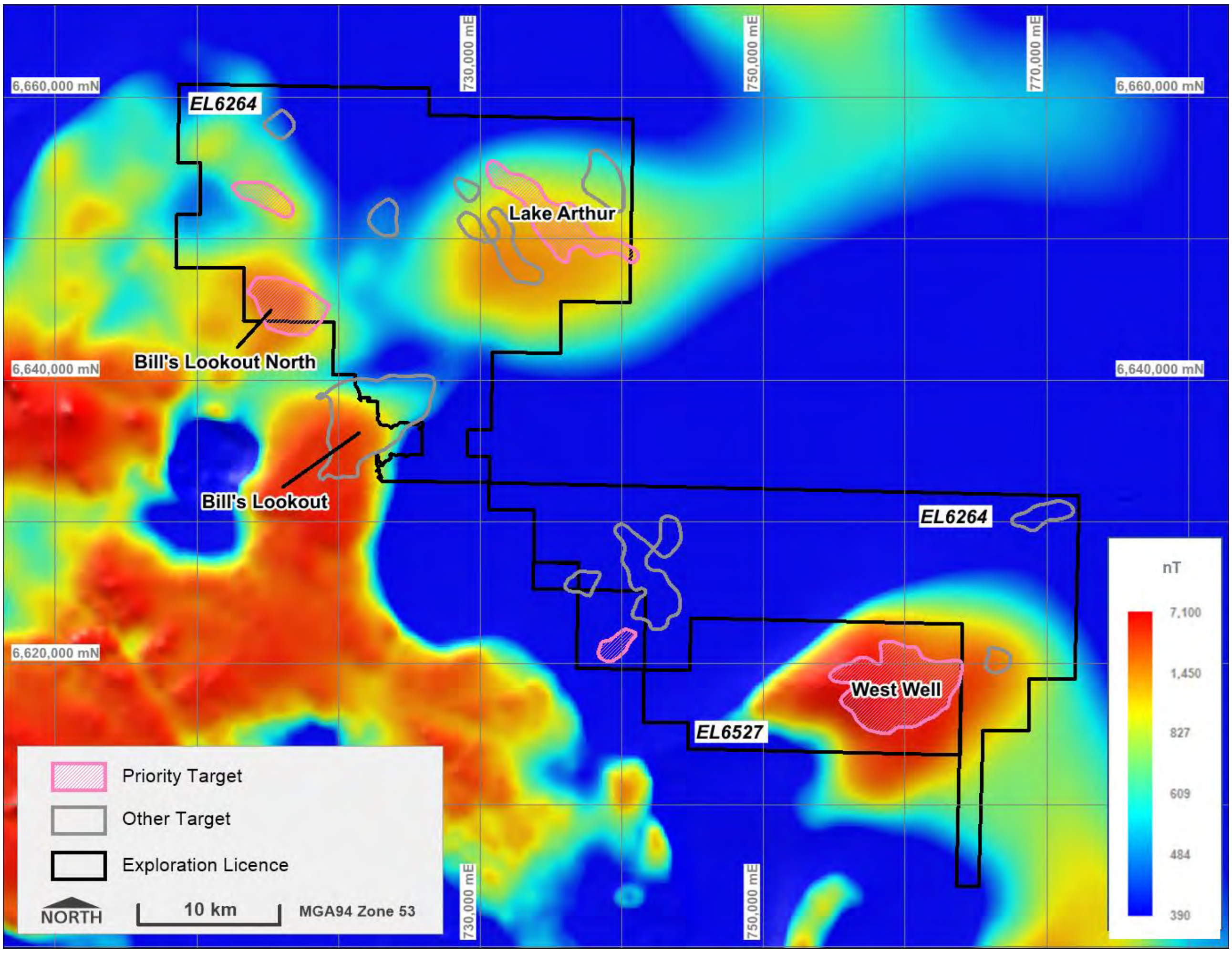


Figure 41: Bill's Lookout-West Well target map on magnetic image
Source: Stelar, SARIG variable reduction to pole (RTP) grid (SA TMI VRTP, 2016)

6.7 Exploration and Development Strategy

Stelar has advised CSA Global that its exploration strategy for the Bill's Lookout-West Well project area is to explore for Olympic Dam type IOCG mineralisation.

Stelar is in the early stages of exploration over a large area interpreted as prospective for economic mineralisation. Stelar has advised CSA Global of its intention is to progress exploration by reprocessing gravity and magnetic data to better define existing targets for drill testing.

Stelar is exploring for Tier 1 mineral deposits under a significant thickness of cover. IOCG mineralisation has been shown to be economic at depth, Carrapateena has been developed under 450 m of cover and Oak Dam is in the resource definition phase under >800 m of cover.

CSA Global's opinion is that Stelar's approach is reasonable and that the selection of exploration targets for the project is based on a thorough examination of the available information.

7 Baratta

7.1 Location, Access and Infrastructure

The Baratta ELA (Figure 42) is located in SA about 130 km from Port Augusta. The project is accessed by a network of unsurfaced roads from Hawker. Hawker is a small town on the all-weather Outback Highway which connects Port Augusta to Leigh Creek, Baratta lies about 40 km east of Hawker.

The project area is in the Flinders Ranges which are a mountain range running north northeast from near Port Augusta for about 430 km. The Flinders Ranges are the largest mountain range in South Australia reaching a maximum elevation of 1,171 m.

Regular scheduled flights are available from Port Augusta. An airfield in Hawker has a 1,000 m asphalt runway currently serving the Royal Flying Doctor Service and charter aircraft.

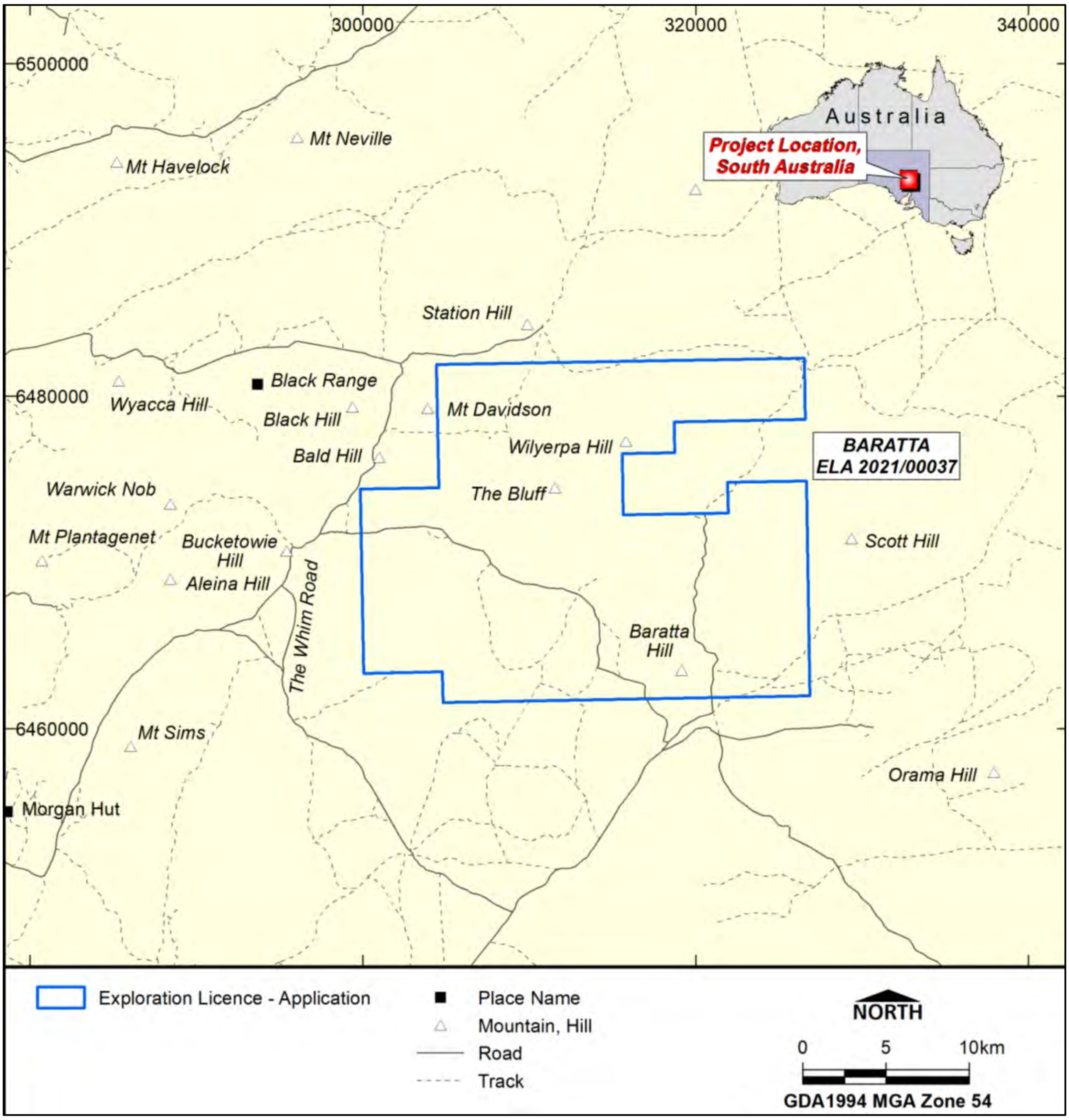


Figure 42: Baratta Project – location map

7.2 Climate, Topography and Landforms

The Flinders Ranges area has a warm and dry climate. Summer day time temperatures can frequently exceed 40°C with winter day time temperatures in the range of 12°C to 20°C. Night time temperatures in winter can fall below freezing. Annual average rainfall is low at about 300 mm. Snow has been recorded in the area with the most recent snowfall reported in 1995. The closest weather station is at Hawker (Figure 43).

Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Temperature													
Mean maximum temperature (°C)	34.4	33.5	30.1	25.5	20.0	16.4	16.0	17.8	21.8	26.0	29.4	32.1	25.3
Mean minimum temperature (°C)	18.1	18.0	15.0	11.1	7.2	4.5	3.7	4.2	6.8	10.0	13.6	16.1	10.7
Rainfall													
Mean rainfall (mm)	20.0	20.8	16.2	19.9	30.2	37.5	32.9	31.4	27.1	24.2	22.4	22.1	305.3
Decile 5 (median) rainfall (mm)	8.9	7.4	7.8	9.9	21.4	28.3	28.1	28.2	18.3	17.3	14.0	13.2	293.2
Mean number of days of rain ≥ 1 mm	2.1	1.9	1.9	2.5	3.9	5.0	5.1	5.0	3.9	3.6	2.8	2.6	40.3

Figure 43: Hawker, SA, climate data
Source: Australian Bureau of Meteorology

The project has significant relief with topography ranging from about 350 m in the south to maximum elevations of about 780 m at Wilyerpa.

Vegetation is generally sparse with acacia scrub, sugar gum, cypress pine, mallee and black oak.

7.3 Local Geology

The Baratta ELA is located within the northern part of the Nackara Arc within the Adelaide Rift Complex. It incorporates diapiric Callanna Group sediments intruding Tapley Hill Formation between a large elongate domal anticline to the west and the Bibliando Dome to the east. The base of the Tapley Hill Formation includes the Tindelpina Shale Member which hosts significant copper mineralisation at Wyacca which is about 15 km west of the Baratta ELA. The outcropping segment of folded low metamorphic-grade sedimentary strata here spans the Yudnamutana to Upalinna Subgroups.

Based on nearby drillholes, Adelaidean strata is >1 km thickness in the ELA. The total thickness of Adelaidean sediments in the Adelaide Rift Complex is estimated to be >10 km (GA, Australian Stratigraphic Units Database).

Just outside the ELA, the historic Baratta Copper Mine produced copper ore between 1896 and 1904 from a zone of workings 7.5 km long on the northern limb of the Bibliando Dome. The Baratta mine is interpreted to be controlled by a sinuous north-south and northeast-southwest trending structure which controls in the intrusion of salt diapirs. This structure is considered prospective for copper, lead and zinc and is exposed over a significant strike length in the eastern part of the ELA.

Lesser mineralisation is recorded in the ELA in the SARIG mineral occurrences dataset, including the Valley Well lead prospect to the west of Baratta copper and the Baratta Springs copper-silver-manganese and Windowarta copper occurrences associated with the diapirs in the southern part of the ELA.

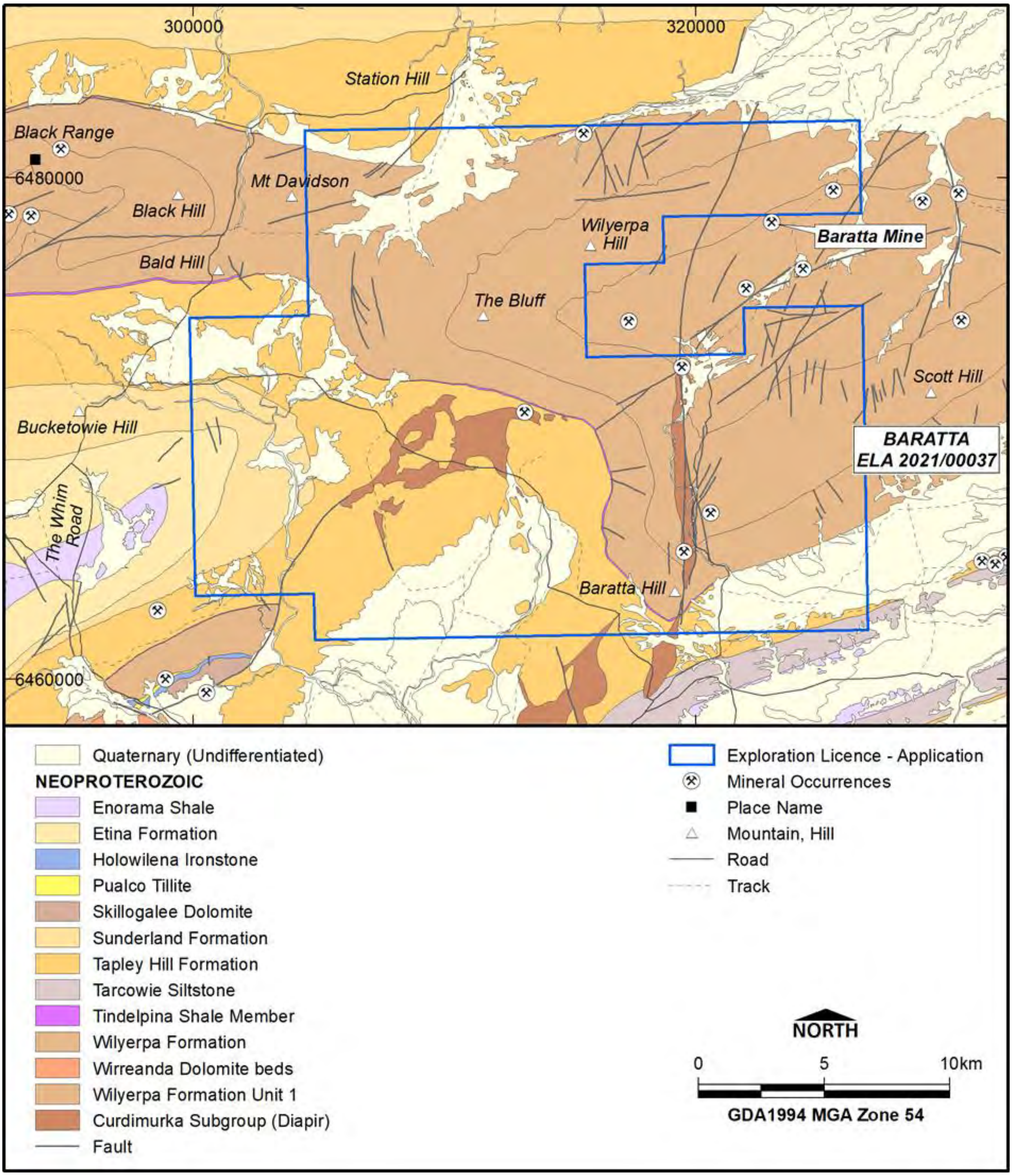


Figure 44 Baratta Project – geological map
Data source: SARIG

7.4 Exploration History

The Baratta area was explored from 2007 to 2016 by Panda Mining Pty Ltd (Panda). Reconnaissance exploration and target generation work were carried out, but targets were not drill tested. The SARIG database has no record of drilling within the ELA.

7.4.1 ENV08982 – 1994 to 1999, EL2009, Pasminco Exploration Ltd

The SARIG historical drillhole database records 44 aircore (AC) drillholes (from the series KW001–KW111) as drilled within the Baratta ELA. However, this appears to be an error. EL2009 is located 550 km to the southwest. This error is confirmed in p.13 of ENV08982 where the drillholes are overlain on magnetics imagery that is consistent with the site 550 km to the southwest. Stelar concludes that the work attributed to Pasminco was not within the area of the Baratta ELA. Pasminco did hold ELs and the mining licence at Beltana at around this time which were later operated in joint venture with Perilya.

7.4.2 ENV11760 – 2007 to 2016, EL3946/5187, Redmile Resources Pty Ltd and Panda Mining Pty Ltd

In 2008, some early reconnaissance work was completed including mapping, collection of 10 rock-chip samples analysed for multi-elements using a four-acid digest and ICP-MS, and orientation portable XRF soil sampling traverses over parts of the diapir complex.

In November 2008, Hawke Geophysics Pty Ltd (Hawke) completed a review of open file geophysical data over the EL. Hawke note a possible association between mapped mineral occurrences and a magnetic marker horizon which Hawke interpret to be the Holowilena Ironstone within the upper Wilyerpa Formation.

In 2009, Landsat and Quickbird imagery was acquired and interpreted by Earthscan Pty Ltd. Zones of iron oxide, iron hydroxide, silica, clay and carbonate alteration are interpreted and suggested for follow-up work (Figure 45).

In 2009, 1,019 soil samples were collected and analysed by portable XRF over three grids in the northeast of the EL. The most significant anomalies detected were a strata-parallel zinc-lead anomaly close to the contact between Tapley Hill and Wilyerpa Formations at the Valley Well prospect, and copper-cobalt anomalism northeast along strike north of the Baratta copper mine (Figure 46).

In May 2010, a detailed aeromagnetic and radiometric survey was completed at 100 m line spacing by GPX surveys Pty Ltd. This data was interpreted by Southern Geoscience Consultants Pty Ltd.

In 2010, soil sampling with portable XRF analysis was undertaken looking for extensions to the Baratta copper deposit. Mapping at the prospect indicates the copper is hosted by a 1 m wide, flat-dipping quartz-haematite gossan that is semi-continuous over 1.5 km of strike length.

In August 2011, a 200 m spaced rock chip sampling program was completed over the Bibliando diapir; the north-south elongate “intrusion” in the southern part of the EL. Diapiric gossan with copper mineralisation and highly sulphidic quartz veining was located.

In 2014, mapping at Lone Pine prospect (off the Baratta ELA) with limited rock chip sampling was completed.

In 2014, Anhui Fuxin Geology and Mining Pty Ltd completed an Intermediate gradient IP survey. The survey covered c. 64 km^2 using a grid of station spacing at 40 m and line spacing at 200 m, resulting in 14,542 stations of data being collected.

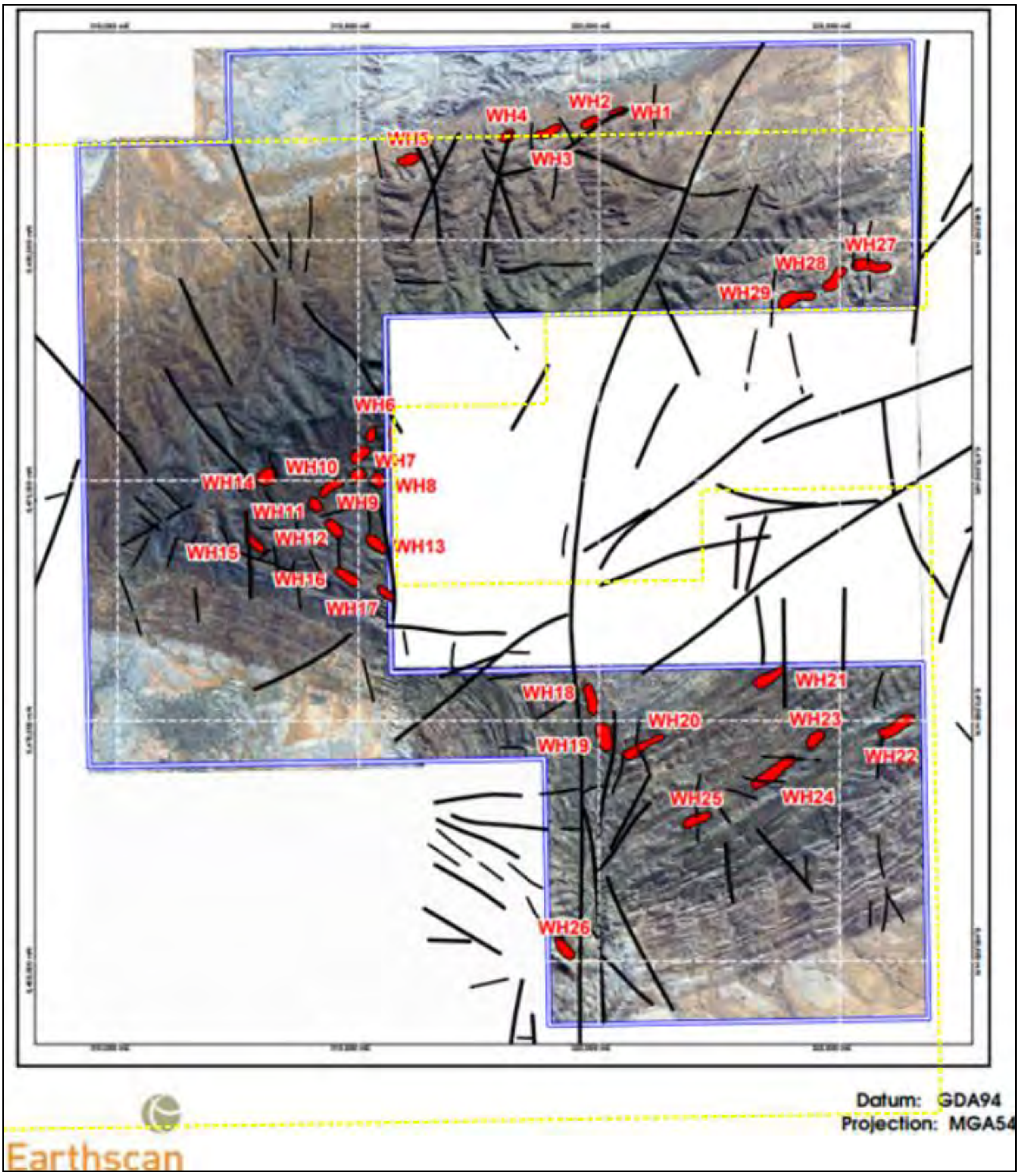


Figure 45: Redmile Resources Pty Ltd target areas defined from remotly sensed imagery (the Baratta ELA is outlined in yellow)

Source: ENV11760

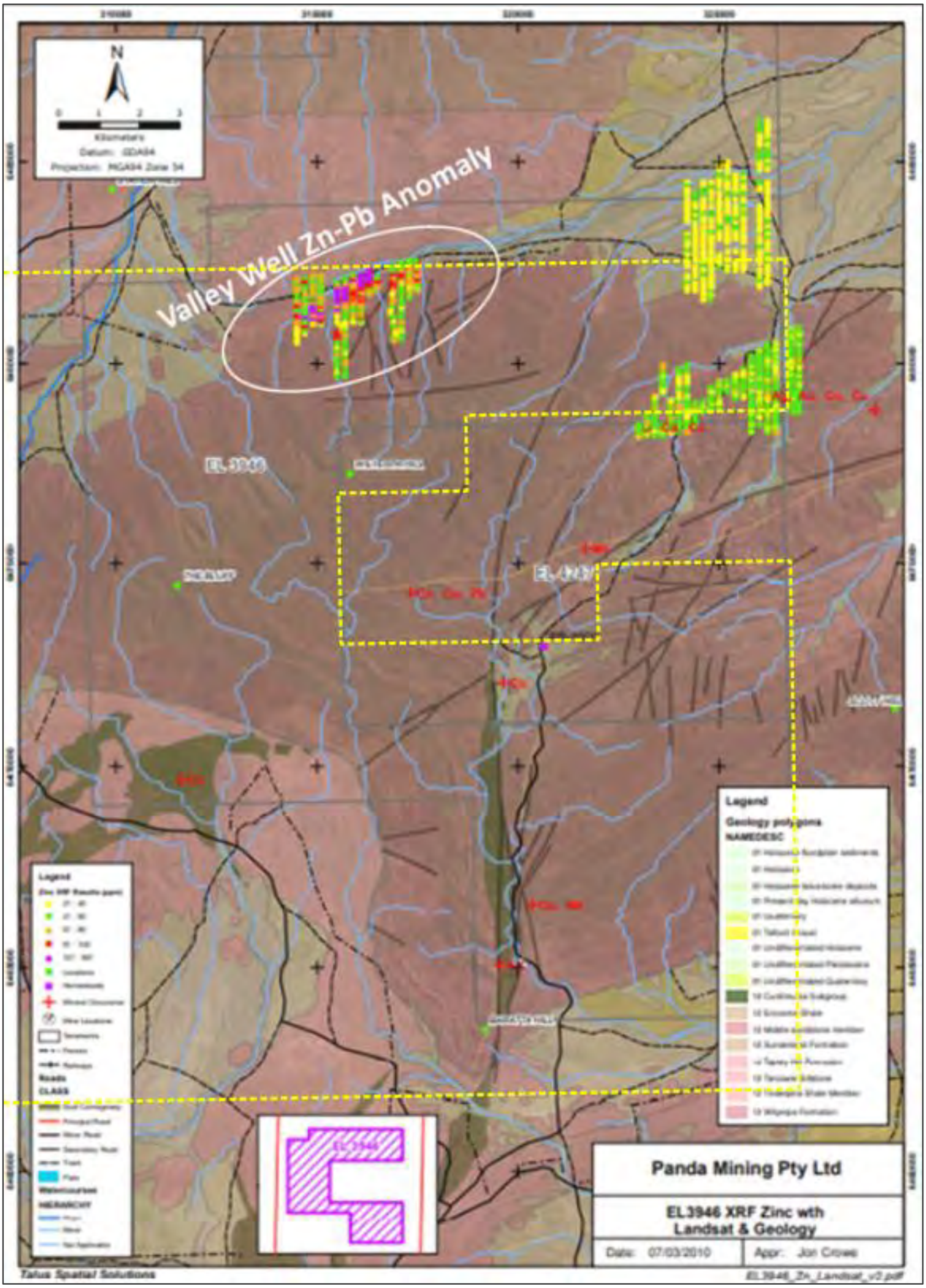


Figure 46 Zinc-lead soil anomaly at Valley Well (the ELA is outlined in yellow)

Note: A clear zinc-lead anomaly occurs in the north-western part of the map area. Stelar notes that this follows a stratigraphic contact thus upgrading the prospect with respect to the metallogenic model. Source: ENV11760 p.299. portable XRF data from Panda.

7.5 Exploration Models

Stelar considers that two exploration models are valid for the project area. The Adelaidean sequence is prospective for Zambian-style SHCDs as well as zinc-lead mineralisation like Beltana. Beltana is a very high grade willemite deposit associated with a halokenetic structure (salt diapir) and shares key features with the large and high grade Kipushi deposit in the Central African Copperbelt.

The prospectivity for SHCD mineralisation is supported at a large scale by comparison of the geological and geodynamic setting between the Adelaidean and the Copperbelt. At a smaller scale, Stelar has noted the discovery by Taruga Minerals of significant copper mineralisation directly along strike at Wyacca (ASX announcement, TAR, 30 August 2021), hosted in the Tindelpina Shale Member of the Tapley Hill Formation.

The prospectivity for Beltana-Kipushi type mineralisation is supported regionally by examples of this style of mineralisation in the Beltana-Aroona district in the northern Flinders Ranges. Locally, the Baratta mine is hosted close to a diapiric structure which extends into the Baratta ELA. This style of mineralisation represents an excellent target type for copper, zinc and lead, with potentially high grade and significant depth extent. Mineralised systems of this type are expected to have a small lateral footprint but can be recognised by distinctive alteration and geochemistry.

7.6 Recent Exploration

Stelar is in the process of compiling and analysing all the available data for this ELA to underpin a detailed plan to advance exploration and targeting when the ELA is granted.

7.7 Exploration and Development Strategy

Stelar has advised CSA Global that its exploration strategy is to target copper, zinc, lead mineralisation in the Tindelpina Shale Member and the diapiric structures. Stelar will also follow up the known surface geochemical anomalies and mineral occurrences.

CSA Global's opinion is that Stelar's approach is reasonable and that the target types proposed have potential for economic mineralisation and are supported by the regional setting and local geology.

8 Gunson

8.1 Location, Access and Infrastructure

The Gunson Project comprises one ELA with two areas (Figure 47). The eastern area contains a number of untested IOCG targets and will be the early focus for Stelar. Stelar is compiling and analysing data for the western section to support targeting.

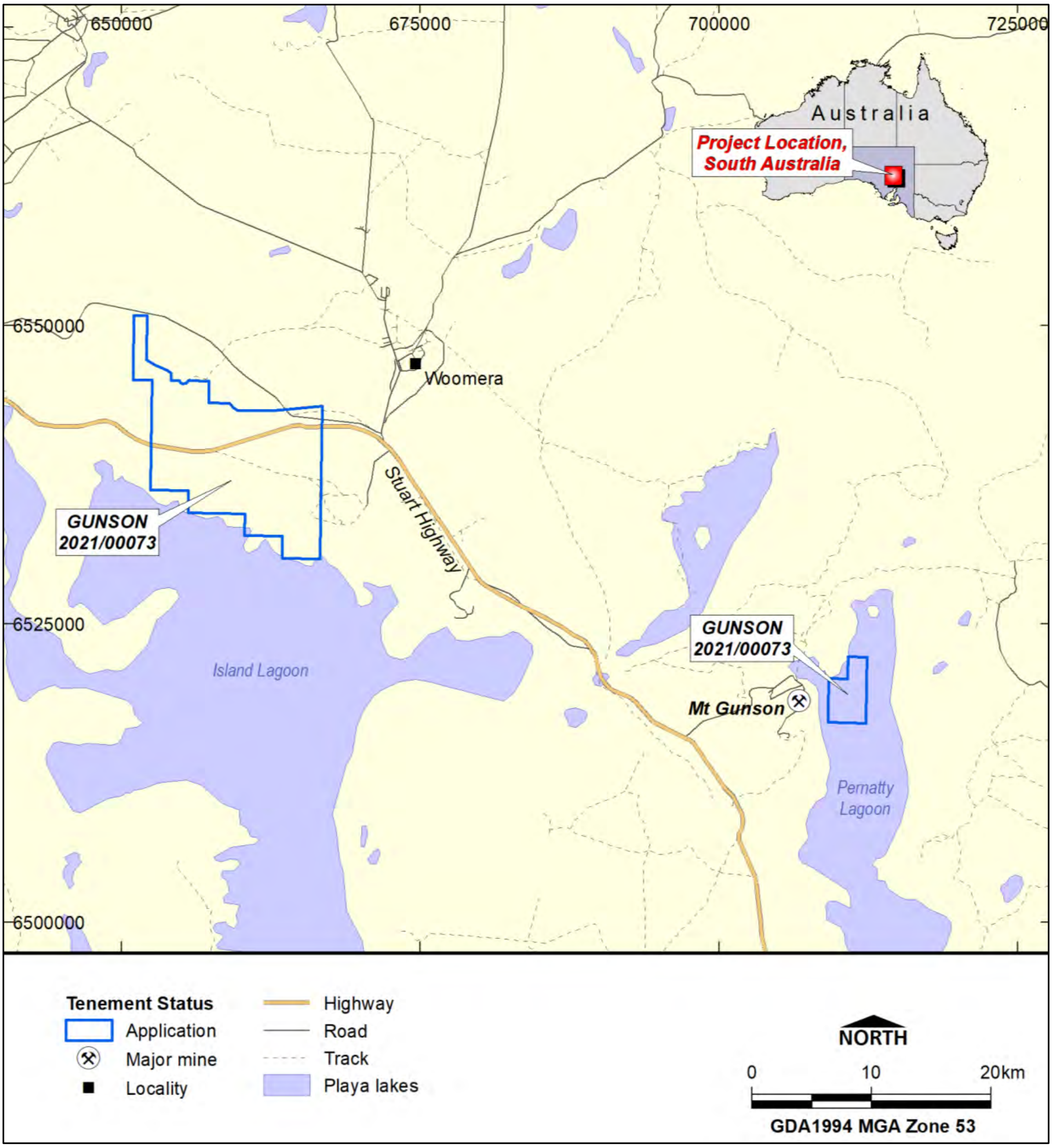


Figure 47: Gunson Project ELA – location map

The project area lies close to the Stuart Highway, a major road which joins Adelaide to Alice Springs and Darwin. The project area is close to Pimba, on the Stuart Highway, which is 479 km from Adelaide and 96 km from Olympic Dam. The railway line from Adelaide to Darwin runs close to the Stuart Highway.

The eastern section of the ELA is accessed via the unsurfaced road of 12 km from the Stuart Highway to the Munt Gunson mine (not operating). This section of the ELA is entirely within the Pernatty Lagoon, an ephemeral lake. Exploration and development on Pernatty Lagoon may require additional permitting.

The western section of the ELA lies just west of Pimba and is crossed by the Stuart Highway. A network of unsurfaced tracks allow access within the area.

BHP's Olympic Dam mine and associated infrastructure is located about 100 km north of the ELA.

The project lies entirely outside the Woomera Prohibited Zone.

8.2 Climate, Topography and Landforms

The Gunson project area has a warm and dry climate. While summer day time temperatures can frequently exceed 40°C, night time temperatures in winter can fall below freezing. Annual average rainfall is low and ranges from about 140 mm at Roxby Downs with most rain occurring in winter. The closest weather station is Roxby Downs (Figure 48).

Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Temperature													
Mean maximum temperature (°C)	37.1	35.7	32.2	27.3	22.3	18.5	18.7	20.8	25.3	28.7	32.2	34.7	27.8
Mean minimum temperature (°C)	21.3	20.2	17.2	12.8	8.1	5.0	4.2	5.5	9.3	12.8	16.5	19.0	12.7
Rainfall													
Mean rainfall (mm)	13.0	16.5	7.9	16.5	8.8	14.8	5.9	9.4	9.9	11.9	12.8	15.9	139.0
Decile 5 (median) rainfall (mm)	3.2	6.8	2.8	4.8	9.6	4.2	1.4	5.2	6.0	4.4	9.7	10.8	131.0
Mean number of days of rain ≥ 1 mm	1.7	1.6	1.4	1.7	1.7	1.9	1.5	1.9	1.9	1.7	2.0	2.3	21.3

Figure 48: Roxby Downs climate data
Source: Australian Bureau of Meteorology

The eastern section of the project ELA has low relief with flat topography at about 60 m sea level on Pernatty Lagoon. The western section rises steeply from about 90 m on the shore of Island Lagoon to a plateau at about 150–200 m which forms the bulk of this section. The plateau is mostly gibber plain (stony desert) with shallowly incised ephemeral drainage. Vegetation is sparse throughout.

8.3 Local Geology

The western section of ELA2021/00073 is located in the central eastern part of the Mesoproterozoic Gawler Craton, just west of the Olympic Dam IOCG province. The eastern Gawler Craton is overlain by flat-lying Mesoproterozoic to Neoproterozoic sediments of the western extent of the Stuart Shelf. Government 100,000 geological mapping notes Neoproterozoic Tent Hill Formation of the Stuart Shelf to outcrop across most of the area. Nearby drilling indicates the area comprises mostly GRV covered with several hundred metres of Mesoproterozoic to Neoproterozoic Pandurra Formation. The Pandurra Formation occurs as a north-south trending palaeotopographic ridge known as the Pernatty Culmination which occurs immediately west of the eastern Gunson ELA (Figure 49). The Pernatty Culmination controls sedimentation of the Adelaidean rocks which unconformably onlap the ridge. The Adelaidean strata are expected to thicken from west to east away from the Pernatty Culmination.

The western section of the ELA is underlain by flat lying sedimentary rocks of the Neoproterozoic Umberatana and Wilpena Groups. While not exposed locally, a succession of Pandurra Formation in interpreted beneath the Adelaidean rocks. Drilling to the west of the ELA shows that the combined Adelaidean-Pandurra sequence is about 300 m thick (ENV11343). Regional interpretations show that the Adelaidean and Pandurra Formation rocks are underlain by a sequence of lower GRV rocks. The nature of basement below the GRV succession is not well constrained. Hole CHRCD001 about 5 km west of the ELA terminated in GRV rocks at 1,146 m.

8.4 Exploration History

Exploration in the area has been active since the 1960s. This work has helped build an understanding of the area and produced several useful datasets which are being utilised by Stelar. Stelar is in the process of compiling all historical data from exploration reports and is applying these to target generation.

Datasets that have been compiled from historical reports or public domain include:

- Regional magnetics and gravity
- Regional geology
- Aster images
- Surface geochemistry
- Drilling.

DDH Pernatty 4 (PY4) is the only drillhole within the Gunson ELA. It was drilled by CSR Ltd in 1983 exploring for IOCG type mineralisation. It is one of a series of four deep drillholes (PY1–PY4) in the Pernatty area targeting favourable positions on (PY3 and PY4) and around (PY1 and PY2) magnetic-gravity features. These drillholes all intersected GRV from between 560 m and 680 m. PY4 was drilled to 1,015 m to test a broad magnetic anomaly centred somewhere to the southwest of where the drillhole was collared. The northern half of this magnetic anomaly is located on the ELA. The drillhole intersected GRV at 562.58 m. The GRV here showed favourable alteration zones, minor base metals anomalism, and fluorite-barite veins at the end of the hole (Figure 50). PY3 intersected similar favourable geology, leading CSR Ltd to interpret an association between magnetic anomalism, magnetite, alteration, and mineralisation in the area.

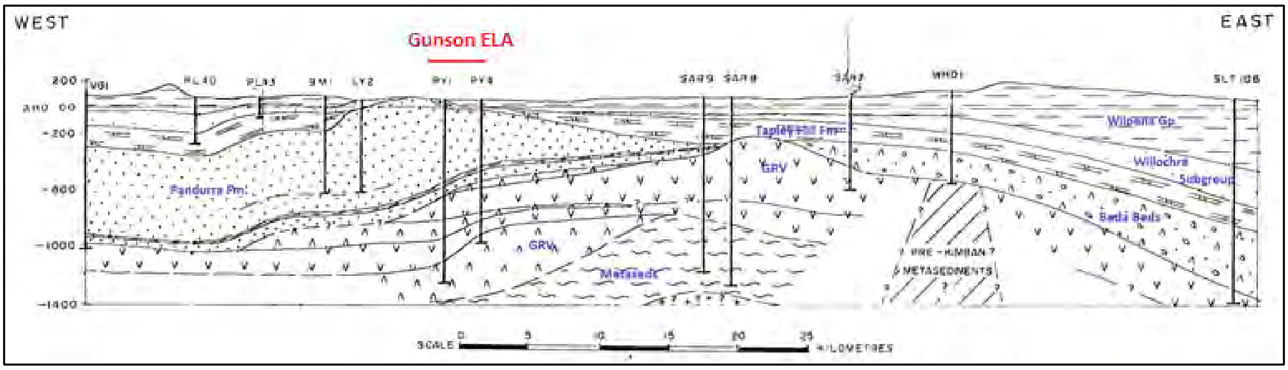


Figure 49: Regional east-west geological cross-section, contextualising the geology underneath the eastern part of the Gunson ELA

Source: ENV06962 p. 1836

Figure 50: Various GRV rock textures and alteration in PY4
Source: ENV06962 p. 2919-2120

8.5 Exploration Models

Stelar considers that two exploration models are valid for the project area. The Adelaidean sequence is prospective for Zambian style SHCDs while the basement is prospective for Olympic Dam style IOCG mineralisation.

Previous exploration has three potential IOCG targets in the ELA. Stelar notes encouraging results for copper mineralisation in the Tapley Hill Formation from the Coda Minerals and DGO Gold exploration on neighbouring ELs.

CSA Global concurs with this assessment and notes that both models have potential for economic mineralisation.

8.6 Recent Exploration

Stelar is in the process of compiling and analysing all the available data for this ELA to underpin a detailed plan to advance exploration and targeting when the ELA is granted.

8.7 Exploration and Development Strategy

Stelar has advised CSA Global that its exploration strategy for the Gunson project areas is to explore for Zambian-style SHCD mineralisation with basement hosted IOCG as a secondary target type.

CSA Global's opinion is that Stelar's approach is reasonable and that the target types proposed have potential for economic mineralisation and are supported by the regional setting and local geology.

9 Proposed Exploration Work and Budget

Stelar has provided CSA Global with proposed work programs and budgets for the first two years following the planned capital raising, considering a minimum raising of A$5 million and a maximum raising of A$7 million (Table 9).

Table 9: Proposed budget and forecast use of funds A$5 million and A$7 million capital raised

Project exploration activity	Exploration budget (A$ '000)					
	Minimum subscription (A$5 M)			Maximum subscription (A$7 M)		
	Year 1	Year 2	Total	Year 1	Year 2	Total
Evelyn Dam						
Personnel and support	150	150	300	225	225	450
Field services	80	80	160	120	120	240
Geophysics	80	0	80	120	0	120
Drilling and assaying	500	300	800	750	450	1,200
Tenure/Heritage/Other exploration costs	20	20	40	20	20	40
Subtotal	830	550	1380	1,235	815	2,050
Bill's Lookout and West Well						
Personnel and support	50	50	100	75	75	150
Field services	0	0	0	0	0	0
Geophysics including re-processing data	250	0	250	375	0	375
Drilling and assaying	0	0	0	0	0	0
Tenure/Heritage/Other exploration costs	20	20	40	20	20	40
Subtotal	320	70	390	470	95	565
Linda Zinc						
Personnel and support	150	150	300	225	225	450
Field services	60	60	120	90	90	180
Geophysics	100	0	100	150	0	150
Drilling and assaying	400	200	600	600	300	900
Tenure/Heritage/Other exploration costs	40	20	60	40	20	60
Subtotal	750	430	1,180	1,105	635	1,740
Baratta						
Personnel and support	100	50	150	150	75	225
Field services	50	30	80	75	45	120
Geophysics	80	0	80	130	0	130
Drilling and assaying	0	200	200	0	300	300
Tenure/Heritage/Other exploration costs	40	20	60	40	20	60
Subtotal	270	300	570	395	440	835
Gunson						
Personnel and support	50	50	100	75	75	150
Field services	50	50	100	75	75	150
Geophysics	80	0	80	130	0	130
Drilling and assaying	0	0	0	0	0	0
Tenure/Heritage/Other exploration costs	40	20	60	40	20	60
Subtotal	220	120	340	320	170	490
TOTAL	2,390	1,470	3,860	3,525	2,155	5,680

9.1 Proposed Work Program

9.1.1 Year 1

The exploration focus during the first year of work will centre around the Evelyn Dam and Linda Zinc projects. Stelar will design and complete deep drilling based on previous results, to test the Evelyn Dam IOCG target and commence systematic fieldwork on the Linda Project.

At Linda, known anomalies and surface mineralisation will be drill tested using an RC-DD program. This program will be concurrent with target generation that will prioritise mapping and an expanded rock-chip and surface sampling program with an AC geochemical drilling program in selected target areas. The drilling program will be expanded to test new targets generated.

Stelar intends to reprocess and model geophysical data for Bill's Lookout and West Well to better define drill targets.

Stelar expects the Gunson and Baratta ELAs to be granted during Year 1 and will undertake reconnaissance exploration following grant.

Land access negotiations across the projects will be undertaken in parallel with exploration as required.

9.1.2 Year 2

In Year 2, Stelar intends to focus on areas identified as high priority during the Year 1 exploration program. It is expected that some emphasis will be placed on the Baratta and Gunson projects due to them having less work completed on them during Year 1 as a result of the timing of grant of licence.

All proposed work programs and budgets are subject to Aboriginal and government approvals.

Stelar has informed CSA Global that all approvals are in place to commence drilling at Evelyn Dam once Stelar becomes a party to the Native Title Agreement that already exists between Traditional Owners, Rio Tinto, and Resource Holdings Pty Ltd. This process is considered by Stelar to be a formality.

9.2 CSA Global Opinion

Stelar has provided CSA Global with a copy of its planned expenditure on the projects for an initial two-year period following listing of Stelar on the ASX (Table 9). All costs are in Australian dollars.

The proposed budget is considered by CSA Global to be consistent with the objective of Stelar, to test by drilling, the targets which have been compiled to date, and those targets which may be generated by future studies.

The projects are located on the Gawler Craton, Stuart Shelf, and Adelaide Fold Belt in SA, and are considered prospective for the discovery of economic of IOCG, Zambian-style copper and carbonate-hosted zinc mineralisation. The projects are speculative, although considered to have technical merit and, subject to normal exploration risk, warrant further exploration activities consistent with the proposed budget and work programs.

The funds raised by Stelar, net of costs, will be predominantly applied to the maintenance and continued exploration of the tenements, and particularly to the drill testing of the highest priority targets following listing. At least half of the funds raised by Stelar are understood to be committed to the exploration, administration and development of the mineral properties, satisfying the requirements of ASX Listing Rules 1.3.2(b) and 1.3.3(b). CSA Global further understands Stelar has sufficient working capital to carry out its stated objectives, satisfying the requirements of ASX Listing Rule 1.3.3(a).

The proposed budget is considered consistent with the exploration potential of the projects covered by this report. It is considered adequate to cover the cost of the proposed programs. The budgeted expenditure is also sufficient to meet the minimum statutory expenditure on the tenements.

10 Risks

A key risk, common to all exploration companies, is that expected mineralisation may not be present or that it may be too small to warrant commercial exploitation. The interpretations and conclusions reached in this ITAR are based on current scientific understanding and the best evidence available at the time of writing. CSA Global makes no guarantee of certainty as to the presence of economic mineralisation of any commodity within the project areas.

The projects are at an early exploration stage of development. Risk is reduced at each stage of exploration. Exploration is an intrinsically risky process, particularly at an early stage.

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12 Glossary

Below are brief descriptions of some terms used in this report. For further information or for terms that are not described here, please refer to internet sources such as Wikipedia (www.wikipedia.org).

aeromagnetic	A survey undertaken by helicopter or fixed-wing aircraft for the purpose of recording magnetic characteristics of rocks by measuring deviations of the Earth's magnetic field.
anomaly	An area where exploration has revealed results higher than the local background level.
Archaean	The oldest geologic time period, pertaining to rocks older than about 2,500 million years.
carbonate	Rock or mineral dominated by the carbonate ion (CO_{2-3}), of sedimentary or hydrothermal origin, composed primarily of calcium, magnesium or iron and carbon and oxygen. Essential component of limestones and marbles.
charnokite	An orthopyroxene-bearing, quartz-feldspar rock
craton	An old and stable part of the continental lithosphere.
diamond drilling	A drilling method employing a (industrial) diamond encrusted drill bit for retrieving a cylindrical core of rock.
geochemical	Pertains to the concentration of an element.
geophysical	Pertains to the physical properties of a rock mass.
greywacke	A variety of sandstone generally characterised by its hardness, dark colour, and poorly sorted angular grains of quartz, feldspar, and small rock fragments or lithic fragments set in a compact, clay-fine matrix.
ground magnetic	Geophysical survey method using a hand-held magnetometer to record the strength of the earth's magnetic field usually along a grid.
haematite	Iron oxide mineral with chemical formula Fe_2O_3, hard, dense, black to brown.
intrusive	Any igneous rock formed by intrusion and cooling of hot liquid rock below the earth's surface.
lithology	The description of a rock unit's physical characteristics visible in hand or core samples, such as colour texture grain-size and composition.
mafic	Igneous rock composed dominantly of dark coloured minerals such as amphibole pyroxene and olivine, generally rich in magnesium and iron.
magnetite	Iron oxide mineral with chemical formula Fe_3O_4, hard, dense, black to grey, noted for ferrimagnetic properties – can be magnetised to become a magnet.
Mesoarchaean	The Mesoarchaean is a geological era within the Archean Eon, spanning 3,200 to 2,800 million years ago
metamorphic	Rock altered by metamorphism from a pre-existing igneous or sedimentary rock type.
Neoarchaean	The Neoarchaean is a geological era within the Archean Eon, spanning 2,800 to 2,500 million years ago
orogeny	A period of mountain building formed during convergent tectonic activity
outcrop	A visible exposure of bedrock or ancient superficial deposits on the surface of the Earth.
Palaeoproterozoic	The Palaeoproterozoic Era is the time period from 2,500 to 1600 million years ago.
palaeosol	a stratum or soil horizon which was formed as a soil in a past geological age.
Proterozoic	The second oldest Eon (geologic time period), pertaining to rocks older than 541 Ma (million years) and younger than about 2,500 Ma.
RC drilling	Reverse Circulation. A percussion drilling method in which the fragmented sample is brought to the surface inside the drill rods, thereby reducing contamination.

shear	A deformation resulting from stresses that cause rock bodies to slide relatively to each other in a direction parallel to their plane of contact.
soil sampling	The collection of soil specimens for mineral analysis.
stratigraphic	Pertaining to the composition, sequence and correlation of stratified rocks.
stromatolite	Fossilised, layered, microbial reefs created by cyanobacteria
structural	Pertaining to rock deformation or to features that result from it.
terrane	Any rock formation or series of formations or the area in which a particular formation or group of rocks is predominant.
transgressive	Overlapping others unconformably, especially as a result of marine transgression.
turbidite	A fine-grained sediment (or sedimentary rock) that gradually changes from coarse- to fine-grained and that was deposited by turbidity currents.
volcanics	Rocks formed or derived from volcanic activity.

13 Abbreviations and Units of Measurement

°C	degrees Celsius
3D	three-dimensional
A$	Australian dollars
AC	aircore
Ag	silver
AIG	Australian Institute of Geoscientists
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ATR	Annual Technical Report
Au	gold
AusIMM	Australasian Institute of Mining and Metallurgy
BHP	BHP Billiton Pty Ltd
c.	circa
cm	centimetre(s)
CSA Global	CSA Global Pty Ltd
Cu	copper
EL	exploration licence
ELA	exploration licence application
g	gram(s)
g/t	grams per tonne
Ga	billion years ago
GRV	Gawler Range Volcanics
GSWA	Geological Survey of Western Australia
Hawke	Hawke Geophysics Pty Ltd
IOCG	iron oxide copper-gold
IP	induced polarisation
IPO	initial public offering
ITAR	Independent Technical Assessment Report
JORC Code	2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
JORC	Joint Ore Reserves Committee
kg	kilogram(s)
km	kilometre(s)
km^2	square kilometre(s)
m	metre(s)
M	million(s)
Ma	million years ago
MAIG	Member of the Australian Institute of Geoscientists
MAusIMM	Member of the Australasian Institute of Mining and Metallurgy
MGA	Map Grid of Australia
mm	millimetres

Mt	million tonnes
MVT	Mississippi Valley type
oz	ounce(s)
Panda	Panda Mining Pty Ltd
Pasminco	Pasminco Exploration Ltd
Pb	lead
PEPR	program for environment protection and rehabilitation
Perilya	Perilya Limited
RAB	rotary air blast
RC	reverse circulation (drillhole)
Resource Holdings	Resource Holdings Pty Ltd
SA	South Australia
SALM	South Australia Ludi Mining Pty Ltd
SHCD	sediment-hosted copper deposit
SP	self potential
Stelar	Stelar Metals Limited
SWIR	shortwave infrared
t	tonne(s)
TEM	transient electromagnetic (geophysical survey)
TMI	total magnetic intensity
VALMIN	Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports
WA	Western Australia
WMC	Western Mining Corporation
XRF	x-ray fluorescence
Zn	zinc

Appendix A JORC Table 1, 2012 Edition – Evelyn Dam Project

Work on the Evelyn Dam project was carried out by Rio Tinto in joint venture with Resource Holdings. CSA Global has relied on the information in the Annual Technical Reports (ATR) prepared by Rio Tinto to compile this table.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• EVE001 is a 735.8 m vertical diamond (DD) drillhole with a conventional air chip section (PCD) precollar. It was drilled at the Evelyn Dam IOCG prospect by RioTinto in 2018. • Sampling frequency of the core and PCD chips ranged from one sample every 5 m to continuous 1 m samples. 6 samples from the PCD were collected then fine crushed to <2 mm (70%), pulverised (1000g to 85% <75um), and analysed by 4-acid digest and ICP-MS of 48 elements. 92 DD quarter core samples were cut. These were then fine crushed to <2mm (>70%) and pulverised (1000g to 85% <75um). Analysis of major and trace elements included Super Trace Lowest DL 4-acid digest and ICP-MS of 48 elements, plus Au by 30g fire assay with ICP-AES finish, and 12 REE elements by ICP-MS. • Single shot pXRF data was collected at 1 m intervals within 0.1 m of depth meter marks. • Downhole hyperspectral data was collected using an ASD TerraSpec HALO. Single shot spectra were collected on a 1 m sampling regime targeting groundmass and light minerals observable in handsample from 426 m to the end of hole. • The hole was logged for gamma, mag susceptibility, mag deviation, full wave sonic, induced polarisation, dual induction, spontaneous potential, duel focussed resistivity and vectors.

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Conventional air chip section (PCD) was drilled to 178.7 m, followed by coring to 329.9 m depth at HQ size, followed by coring at NQ size to end of hole. • The core is not oriented.
Criteria	**JORC Code explanation**	**Commentary**
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• The methods of recording/assessing core or PCD chip recovery are not noted in the ATR, but DD core recovery is stated to have been 80%-100% from 178.7 m until the end of hole. • No measures to maximise sample recovery are noted. • No sample bias due to recovery is currently suspected.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The core and PCD chips were logged for geology, alteration, veins and mineralisation. Copies of the logs are included in the ATR. The level of logging detail is considered adequate to enable basic geological interpretation, no resource estimation using these data has been done. • Core logging was qualitative in nature. • Core photography records are available. • The hole was logged in its entirety.

Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The core was cut to quarter core. These quarter core samples were fine crushed to <2mm (>70%) and pulverised (1000g to 85% <75um). • The in-situ sub-sampling methods for the PCD chips is not recorded. The sub-sampled PCD chips were fine crushed to <2 mm (70%) and pulverised (1000g to 85% <75um), • Where noted, methods are considered appropriate techniques to maximize representivity of samples. • Quality control procedures are not recorded in the ATR. • Measures to ensure sub-sample representivity are not recorded in the ATR. • Where recorded, the sample sizes are considered appropriate for maximizing grain size representivity.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The PCD chips were analysed by 4-acid digest and ICP-MS of 48 elements. • For the core samples, analysis of major and trace elements included Super Trace Lowest DL 4-acid digest and ICP-MS of 48 elements, plus Au by 30g fire assay with ICP-AES finish, and 12 REE elements by ICP-MS. • These techniques are considered total and fit for purpose. • Quality control procedures are not recorded in the ATR.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent or alternative verifications are available. • No twinned holes were drilled. • The primary data is contained within the ATR held on file in digital format by Stelar. • No adjustments have been made to any assay data.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The accuracy and quality of surveys used to locate the holes drilled is not stated in the ATR. • Magnetic deviation was logged from 332.5 m (end of HQ section) to the end of the hole. Deviation above this section was not recorded. Between 332.5 m and 735.8 m, the hole deviated by ~7 m in horizontal space on a bearing of ~250 degrees. • The grid system used was GDA94 MGA Zone 53. • No information on topographic control is included in the assessed reports.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• EVE001 was a single scout hole and has not been used in resource evaluation of any kind.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• No sampling bias of this kind is suspected.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• No issues regarding sample security are indicated.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None known.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Hole EVE001 was drilled on EL 5792 which at the time was held in a Joint Venture between RioTinto (RTE) and Resource Holdings Pty Ltd (RH). RioTinto has since terminated the JV and the EL is now wholly owned and operated by Resource Holdings No 1 Pty Ltd. • An application to renew EL 5792 was lodged by RH in April 2021. • The Kokatha People have a Native Title Determination over EL 2792 (SCD2014/004). A Native Title Management Agreement was agreed and registered between RTE, RH and the Kokatha People in 2018.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• An overview of historical exploration is included in this document as well as in the ATR.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The exploration model was Olympic Dam-style IOCG mineralisation within the eastern Gawler craton.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Description of the work completed and the results is included in the ATR and an overview of this work is provided in this document.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Intercepts have not been reported. The hole has not been used in resource evaluation of any kind.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Intercepts have not been reported. The hole has not been used in resource evaluation of any kind.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to figures in the text of the ATR.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• No intercepts are quoted in this document due to a lack of mineralisation and no significant base metals values
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Description of the work completed and the results is included in the ATR and an overview of this is provided in this document.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Stelar Metals is planning additional drill testing at Evelyn Dam described in this report.

Appendix B JORC Table 1, 2012 Edition – Linda Project

This Table refers to historical work completed on the Linda tenement by Dampier Mining - BHP JV.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Reverse circulation (RC) drilling by BHP in 1984; twenty 25 m deep vertical RC drillholes spaced 25 m apart were completed at Linda Zinc prospect for a total of 502 m (PLP1-20); one hole PLP1 was abandoned at 2 m • The RC chips were composited over 2 m intervals, split with a riffle splitter to approximately 2 kg and bagged. At the laboratory the 2 kg samples were dried, pulverized, dissolved by acid attack and analysed for Cu-Pb-Zn using atomic absorption spectrophotometry. • Core drilling (DD) by BHP in 1985; two drillholes, DLP1 (200.5 m, vertical) and DLP2 (101.9 m, dip 55° and bearing 135) were drilled at Linda Zinc prospect, collared from the same location. • Selected sections of core were split using a Clipper portable diamond saw, bagged, and assayed at the laboratory for Cu-Pb-Zn using atomic absorption spectrophotometry. If samples resulted in Pb + Zn > 0.5%, then they were re-assayed for Co-Cd-Ag-Ca using atomic absorption spectrophotometry. Other details such as sample preparation techniques, the leach used etc. are not included in the available reports. It is likely that the omitted details are the same as those for the RC drilling samples from the previous year. • Soil samples were collected by Perilya between 1999 and 2017 at the Linda prospect. Details of the sampling methodology were not clearly reported.

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC 1984: industry standard RC drilling. • DD 1985: No precollar drilling. HQ coring from surface for casing the top of the holes was completed to 3.2 m, then NQ II drilling was used to the end of the hole. Both surface multi-step and impregnated drill bits were used. • Core was not orientated.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC 1984 and DD 1985: no methods of recording and assessing chip recovery are stated in the historical reports. • RC 1984 and DD 1985: no measures to maximise sample recovery are stated in the historical reports. • No sample bias due to recovery is currently suspected.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• RC 1984 and DD in 1985: RC chips and core were logged for geology, mineralisation, and fossils by the BHP geologists at the time. Copies of the original handwritten logs are included in the historical reports. The level of logging detail is low but is considered adequate to enable basic geological interpretation. • Core logging was qualitative in nature. • No core photography records are available. • All holes were logged in their entirety.

Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• DD 1985: half core samples were cut using a Clipper portable diamond saw. • RC 1984: a riffle splitter was used to ensure representivity of the final 2 kg sample. • These methods are considered appropriate techniques to maximize representivity of samples. • Quality control procedures and measures to ensure sub-sample representivity are not recorded in the available reports. • The sample sizes are considered appropriate for maximizing grain size representivity.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• RC 1984: the 2 kg samples were dried, pulverized, dissolved by acid attack and analysed for Cu-Pb-Zn using atomic absorption spectrophotometry. • DD 1985: the half core samples were assayed at the laboratory for Cu-Pb-Zn using atomic absorption spectrophotometry. If samples resulted in Pb + Zn > 0.5%, then they were re-assayed for Co-Cd-Ag-Ca using atomic absorption spectrophotometry. Other details such as sample preparation techniques, the leach used etc. are not included in the available reports. It appears likely that the omitted details are the same as those for the RC drilling samples from the previous year. • These techniques are considered total and fit for purpose. • Quality control procedures adopted during the historical sampling programs are not recorded in the historical reports. However, hand-drawn annotations on the assay lab certificates suggest duplicates were inserted approximately once per drillhole. • Soil samples collected by Perilya between 1999 and 2017 at the Linda prospect were analysed using a portable XRF (Niton XL3t GOLDD). Details of QAQC for these data were not reported.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent or alternative verifications are available. • No twinned holes were drilled. • The primary data (including original laboratory certificates) is contained within company statutory exploration annual reports held on file in physical and digital format by SARIG. • No adjustments have been made to any assay data.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The drillhole collars were surveyed using a dumpy level following the completion of the program. • No downhole surveys were completed. No issues with hole deviation are stated in the historical reports. • The accuracy and quality of surveys used to locate the holes drilled is not known. • A local grid system was used then later converted to AMG. • No information on topographic control is included in the assessed reports.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• These holes have not been used in resource evaluation of any kind.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• No sampling bias of this kind is suspected.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• No issues regarding sample security are indicated.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None known.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The historical project comprised EL725 and EL1085, which formed part of a JV between Dampier Mining and BHP. • Currently the Linda Project is held as EL 6263 by Resource Holdings No 1 Pty Ltd. There are no joint ventures • The tenure falls within the Adnyamathanha People No 2 determination SCD2009/001. • The southern portion of EL 6263 is covered by the Bunker Conservation Park managed by the SA Minister for Land and Water
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• An overview of historical exploration is included in this document, but none is included in the historical reports.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The exploration model was Mississippi Valley Type (MVT) Zn-Pb in the Adelaide Fold Belt.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Description of the work completed and the results is included in the historical reports, and an overview of this work is provided in this document.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• The best intercepts have been selectively reported as simple weighted averages. These have not been used in resource evaluation of any kind. • Metal equivalent values are not reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Only downhole length of selected intercepts are reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to figures in the text of the available reports.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Only the best intercepts are reported as part of a brief summary of historical work completed.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Description of the work completed and the results is included in the historical reports, and an overview of this work is provided in this document.

Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Stelar Metals is planning additional drilling soils geochemistry and mapping at Linda.

Appendix C JORC Table 1, 2012 Edition – Bill's Lookout and West Well Project

This Table refers to historical work completed on the Bill's Lookout and West Well tenements by WMC.

JORC, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Diamond (DD) core and pre-collar chips were sampled from drilling by WMC between 1978-1984. • Precollar chips were collected at 2 m intervals and analysed for Cu-Pb-Zn-Co using acid digestion and AAS. Cover sequence core was chip sampled (4 chips per 2 m sample) and analysed for Cu-Pb-Zn-Co-Ag using acid digestion and AAS. Basement drillcore was double chip sampled (8 chips per 2 m sample) and analysed for Cu-Pb-Zn-Co-Ag using acid digestion and AAS. These were also composited to 6 m and analysed for U_3O_8-Fe-Mo-Sn-W-La-Ce-Ba-F using X-ray fluorescence, for Au using aqua-regia digestion with organic solvent extraction and AAS (30 gm charge), and for F using fusion with selective ion electrode determination of total fluorine. • TCM and magnetic susceptibility analyses were also completed on basement samples. • Downhole gamma ray total count data was collected on selected holes (WWD-1, BLD-3) using a Mt. Sopris G375 probe (1.25 inch diameter) and recoded on analogue chart paper, and on cassette tape.

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• WWD-1 was precollared by percussion drilling to 72 m, cored at NQ core size to 213 m, then reduced to BQ size to the end of hole at 762.1m. BLD-4 was precollared by percussion drilling to 300 m, diamond drilled at NQ core size to 967 m, then reduced to BQ size to EOH at 1037 m. BLD-3 was precollared by percussion drilling to 300 m, diamond drilled at NQ core size to ~800 m (exact depth not stated), then reduced to BQ size to end of the hole at 1024 m. • The core was not orientated.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recovery was measured by length. • Method of recording/assessing pre-collar recoveries is not stated in the historical reports. • Core recovery is stated to have been >95%. • Measures taken to maximise sample recovery are not stated in the historical reports. • No sample bias due to recovery is currently suspected.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Precollar chips and core were logged for geology, structure, alteration and mineralisation by the WMC geologists at the time. Copies of the original handwritten logs are included in the historical report. The level of logging detail is considered adequate to enable geological interpretation. • Core logging was qualitative in nature. • No core photography records are available. • All holes were logged in their entirety.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core 'chip sampling' was used, with 4 chips chiselled off per 2 m of core for the cover sequence and 8 chips per 2 m core for the basement sequence. • The precollar chips were sampled at 2 m intervals. No further details about this part of the sampling is included in the historical reports. • The method of chip sub-sampling from drillcore is not considered a desirable technique to maximize representivity of samples but may be adequate for general rock characterisation. • Quality control procedures and measures to ensure sub-sample representivity are not recorded in the historical reports.

Criteria	JORC Code explanation	Commentary
		• The method of chip sub-sampling is not considered appropriate for maximizing grain size representivity, but may be adequate for general rock characterisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Precollar chips were analysed for Cu-Pb-Zn-Co using acid digestion and AAS. Cover sequence drillcore was analysed for Cu-Pb-Zn-Co-Ag using acid digestion and AAS. Basement drillcore was analysed for Cu-Pb-Zn-Co-Ag using acid digestion and AAS. Composites of the latter were also analysed for U_3O_8-Fe-Mo-Sn-W-La-Ce-Ba-F using X-ray fluorescence, for Au using aqua-regia digestion with organic solvent extraction and AAS (30 gm charge), and for F using fusion with selective ion electrode determination of total fluorine. • These techniques are considered total and fit for purpose. • Quality control procedures for analytical accuracy are not recorded in the historical reports.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent or alternative verifications are available. • No twinned holes were drilled. • Historical primary data is contained within company statutory exploration annual reports held on file in physical and digital format by SARIG. • No adjustments have been made to any assay data.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The nature, accuracy and quality of surveys used to locate the holes drilled is not known. • Local grid systems at each prospect were used then later converted to AMG. • Acid tube surveys were completed at 500 m and at EOH. • The drillholes did not appear to have any significant problems with hole deviation. • No information on topographic control is included in the historical reports.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• These holes were single scout holes into selected prospects which returned no significant mineralisation. They have not been used in resource evaluation of any kind.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• No sampling bias of this kind is suspected.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• No issues regarding sample security are indicated.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• None known.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The historical project comprised EL1316 and EL1338 owned by WMC. • The Torrens Project currently comprises 2 granted exploration licences EL 6263 and 6572. • The Torrens Project is covered by the Kokatha Native title determination SCD2014/004 and Adnyamathanha People SCD 2009/001 and SCD2009/003 • The Torrens project is covered by the Lake Torrens National Park which is managed by the SA Minister for Land and Water
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• An overview of historical exploration is included in this document, but none is included in the historical reports.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The exploration model was Olympic Dam-style IOCG mineralisation within the eastern Gawler craton.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Description of the work completed and the results is included in the historical reports, and an overview of this work is provided in this document.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Intercepts have not been reported. The hole has not been used in resource evaluation of any kind.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Intercepts have not been reported. The hole has not been used in resource evaluation of any kind.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to figures in the text of the historical reports.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• No intercepts are included in this document due to a lack of mineralisation and no significant base metals values.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Description of the work completed and the results is included in the historical reports and an overview of this work is provided in this document.

Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Stelar Metals proposes to collect additional geophysics and further evaluate target before additional drill testing.

Appendix D Historical Drilling Data

Current EL	Operator	EL	Completion date	Reference	Hole ID	Easting	Northing	MGA Zone	Dip	Azimuth	Depth	Type	Target
EL6264 and EL6572	Asarco (Australia) Pty Ltd	SML00396	2 Dec 1970	ENV01366	AND RP7	724480	6637073	53	-90		39.6	Perc	Limestone-hosted Cu-Zn
EL6263	South Australian Barytes Ltd	SML00537	1 Jan 1971	ENV01578	LMN E	293603	6529260	54	-75	270	42.7	RC	Limestone-hosted Cu
EL6263	South Australian Barytes Ltd	SML00537	1 Jan 1971	ENV01578	SC 6	291763	6527730	54	-60	90	42.7	RC	Limestone-hosted Cu
EL6263	BHP Minerals Ltd	EL01085	29 May 1985	ENV03968	DLP 1	304188	6537059	54	-55	135	200.5	DD	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	31 May 1985	ENV03968	DLP 2	304188	6537059	54	-90		101.9	DD	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	26 Sep 1984	ENV03968	PLP 11	304165	6537141	54	-90		25	RC	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	27 Sep 1984	ENV03968	PLP 13	304189	6537133	54	-80	240	25	RC	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	29 Sep 1984	ENV03968	PLP 17	304188	6537059	54	-90		25	RC	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	29 Sep 1984	ENV03968	PLP 19	304161	6537101	54	-86.5	35	25	RC	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	29 Sep 1984	ENV03968	PLP 1A	304156	6537008	54	-90		25	RC	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	24 Sep 1984	ENV03968	PLP 2	304134	6537039	54	-90		25	RC	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	1 Oct 1984	ENV03968	PLP 20	304240	6537144	54	-90		25	RC	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	25 Sep 1984	ENV03968	PLP 6	304106	6537072	54	-90		25	RC	MVT Zn-Pb
EL6263	BHP Minerals Ltd	EL01085	25 Sep 1984	ENV03968	PLP 8	304120	6537116	54	-90		25	RC	MVT Zn-Pb
EL6264 and EL6572	Western Mining Corporation Ltd	EL00784	21 Jun 1985	ENV06562	BLD4	716736	6645166	53	-90		1,037	DD	IOCG, sed-hosted Cu
EL6264 and EL6572	Western Mining Corporation Ltd	EL01316	13 Jun 1978	ENV06562	WWD1	764779	6621613	53	-90		762.1	DD	IOCG
EL6264 and EL6572	Western Mining Corporation Ltd	EL00784	31 Jul 1981	ENV08482	BLD3	722948	6637342	53	-90		1,024	DD	IOCG
EL6263	South Australia Ludi Mining Pty Ltd	EL04810	5 May 2014	ENV12360	HWK001	290284	6522385	54	-90		207	DD	Sedimentary-hosted Cu
EL6263	South Australia Ludi Mining Pty Ltd	EL04810	17 May 2014	ENV12360	HWK002	290541	6522610	54	-90		310.5	DD	Sedimentary-hosted Cu
EL6263	South Australia Ludi Mining Pty Ltd	EL04810	25 Apr 2014	ENV12360	HWK003	290121	6521944	54	-90		288.7	DD	Sedimentary-hosted Cu

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19 January 2022

Stelar Metals: SA ITR

BY EMAIL

The Directors
Stelar Metals Limited

Dear Directors,

RE: INDEPENDENT TENEMENT REPORT – SOUTH AUSTRALIA

SCOPE OF INSTRUCTIONS

1. Hetherington Legal Pty Ltd (ACN 642 301 522) (**"Hetherington Legal"**) has been instructed by Stelar Metals Limited (ACN 651 636 065) (**"Stelar Metals"**) to prepare an Independent Tenement Report (**"Report"**) for inclusion in a prospectus in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (VALMIN Code - 2015 Edition) (**"VALMIN Code"**) in relation to the following mining tenements in South Australia (**"SA"**) (collectively referred to as **"the Tenements"**).

Tenement	Status	Jurisdiction
Exploration Licence No 5792	Granted	
Exploration Licence No 6263	Granted	
Exploration Licence No 6572	Granted	South Australia
Exploration Licence No 6264	Granted	
Exploration Licence No 2021/00037	Application	
Exploration Licence No 2021/00073	Application	

2. Hetherington Legal is independent from Stelar Metals within the meaning of the VALMIN Code. The costs incurred by Hetherington Legal in preparing this Report have been calculated at the normal charge out rate.

SUMMARY OPINION

3. Following review of information previously provided to Hetherington Legal and obtained through relevant searches, and subject to the qualifications provided under this Report, it is the opinion of Hetherington Legal that:

   a) this Report provides an accurate summary of:

      (i) the status of the Tenements, including details of tenure area, expiry and renewal dates;

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(ii) details of expenditure commitments, rents, rates and security bonds applicable to the Tenements;

(iii) obligations to any third party in respect of the Tenements, including, but not limited to, mortgages, joint venture or royalty agreements; and

(iv) whether the Tenements are subject to any unusual conditions of a material nature;

(v) the status of payment of applicable rents and levies; and

b) the details of the Tenements referred to in the Schedule are accurate as to the status and registered holder of the Tenements as of dates set out above.

SOURCES OF INFORMATION

4. For the purpose of this Report, in addition to information obtained from Stelar Metals and its agents we have obtained and reviewed information from the following sources between 13 October 2021 and 13 January 2022:

- SA Department for Energy and Mining ("**DEM**" or **"Department"**);
- SA Resources Information Gateway database (**"SARIG"**);
- Department's Mining Register; and
- Department for Environment and Water's ("**DEW**") NatureMaps.

5. This advice represents the opinion of Hetherington Legal only and is subject to the proviso that the above information sources may contain errors and are not always correct. Further, some of the information contained in these searches may have changed prior to the finalisation of this Report.

6. Should Stelar Metals or any related body corporate decide to act upon any of the information contained within this Report, it is recommended that Hetherington Legal first be notified to allow the performance of up to date searches to confirm there has been no change to the status of the Tenements since the date of this Report.

REFERENCES

7. A reference to the "Mining Act" and "Mining Regulations" in this Report is to be taken as a reference to the *Mining Act 1971* (SA) (**"Mining Act"**) and the *Mining Regulations 2020* (SA) (**"Mining Regulations"**) respectively.

8. For convenience, this Report refers to tenements using the standard shorthand name for the relevant licence category as follows:

- "EL" indicates an Exploration Licence in South Australia.
- "ELA" indicates an Exploration Licence Application in South Australia
- "ML" indicates a Mining Lease
- "PELA" indicates an Petroleum Exploration Licence
- "MPL" indicates a Miscellaneous Purpose Licence

9. A reference to a 'mining tenement' generally may refer to an Exploration Licence, Mining Lease, and/or a Miscellaneous Purposes Licence, as those terms are referred to under the Mining Act, depending on the context.

THE SCHEDULE

10. A summary of the information obtained in relation to the Tenements is provided in the Schedule. Various aspects of the information obtained are also discussed below.

REGULATORY FRAMEWORK

General Legislative Framework

Exploration Licences

11. The Tenements are granted and administrated under the Mining Act and the Mining Regulations.

12. The holder of an Exploration Licence in South Australia is entitled to carry out exploration activities for all minerals and/or opal, other than extractive minerals and any other activities specified in the licence.

13. Activities on an Exploration Licence must be conducted in accordance with Part 9 of the Mining Act which describes a tenement holder's obligations to notify and consult with landowners, repair damage, reinstate disturbed areas and pay compensation for financial loss, hardship or inconvenience.

14. Further, operations must be conducted in accordance with Part 10A of the Mining Act, which ensures that authorised operations that have (or potentially have) adverse environmental impacts are properly managed to reduce those impacts as far as reasonably practicable and eliminate the risk of significant long term environmental harm and ensure that land adversely affected by authorised operations is properly rehabilitated. It requires that a person must not carry out authorised operations unless a Program for Environment Protection and Rehabilitation (**"PEPR"**) that complies with Part 10A of the Mining Act is approved by the Department in respect of the authorised operations.

Expiry and Renewal

15. Pursuant to the recent amendments to the Mining Act 1971 (**"New Act"**) which came into force from 1 January 2021, an Exploration Licence can be granted for a period up to six (6) years decided by the Minister. If the Exploration Licence is granted for a term of less than six (6) years, the licence may include the right of renewal for up to an aggregate term of six (6) years for the initial period. A licence that does not include in its terms a right of renewal, may be renewed at the Minister's discretion. Under the New Act, a renewal application is required to be lodged before the date of expiry of the licence and an application fee must be paid at the time of lodgement. An Exploration Licence can be renewed for a period of up to 18 years (i.e. three (3), six (6) year renewals).

16. Exploration Licences granted prior to 1 January 2021 will continue to be subject to the provisions of the Mining Act 1971 before the amendments (**"Old Act"**) until the expiration of five (5) years from the date on which the Exploration Licence was granted. Once the exploration licence reaches the five (5) year term, they will be deemed to have reached a period of either six (6) or twelve (12) years (dependent on how long the ground has been held under previous Exploration Licences) and thereafter fall under the New Act provisions, (see Clause 8 of Schedule 1 of the *Statutes Amendment (Mineral Resources) Act 2019* (SA) (**"Amendment Act"**)). Renewal applications under the Old Act are required to be lodged one month before expiry of the Licence and no application fee is payable upon lodgement.

17. If ground currently held under an Exploration Licence including subsequent Exploration Licences have been held for a period of more than ten (10) years in total, at the end of five (5) years from the current grant date of the Exploration Licence, the Exploration Licence will be taken to have reached twelve (12) years as mentioned above. As the maximum aggregate renewal term is eighteen (18) years, it may only be renewed for a further aggregate term of no more than six (6) years before the ground must be surrendered (see Clause 8 of Schedule 1 of the Amendment Act). This is unless a Retention Lease or Mining Lease application is lodged prior to expiry.

18. On application for renewal, at the 12th anniversary date of the licence, a mandatory 50% area reduction (as compared to the original granted licence area) is required. Any area reductions that have already taken place over the first twelve (12) years of the Licence is counted toward the 50% reduction requirement. If Retention Status is granted in relation to the licence, relief from the 12th anniversary 50% reduction (for the Retention Status area only) may be provided for.

19. Please refer to the Schedule for grant and expiry dates of the Tenements.

20. Please find below a summary of the expiry dates and type of renewal application lodged for each of the Tenements at Table 1.

Table 1: Renewal Status of the Tenements

Tenement	Expiry Date	Renewal Application Type	Renewal Application Lodgement Date
EL 5792	24 May 2021	New Act Renewal	23 April 2021*
EL 6263	4 October 2023	New Act Renewal	N/A
EL 6264	4 October 2023	New Act Renewal	N/A
EL 6572	16 December 2021	Old Act Renewal	15 November 2021
Tenement		**Application Date**	
ELA 2021/0037		3 May 2021	
ELA 2021/0073		28 June 2021	

**The renewal for EL 5792 is currently being processed by the Department, correspondence has been received by the tenement holder from the Department confirming the renewal is expected to be finalised shortly.*

CONDITIONS

21. Pursuant to Section 30 of the Mining Act, an Exploration Licence is subject to such terms or conditions as may be prescribed and to such additional terms or conditions as the Minister thinks fit and specifies in the licence. The conditions of an Exploration Licence will generally be detailed in the original Instrument of Grant and any subsequent Instrument of Grant where relevant.

22. The Minister is responsible for determining the terms and conditions under which a Exploration Licence will be granted, having regard to:

- any aspect of the environment that may be affected by the conduct of authorised operations under the tenement; and
- any other lawful activities that may be affected by those authorised operations;
- any Aboriginal sites or objects that may be affected by those authorised operations; and
- any such additional factors or matters as the Minister considers appropriate in the particular case.

23. Noteworthy additional Conditions prescribed in the Instruments of Grant are summarised in Table 2 below.

Table 2: Noteworthy Additional Licence Conditions

Tenement	Additional Conditions
EL 5792 EL 6264 EL 6263 EL 6572	**Area reduction condition** – 25% reduction where expenditure commitment not met.
EL 5792 EL 6263 EL 6264	**Petroleum Tenements** - Licence does not authorise the licence holder to undertake any activities which significantly deleteriously affect the potential for coal seam methane drainage or insitu gasification of coal within any over lapping exploration licence under the *Petroleum and Geothermal Energy Act 2000,* without the agreement of the relevant licence holder, or unless otherwise agreed by the Minister after consultation with the parties concerned.
EL 6263	Prior to commencement of any exploration activities involving the use of declared equipment or drilling equipment within the **Flinders Range Planning Area Class A and B** a PEPR in accordance with Part 10A of the Mining Act and Ministerial Determination 013, must be submitted and approved in writing by the Minister (or delegate).

Tenement	Additional Conditions
EL 6263	Landholder for **Bunker Conservation Reserve** within the Licence area is the Minister for Environment and Water (MEW). The Notice of Entry (Form 21) should be sent to the MEW. Licence holder is required to liaise closely with the District Manager to ensure particular concerns and regulations are met.
	Prior to entering **Bunkers Conservation Reserve** in order to carry out on ground exploration operations, approval must be obtained from the Director of Mines DEM, who will consult DEW. An application supported by a PEPR should be lodged with DEM. In developing the PEPR the licence holder shall have regard to the provisions of any plan of management in operation under section 38 of the *National Parks and Wildlife Act 1972*.
	Within 100m of a Park: prior to commencing any exploration activity involving the intensive use of vehicles, the use of declared equipment or drilling equipment within 100 meters of **Bunker Conservation Reserve or Ikara-Flinders Ranges National Park**, a PEPR in accordance with Part 10A of the Mining Act and MD013 shall be submitted and approved in writing by the Minister (or delegate).
EL 6264 EL 6572	Landholder for **Lake Torrens National Park** within the Licence area is the Minister for Environment and Water (MEW). The Notice of Entry (Form 21) should be sent to the MEW. Licence holder is required to liaise closely with the District Manager to ensure particular concerns and regulations are met.
	Prior to entering **Lake Torrens National Park** in order to carry out on ground exploration operations, approval must be obtained from the Director of Mines DEM, who will consult DEW. An application supported by a PEPR should be lodged with DEM. In developing the PEPR the licence holder shall have regard to the provisions of any plan od management in operation under section 38 of the *National Parks and Wildlife Act 1972*.
	In developing a PEPR, the licensee is to have refer to the provisions of any plan of management in operations under section 38 of the *National Parks and Wildlife Act 1972*
	Within 100m of a Park: prior to commencing any exploration activity involving the intensive use of vehicles, the use of declared equipment or drilling equipment within 100 meters of **Lake Torrens National Park**, a PEPR in accordance with Part 10A of the Mining Act and MD013 shall be submitted and approved in writing by the Minister (or delegate).

DEALINGS AND ENCUMBRANCES

24. ***COVID-19 Exemptions -*** A memorandum of exemption dealing was registered against all the Tenements providing exemption to the tenement holders from the obligation to comply with the expenditure commitment set out in Schedule B of their respective exploration licences. This exemption was provided in respect to the effects of the COVID-19 pandemic. For all the Tenements the exemption period expired on 31 March 2021.

25. Please refer to the Table 3 for a list of dealings and encumbrances relevant to each of the Tenements.

Table 3: Dealings and Encumbrances

Tenement	Dealing Number	Notes
EL 5792 EL 6263 EL 6264 EL 6572	50748	Transfer 100% from Resource Holdings Pty Ltd on 26 November 2021 to Resource Holdings No 1 Pty Ltd
EL 5792	41731	Notice – Form 27 (notice initiating negotiations with Native Title Parties) NT 02/2018 ERD N2/2018– Two notices lodged with DEM in 2018 and filed to ERD in 2018. Start date 30 January 2018, no expiry date.
EL 5792	41578	Agreement – Expired 11 December 2018 Evelyn Dam Exploration and Option Term Sheet between Rio Tinto Exploration Pty Limited and Resource Holdings Pty Ltd. Start date 26 July 2017.
EL 5792	405	NTMA for Exploration between Resource Holdings Pty Ltd, Rio Tinto Exploration Pty Ltd and Kokatha Aboriginal Corporation RNTBC. Start date 22 January 2018, no expiry date. Please refer to Native Title Section

26. There are no other relevant dealings and encumbrances registered against EL 5792, EL 6263, EL 6264 and EL 6572 as at 12 January 2022.

27. No dealings and encumbrances exist for ELA 2021/00037 and ELA 2021/00073 as they have not yet been granted.

WORK PROGRAMS AND EXPENDITURE

28. Section 30AAA of the Mining Act stipulates that an Exploration Licence will be subject to a minimum expenditure commitment set out in the Exploration Expenditure Policy.

29. Calculations are to be rounded to the nearest $5,000.

30. If an expenditure requirement is not met, the licence will be subject to area reductions or cancellation unless there are valid reasons for not meeting expenditure requirements.

31. Refer to the Schedule for specific area reductions for each Tenement.

32. Exploration Licence holders are required to furnish a return in a manner and form determined by the Minister that contains a statement outlining the exploration operations carried out under the Exploration Licence with a recurring period of 2 years, with the first period commencing on the date on which the Exploration Licence is granted, or a period determined by the Minister.

33. A statement outlining the exploration operations the tenement holder intends to carry put under the exploration licence must be submitted every ensuing period of 2 years, with the period commencing on the second anniversary of the date on which the exploration licence is granted, unless a period is determined by the Minister.

34. The expenditure commitments for the Tenements are provided at the Schedule. These expenditure commitments may be varied where any pending renewal applications are approved.

35. As mentioned above a covid-19 exemption has been registered against all the current tenements subject to this Report, providing exemption from the obligation to comply with the expenditure commitments set out in the tenements' respective exploration licences.

REPORTING

36. In South Australia, the holders of certain mining tenements have a statutory requirement to submit data and reports on their activities to the Department. Recent amendments to the Mining Act and Mining Regulations came into operation as of 1 January 2021. These amendments have updated the reporting requirements for tenement holders.

37. The changes to reporting requirements provide that Annual Expenditure Reports are no longer required to be lodged as a separate report. It now forms part of the Annual Technical Report (unless joint reporting applies). Where joint reporting applies, an Annual Activity Summary will be required for each individual tenement.

38. Compliance with reporting requirements is important, as these matters are considered by the Department at the time of renewal.

Annual Technical Reports

39. Subject to Schedule C of each respective licence instrument for each Tenement and Clause 78(3) of the Mining Regulations, Annual Technical Reports must be submitted to the Department annually within 60 days of each grant anniversary date of an Exploration Licence, which include details of all results, studies, activities, annual expenditure and new technical data acquired during the reporting period. The Annual Technical Report should include sufficient detail to substantiate the activities undertaken and the expenditure spent. Annual Technical Reports should be prepared in line with the *Mineral Exploration Reporting Guidelines for South Australia* (**"Reporting Guidelines SA**"). It should be noted that the DEM are in the process of updating this guideline due to the recent amendments in the Mining Act and Mining Regulations.

40. Pursuant to the amendments made to the Mining Act and the Mining Regulations, the Annual Activity Summary now forms part of the Annual Technical Report. Pursuant to Clause 78(4) of the Mining Regulations, the reporting period aligns with each 12-month period ending on the anniversary of the day on which the relevant mineral tenement was granted. Where no technical

work has been done during a reporting period, this needs to be stated in an email or letter to the Department.

41. Annual Technical Reports are required to be submitted to the Department for other types of tenements only where exploration operations have taken place on the tenement in the reporting period.

42. The DEM has confirmed that no joint reporting arrangements apply to any of the Exploration Licences the subject of this Report.

43. All Annual Technical Reports in respect of EL 5792, EL 6263, EL 6264 and EL 6572 have been received by DEM and accepted. At the date of this Report, DEM has confirmed that there are no overdue statutory reports (Annual Technical Reports, Annual Activity Summary's or Partial Surrender Reports).

44. Please refer to the Table 4 for a summary of the lodgement status of Annual Technical Reports, Annual Activity Summary.

Table 4: Summary of Lodgement Status of Annual Technical Reports and Annual Activity Summary

EL Number	Grant Date	Number of received statutory reports	Received prior to due date	Late lodgement	Overdue reports	Compliance Direction re overdue reports
EL 5792	25/05/2016	12	2	10	Nil	1
EL 6263	5/10/2018	4	2	2	Nil	1
EL 6264	5/10/2018	4	2	2	Nil	1
EL 6572	17/12/2020	Nil - First lot of reports will be due 17/02/2022			Nil	

Annual Expenditure Reports and Annual Activity Summaries

45. Prior to January 2021, an itemised statement of expenditure using the Department's template 'Annual expenditure report on mineral exploration licence' was required to be submitted to the annually within 60 days of each grant anniversary date of an Exploration Licence. The Annual Expenditure Report included details of the Exploration Licence and holder, a brief summary of exploration activities completed during the period and a detailed breakdown of expenditure for the reporting period. A separate Annual Expenditure Report had to be lodged for each Exploration Licence regardless of joint reporting status, and if no exploration was undertaken during the reporting period, an Annual Expenditure Report stating nil expenditure was to be submitted. Items which were permitted to be included in an Annual Expenditure Report was outlined in the Department's 'Earth Resources Information Sheet M05: Mineral exploration licences – general conditions, procedures and information'.

46. Starting 1 January 2021, the Annual Expenditure Report has been replaced by an Annual Activity Summary. It forms part of the Annual Technical Report but will be required to be lodged on an individual basis based on the anniversary date of the tenement. Where joint technical reporting

applies an Annual Activity Summary will be required for each individual tenement. The Annual Activity Summary is now lodged online the Department's online lodgement system.

Expenditure Returns

47. From 1 January 2021, under s 30AAA(3) of the Mining Act and clause 25 of the Mining Regulations, Exploration Licence holders are required to provide an Expenditure Return either at the end of each expenditure period, every 2 years or at the end of a period determined by the Minister. The Expenditure Return is required to be furnished within 60 days of the end of each period.

48. An Exploration Licence holder will be required to furnish a statement outlining the explorations carried out under the exploration licence and the expenditure associated with those operations plus a statement outlining the exploration operations that the tenement holder intends to carry out under the exploration licence and the expenditure that is estimated to be incurred in carrying out those operations.

49. The DEM has provided a summary of expenditure return due date status, please refer to Table 5.

Table 5: Summary of Expenditure Return Due Dates

EL Number	Grant Date	Due Date	Status
EL 5792	25/05/2016	24 July 2021	Two compliance letters sent, third to be sent out shortly.
EL 6263	5/10/2018	4 December 2021	Reminder sent 9 November 2021.
EL 6264	5/10/2018	4 December 2021	Reminder sent 9 November 2021.
EL 6572	17/12/2020	16 February 2022	Reminder not yet sent.

50. Where expenditure returns are not lodged, with disregard to any reminders or compliance letters sent to the title holder, a non-compliance will be recorded against the Exploration Licence which will be considered at the Exploration Licence's renewal.

Compliance Reports

51. Exploration Licence holders are exempted from the requirement of compliance reporting on a tenement under clause 77(2) of the SA Mining Regulation where the operations on the licence are limited to an adopted program under Section 70B(8) of the SA Mining Act and clause 65 of the SA Mining Regulations.

52. Where an approved PEPR under Part 10A of the SA Mining Act exists, compliance report must be furnished to the Minister in accordance with *MD012: Mineral Exploration Compliance Reports* terms of reference.

53. Pursuant to Clause 77(4)(a) of the SA Mining Regulation and *DEM Terms of Reference 012: Mineral Exploration Compliance Reports Notice Under Regulation 77 of the Mining Regulations 2020*, a compliance report must be submitted to the Minister within sixty (60) days of the grant anniversary date of the exploration licence.

54. The DEM has confirmed that compliance reporting for all of the Tenements are up to date as at 22 November 2021.

ANNUAL FEES

55. Rents are calculated in accordance with the area of the Exploration License and the Department's prescribed fee schedule. Rents are subject to change from 1 July each year. Rent is due annually for the period ending 30 June.

56. In accordance with Section 31 of the Mining Act and the Departments Fee Schedule, from 1 January 2021, an Annual Administrative Fee ("**AAF**") and Annual Regulation Component ("**ARC**") is payable annually and in advance.

57. The ARC is based on the zone in which the exploration licence falls within. The annual regulation fee zones are determined by the Department. The AAF is charged at a flat rate to all exploration licences.

58. Please refer to the Table 6 for a summary of which regulation fee zone each of the Tenements are located within and therefore what the regulation component charge per kilometres squared is:

Table 6: Regulation Fee Zones

Tenement	Regulation Fee Zone	Regulation Component Charge per km²
EL 5792	Zone 3	$22.90/km² (min $989)
EL 6263	Zone 1	$13.60/km² (min $587)
EL 6264	Zone 3	22.90/km² (min $989)
EL 6572	Zone 3	22.90/km² (min $989)
ELA 2021/00037	Zone 1	$13.60/km² (min $587)
ELA 2021/00073	Zone 3	22.90/km² (min $989)

**Charges are per fee schedule effective as at 1 July 2021 and subject to change*

59. The amounts payable to the South Australian Government for the 2020/2021 financial year are detailed in the Schedule.

60. The DEM has confirmed that invoices issued for Annual Fees for all of the Exploration Licences subject to this Report are paid in full as at 12 January 2022.

OVERLAPPING TENEMENTS AND EXCLUSIONS

61. Section 80 of the Mining Act provides a range of circumstances under which land may simultaneously be subject to more than one tenement. This includes where the holder of the existing tenement has consented to the grant or pegging out of a claim, lease or miscellaneous purposes licence over any portion of the land comprising the existing tenement. This section was enacted under the New Act effective as of 1 January 2021. Prior to this date, overlapping tenements were not permitted.

62. Following review of the current data available in SARIG, Table 7 details whether there are any overlapping tenements or tenement applications in respect of each of the Tenements to the subject of this Report.

Table 7: Overlapping Tenements

Tenement	Overlapping tenements
EL 5792	PELA 602
EL 6263	ML 5691, MPL 41, MPL 40, PELA 578
EL 6264	N/A
EL 6572	N/A
ELA 2021/00037	N/A
ELA 2021/00073	N/A

ENVIRONMENTAL REQUIREMENTS

Program for Environment Protection and Rehabilitation

63. Part 10A of the Mining Act requires that exploration licence holders have an approved PEPR before undertaking any exploration activities.

64. Where exploration is in the initial "low impact" exploration phase which include reconnaissance, soil sampling, geological mapping, geophysical surveys, rock-chip sampling and sampling using hand-held augers to identify small 'target' areas, these activities require exploration licence holders to adopt the *generic PEPR for low impact mineral exploration in South Australia*. Exploration licence holders which only conduct 'low impact' exploration activities are required to download and conduct activities in accordance with the low impact PEPR as determined by the Minister.

65. Where exploration activities do not fall within the ambit of the Department's Low Impact PEPR as defined above, tenement holders must apply to the Minister for an approved PEPR in accordance with section 70B(2) of the Mining Act. Tenement holders must not undertake any authorised operations other than in accordance with an approved PEPR. Authorised operations are classified as exploration operations, mining operations or ancillary operations. For all exploration activities that involve drilling and/or the use of declared equipment (e.g. earthmoving equipment) a PEPR must be submitted to the Department for assessment.

66. PEPR's can be submitted for approval for up to 12 months or where there is an ongoing project they may be approved for the term of the exploration licence.

67. Exploration licence holders must provide the Department with a program notification twenty one (21) days prior to the commencement of a PEPR. The program notification must outline the activities to be undertaken and be consistent with the approved PEPR. The Department will conduct an assessment of activities conducted under the program notification to ensure consistency with the approved PEPR.

68. A development program approved under Regulation 9 of the *Mines and Works Inspection Regulations 2013* (SA) and in force immediately before the commencement of section 70DD of the Mining Act will be taken to be an approved PEPR pursuant to Part 10A of the Mining Act.

69. The DEM has confirmed that there was a PEPR lodged and approved for EL 5792 in 2017 for 3 RM/DD holes on the Evelyn Damn Project. A single drill hole was completed in March 2018 and the activity was reported in the company's exploration compliance report that year. The drill site and access route was subsequently inspected and rehabilitation was confirmed in quarter four of 2018.

70. There are no PEPRs lodged in respect of the other tenements, EL 6263, EL 6264 or EL 6572.

Security Bond

71. In accordance with Section 62 of the Mining Act, the Minister may, at any time by notice in writing, require the holder of an Exploration Licence to enter a security bond for fulfillment of any future obligations or liabilities that may arise in relation to the carrying out of mining operations or satisfying of rehabilitation requirements.

72. The bond requested will generally cover the full cost of the rehabilitation, along with contingencies, and must be lodged prior to commencement of mining. This is to ensure the community is not left with the financial liability for rehabilitation should the tenement holder forfeit the lease due to financial difficulties.

73. A security bond will be required to be paid before a title holder can commence on ground work depending on the extent and complexity of exploration operations to be completed. Where a PEPR is applied for which includes for example, impacts to environmentally sensitive areas or has extensive ground disturbance, then a security bond will be required to be lodged before commencement of the work and approval of the PEPR. However, where a PEPR is applied for in respect of non-extensive work and has minimal disturbance to the ground and sensitive receptors, a security bond will generally not be required to be lodged before the approval of the PEPR.

74. Note that in accordance with clause 62(2)(a)(iii) of the Mining Regulations, Minister's consent to the transfer of an Exploration Licence will only operate subject the applicant's capacity to replace any bond or security in place under s 62 of the Mining Act in respect of the Exploration Licence. Resolution may be in the form of a replacement security bond being lodged, or the existing bond being transferred with the Exploration Licence into the name of the transferee.

75. Upon review of the Mining Register Extract for each Exploration Licence, it appears that none of the Exploration Licences have a security bond held by the Department.

UNDERLYING LAND TYPES AND LAND ACCESS

Reserves

76. Generally, Section 43(1) of the *National Parks and Wildlife Act 1972* (SA) (**"NPW Act"**) provides that rights of entry, prospecting, exploration, or mining cannot be acquired or exercised in respect of land that constitutes a reserve. Notwithstanding this, Section 43(2) of the NPW Act authorises the Governor to, by proclamation, declare that subject to any conditions specified, certain exploration and mining activities may be undertaken within the area of particular reserves. Reserves under the NPW Act include any national parks, conservation parks, game reserves, recreation parks or regional reserves constituted under the NPW Act.

77. Reserves which are proclaimed with access for exploration and mining (known as joint proclamation) include conditions which vary depending upon the particular reserve. Generally,

consultation with the Department for Environment and Water (**"DEW"**) is required before the holder of an Exploration Licence may exercise any rights within the area of a reserve, and a notice period is also often prescribed. Where an exploration licence falls within the ambit of a reserve the tenement will usually provide conditions which need to be followed in respect of conducting operations near or within the reserve area.

78. EL 6263 falls within the Bunkers Reserve and EL 6264 falls within Lake Torrens National Park each tenement has specific conditions relating to the reserves which are in proximity to the exploration licences. Refer to *Appendix 1 – Reserves NatureMaps* for maps of each of the tenements showing proximity to the Reserves. Please refer to the Conditions section of this Report, Table 2 for further details on specific conditions.

Native Vegetation Heritage Agreement Areas

79. A Native Vegetation Heritage Agreement Area (**"NVHAA"**) is an area subject to a contract between a landholder and the South Australia Government relating to the protection of a particular species of vegetation. NVHAAs can be identified by obtaining copies of the title search for a particular land parcel within an Exploration Licence and are often referred to in Exploration Licence conditions. Exploration within a NVHAA requires consultation with DEW.

80. Upon review of the SARIG database and maps there are no NVHAA's encroaching any of the Exploration Licences subject to this report. Please refer to *Appendix 2 – NVHAA SARIG Maps* showing no encroachments on NVHAA's. Further, upon review of the Instruments of grants for the EL's, there are no conditions of title related to NVHAs.

Nationally Important Wetlands

81. Wetlands of national significance are another example of an environmentally sensitive location which may require additional consultation with DEW.As noted above, EL 6264 encroaches on Lake Torrens which is a Nationally important wetland.

82. EL 6264 and EL 6572 falls within the Nationally Important Wetland, Lake Torrens. Each of the respective licences have specific conditions relating to the Nationally Important Wetland which are in proximity to the exploration licence. Please refer to *Appendix 3 – Nationally Important Wetland* for maps of each of the tenements showing proximity to Nationally Important Wetlands. Please refer to the Conditions section of this Report, Table 2 for further details on specific conditions.

Access and Compensation

83. Unless an agreement is in place with the landholder, the holder of an Exploration Licence must give a landholder at least forty two (42) days' notice before first entering land to carry out exploration. The prescribed notice form shall be served on the landholder personally or by post, in accordance with Section 58A(1) of the Mining Act. As mentioned previously, notice under Section 58A is not required if the Exploration Licence holder has entered into an agreement with the landholder. Whilst entry into an agreement with the landholder is optional, it is strongly encouraged so that the rights and responsibilities of each party are clear and fully understood.

84. The owner of any land upon which mining operations are carried out is entitled to compensation for any economic loss, hardship and inconvenience suffered as a consequence of the mining operations under Section 61 of the Mining Act. The amount of compensation is to be determined by agreement between the titleholder and the landholder, or in default of agreement, by the appropriate court.

85. There are a number of areas prescribed by Section 9 of the Mining Act which are considered 'exempt land', such as any yard, garden, cultivated field, vineyard, areas within 400 metres of a

building or structure used as a place of residence and areas within 150 metres of a spring, well, reservoir, dam or building/structure that is worth $2,500 or more and is used for an industrial or commercial purpose.

86. Pursuant to Section 9AA of the Mining Act, if an Exploration Licence holder wishes to conduct activities within land that constitutes an 'exempt area', a request for a waiver of exemption must be served on the owner of the exempt land, and an agreement to waive the exemption must subsequently be entered into between the owner and the Exploration Licence holder.

87. Additionally, where an Exploration Licence holder wishes to use 'declared equipment', notice must be served on the landholder at least 42 days prior to commencement of the activity in accordance with Section 58A(2) of the Mining Act. The term 'declared equipment' is now incorporated in the definitions under Section 6(1a) of the Act which means exploration operations "which involve the use of declared equipment." Examples of declared equipment includes a trench digger or excavator and any mechanically driven machinery capable of drilling to depths of greater than 2.5 metres below the ground.

NATIVE TITLE

88. 'Native Title land' is defined in the *Native Title (South Australia) Act 1994* (SA) (**"SA NTA"**) and exploration on Native Title land detailed in accordance with Part 9B of the SA Mining. The NTA Act defines 'Native Title land' as land in respect of which Native Title exists or might exist, but does not include land found or declared by the Supreme Court or the Environment, Resources and Development Court (**"ERD Court"**) not to be subject to Native Title, or land found or declared by a competent authority under a law of the Commonwealth not to be subject to Native Title.

89. Native Title is considered to be extinguished on a particular land parcel where certain past acts have taken place, such as certain grants of freehold estate and perpetual leases. Pursuant to Section 63J of the Mining Act, the holder of an Exploration Licence also has a right to seek a declaration that a particular land parcel is not subject to Native Title by making an application to the ERD Court.

90. If Native Title has not been extinguished in relation to a particular land parcel, Part 9B of the Mining Act sets out the relevant procedures which must be followed prior to conducting mining or exploration activities on the 'Native Title land' and offers an alternative process to that offered under the *Native Title Act 1993* (Cth) (**"Cth NTA"**).

91. The primary Native Title process under Part 9B of the Mining Act are:

    - Negotiation of a 'Native Title Mining Agreement'; and
    - ERD Court determination authorising the operations (where agreement cannot be reached).

92. Further information regarding the above Native Title processes under Part 9B of the Mining Act, the NTA and/or the Cth NTA can be provided upon instruction.

93. To meet the Future Act provisions of the NTA, an applicant may elect the following at the time of application:

    - Undertake the RTN process with the Native Title party/parties;
    - Reach an agreement by way of an Indigenous Land Use Agreement with the Native Title party/parties; or

- Excise all Crown Land from the application, except those areas where Native Title has been extinguished; or

- Retain Crown Land and comply with the relevant land use activity agreement under the *Traditional Owner Settlement Act 2010* (SA).

94. Tenements originally granted before 23 December 1996 are often exempt from the requirement to go through Native Title processes such as the RTN process, pursuant to Section 26D of the Cth NTA. This is provided that:

- The area of the tenement is not extended;

- Any renewal term of the tenement is not longer than the original term granted; and

- No rights are created in connection with the tenement which were not created in connected with the grant of the tenement.

95. Table 8: Native Title Determinations provides detail of any overlap of Native Title on Tenements.

Table 8: Native Title Determinations

Tenement	As At	Feature Area SqKm	Overlapping Native Title Feature				
			NNTT File Number	Name	Category	Overlap Area SqKm	% Selected Feature
EL5792	22/12/2021	134.1365	SCD2014/004	Kokatha People (Part A)	Determinations	134.1365	100.00%
			SI2014/011	Kokatha Native Title Claim Settlement ILUA	ILUAs	134.1365	100.00%
EL6263	22/12/2021	189.6144	SCD2009/003	Adnyamathanha People No. 1 (Stage 1)	Determinations	189.6142	100.00%
			SI2012/005	Adnyamathanha Mineral Exploration ILUA	ILUAs	189.6142	100.00%
			SI2014/005	Adnyamathanha Settlement ILUA	ILUAs	189.6145	100.00%
EL6264	22/12/2021	992.0812	SCD2009/003	Adnyamathanha People No. 1 (Stage 1)	Determinations	328.1983	33.08%
			SCD2014/004	Kokatha People (Part A)	Determinations	84.8977	8.56%
			SI2012/005	Adnyamathanha Mineral Exploration ILUA	ILUAs	328.1983	33.08%
			SI2014/005	Adnyamathanha Settlement ILUA	ILUAs	328.1983	33.08%
			SI2014/011	Kokatha Native Title Claim Settlement ILUA	ILUAs	84.8976	8.56%
EL6572	22/12/2021	221.6409	SCD2009/003	Adnyamathanha People No. 1 (Stage 1)	Determinations	0.0067	0.00%
			SI2012/005	Adnyamathanha Mineral Exploration ILUA	ILUAs	0.0067	0.00%
			SI2014/005	Adnyamathanha Settlement ILUA	ILUAs	0.0067	0.00%
ELA2021/00037	22/12/2021	454.6297	SCD2009/003	Adnyamathanha People No. 1 (Stage 1)	Determinations	401.6576	88.35%
			SCD2014/001	Adnyamathanha No 1 - Stage 2	Determinations	6.7148	1.48%
			SCD2018/002	Adnyamathanha, Ngadjuri and Wilyakali Overlap Claim	Determinations	45.4023	9.99%
			SI2012/005	Adnyamathanha Mineral Exploration ILUA	ILUAs	401.6576	88.35%
			SI2014/005	Adnyamathanha Settlement ILUA	ILUAs	408.3806	89.83%
ELA2021/00073	22/12/2021	171.8235	SCD2014/004	Kokatha People (Part A)	Determinations	171.8235	100.00%
			SI2014/011	Kokatha Native Title Claim Settlement ILUA	ILUAs	171.8235	100.00%

96. There is a current Native Title Mining Agreement between Resource Holdings Pty Ltd, Rio Tinto Exploration Pty Ltd and the Kokatha Aboriginal Corporation RNTBC as registered against EL5792 on the mining register as noted at the Dealings and Encumbrances Section, Table 3 of this report.

97. The Agreement provides details on Mining Exploration Operations which are allowed to be undertaken by the holder of the tenements subject to the agreement and other parties included in the agreement. It notes the obligations of both the Explorer and the Kokatha People. The agreement is confidential in nature hence, a summary cannot be provided in this Report.

HERITAGE

98. Pursuant to the *Aboriginal Heritage Act 1988* (SA) ("**Heritage Act**"), an Aboriginal site or object is an area of land or an object that is of significance according to Aboriginal tradition, archaeology, anthropology or history.

99. Aboriginal sites and objects are recorded on the Register of Aboriginal Sites and Objects, which forms part of the Central Archive and is maintained by the Department of the Premier and Cabinet.

100. We have undertaken the above mentioned Aboriginal Sites search for the Tenements subject to this Report. Refer to the table below for further details. We advise conducting Aboriginal Site Searches before any exploration activities are commenced as they are subject to change.

101. Table 9: Aboriginal Sites contains a summary of the abovementioned search results.

Table 9: Aboriginal Sites

Tenement	Aboriginal Sites Contained in Tenement
EL 5792	No entry of Aboriginal Sites
EL 6263	One registered Aboriginal Site within Tenement,
EL 6264	One reported Aboriginal Site within Tenement,
EL 6572	One reported Aboriginal Site within Tenement
ELA 2021/00037	Three reported Aboriginal Site within Tenement,
ELA 2021/00073	One registered Aboriginal Site within Tenement, Two reported Aboriginal Site within Tenement,

102. Pursuant to Section 23 of the Heritage Act, it is an offence to damage, disturb or interfere with any Aboriginal site or object. Where it is not possible to avoid damaging, disturbing or interfering with an Aboriginal site or object, application must be made to the Minister for authorisation to do so in accordance with Section 23 of the Heritage Act. These provisions apply irrespective of whether an Aboriginal site or object is recorded on the Register of Aboriginal Sites and Objects.

103. When submitting a PEPR for approval to the Department to conduct ground disturbing activities under the Mining Act, applicants are required to address Aboriginal heritage management.

104. The Heritage Act requires registers of Aboriginal heritage matters to be maintained. Due to these registers containing culturally sensitive and confidential information, the information contained may be subject to confidentiality requirements and therefore has not been included in this Report. Due diligence, including (if available) searches of the registers should be undertaken prior to commencing any work on the Tenements.

QUALIFICATIONS

105. The content of this Report has been prepared and is provided subject to the following qualifications.

- Unless apparent from the Searches or the information provided to us, we have assumed compliance with the necessary requirements under the Mining Act and Mining Regulations.
- This Report does not cover any third-party interests that are not apparent in the searches or the information provided to us.
- Commentary in relation to the third-party interests is based off the information provided in the Searches, which is assumed to be accurate.
- We have not provided commentary with respect to rates issued outside the scope of the Mining Act or Mining Regulation, such as rates imposed by local councils.
- Native title or Aboriginal cultural or heritage sites may exist over areas covered by the Tenements and we have not conducted any independent investigations to determine the existence of native title or Aboriginal cultural or heritage sites over the Tenements for the purpose of this Report.
- We have not conducted any searches or offered any comment with respect to environmental approvals or restrictions beyond the general information provided in this Report.
- We do not provide any opinion as to whether any applications to renew the Tenements will be granted or the conditions and obligations imposed upon the renewal of the licences.
- The information in the Schedule is accurate as at the date the relevant searches were undertaken. This information is subject to change at any time.

GENERAL

Should you have any queries or require any further information in relation to the above or any other tenement matter, please do not hesitate to contact the undersigned at your earliest convenience.

Yours faithfully,

Hetherington Legal

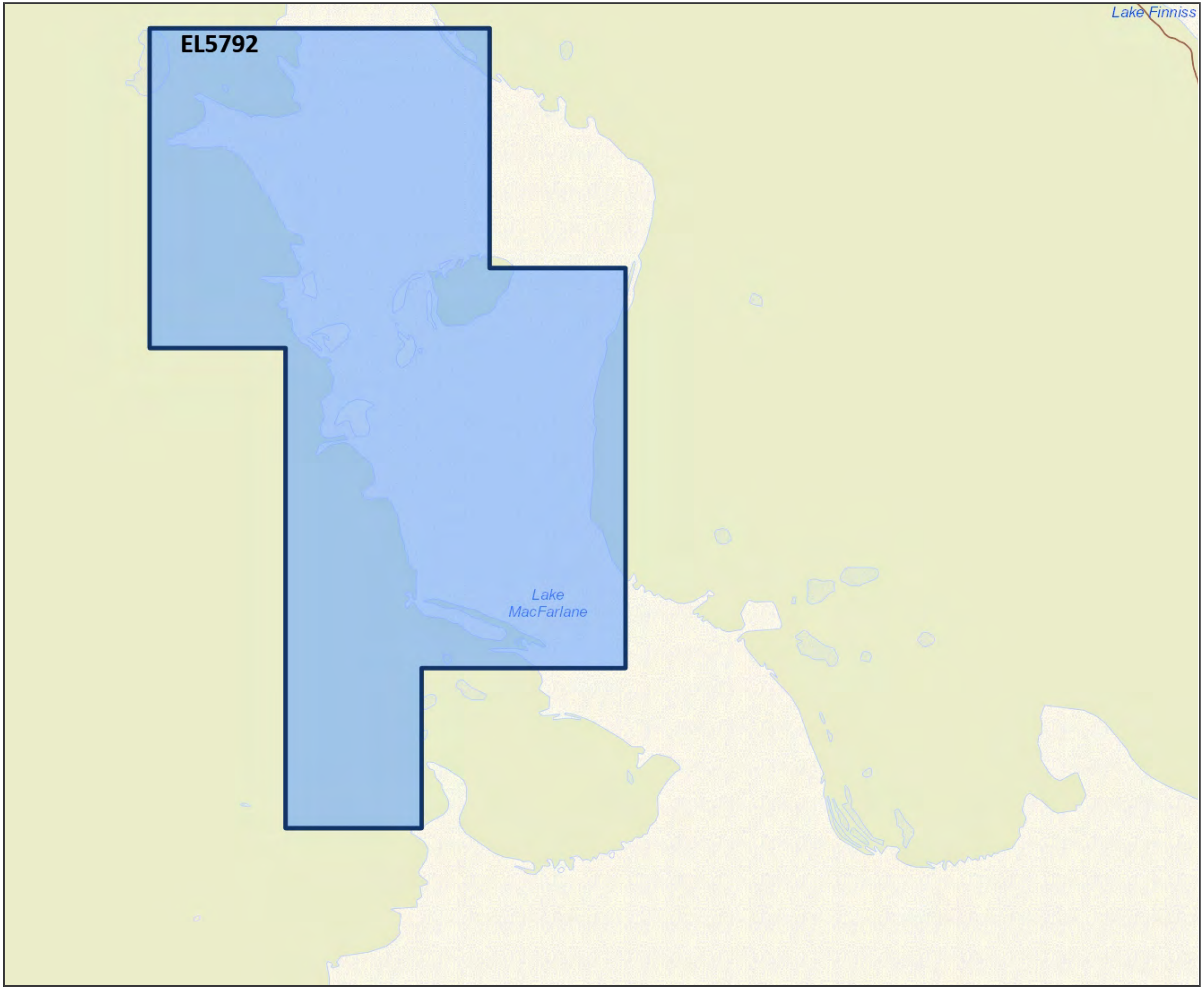
HETHERINGTON LEGAL PTY LTD

TENEMENT SCHEDULE

Tenement	Status	Registered Holder / Applicant	Grant Date (Original)	Grant Date (Current)	Expiry Date	Minerals	Area	Annual Regulation Fee	Annual Admin Fee	Current Expenditure Commitment	Area Reduction Requirement	Registered Encumbrances	Native Title Determinations	Third Party Overlapping Tenements	Security Bond
EL 5792	Current	Resource Holdings No 1 Pty Ltd (100%)	25 May 2016	25 May 2016	24 May 2021 (**Renewal Pending)***	All minerals except extractive minerals or precious stones (Minerals sought: Iron Ore; Gold; Copper)	134km^2	$3,068.60	$178.00	$90,000 (2 year term)	25%	Notice – Form 27 Agreement Mining Native Title Agreement	SCD2014/004: Kokatha People (Part A)	PELA 602	$0
EL 6263	Current	Resource Holdings No 1 Pty Ltd (100%)	5 October 2018	5 October 2018	4 October 2023	All minerals except extractive minerals or precious stones (Minerals sought: Zinc)	190km^2	$2,584.00	$178.00	$100,000 (2 year term)	25%	N/A	SCD2009/001 - Adnyamathanha People No. 2	ML 5691, MPL 41, MPL 40, PELA 578	$0
EL 6264	Current	Resource Holdings No 1 Pty Ltd (100%)	5 October 2018	5 October 2018	4 October 2023	All minerals except extractive minerals or precious stones (Minerals sought: Copper)	992km^2	$22,716.80	$178.00	$125,00 (1 year term) Shortfall of $177,000 from previous term.	25%	N/A	SCD2014/004: Kokatha People (Part A) SCD2009/003: Adnyamatharha People No 1 (Stage 1)	N/A	$0
EL 6572	Current	Resource Holdings No 1 Pty Ltd (100%)	17 December 2020	17 December 2020	16 December 2021 **(Renewal Pending)**	All minerals except extractive minerals or precious stones (Minerals sought: Iron Ore; Gold; Copper)	222km^2	$5,083.80	$178.00	50,000 (1 year term)	25%	N/A	SCD2009/003: Adnyamatharha People No 1 (Stage 1)	N/A	$0
Tenement	**Status**	**Registered Holder / Applicant**	**Application Date**			**Minerals**	**Area**	**Annual Regulation Fee**	**Annual Admin Fee**	**Current Expenditure Commitment**	**Area Reduction Requirement**	**Registered Encumbrances**		**Third Party Overlapping Tenements**	**Security Bond**
ELA 2021/0037	Pending Grant	BR1 Holdings Pty Ltd	3 May 2021			All minerals excluding opal (Minerals sought: Copper)	455km^2	$6,188.00	$178.00	N/A	N/A	N/A	SCD2009/003: Adnyamatharha People No 1 (Stage 1) SCD2014/001: Adnyamatharha People No 1 (Stage 2) SCD2018/002: Adnyamathanha, Ngadjuri and Wilyakali Overlap Claim	No overlapping tenements	N/A
ELA 2021/0073	Pending Grant	BR1 Holdings Pty Ltd	18 June 2021			All minerals excluding opal (Minerals sought: Copper)	172 km^2	$3,938.80	$178.00	N/A	N/A	N/A	SCD2014/004: Kokatha People (Part A)	No overlapping tenements	N/A
						Total	**2,165 km^2**	**$43,578.60**	**$1,068**	-	-	-		-	-

* *The renewal for EL 5792 is currently being processed by the Department, correspondence has been received by the tenement holder from the Department confirming the renewal is expected to be finalised shortly.*

APPENDIX 1 – RESERVES NATUREMAPS



SA's Marine Park Zoning Co-ordinates

Shore-based Recreational Line Fishing Allowed

All Year

1 May to 31 October (inclusive)

NPWSA Reserves (Outlines)

SA's Marine Park Network

Ramsar Reserves

Special Purpose Areas

Special Purpose Area (Shore-based Recreational Fishing Allowed)

Significant Economic Development

Harbor Activities

Transhipment

Anchoring

Submarine Cables and Pipelines

Murray Mouth Dredging

Defence Prohibited Area

Aquaculture

Shipwreck Aquatic Reserves

Dolphin Sanctuary

Netting Closures

Biosphere Reserves

Aquatic Reserves

N

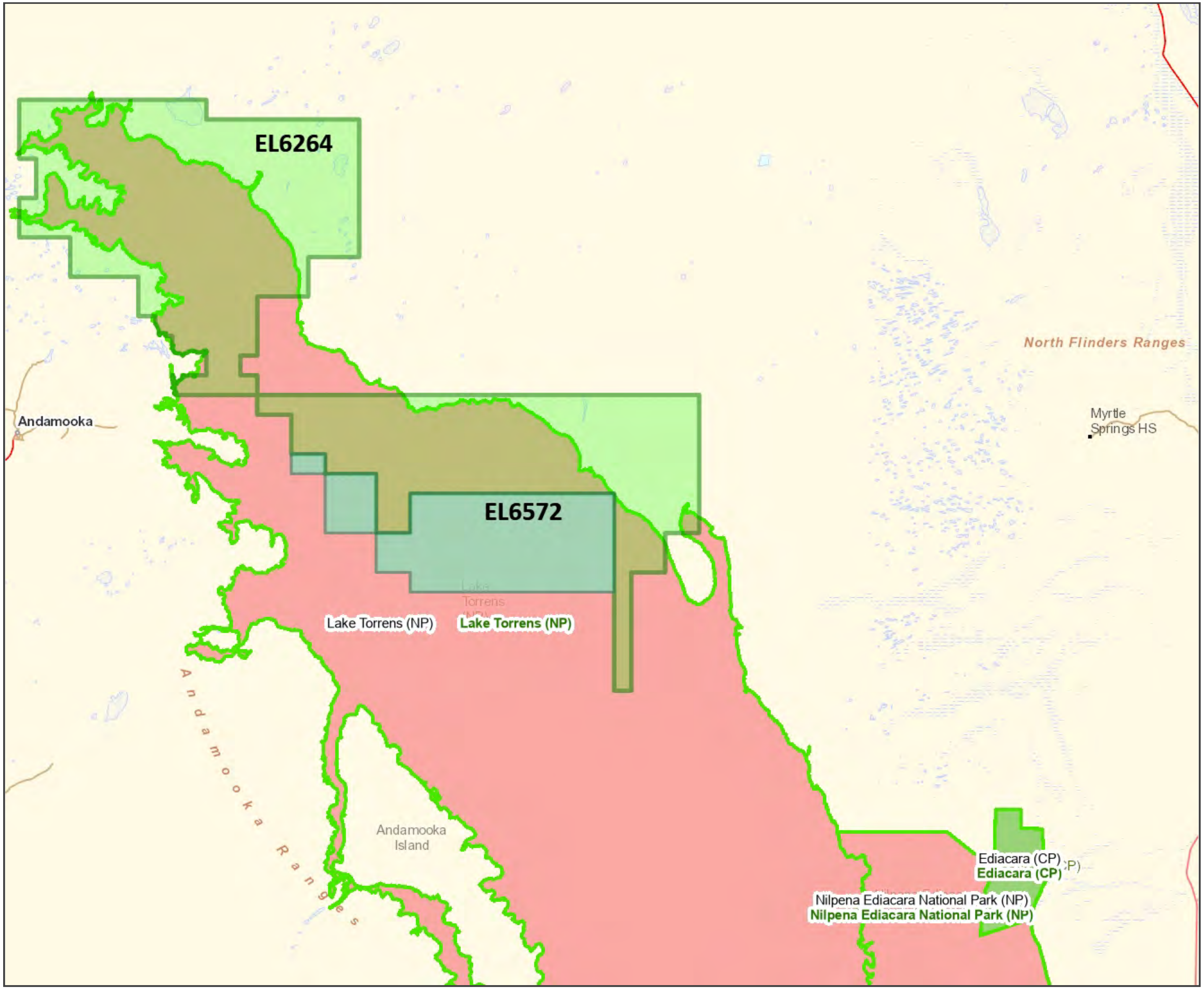
0 6

Kms

Compiled:	2-Dec-2021
Generated at:	www.naturemaps.sa.gov.au
Datum:	Geocentric Datum of Australia, 1994
Projection:	Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

Map data is compiled from a variety of sources and hence its accuracy is variable.



NPWSA Reserves (Outlines)
Ramsar Reserves
Biosphere Reserves

Npwsa Reserves
- Conservation Parks
- Conservation Reserves
- Game Reserves
- National Parks
- Recreation Parks
- Regional Reserves
- Wilderness Protection Areas

N

0 24
Kms

Compiled:	2-Dec-2021
Generated at:	www.naturemaps.sa.gov.au
Datum:	Geocentric Datum of Australia, 1994
Projection:	Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

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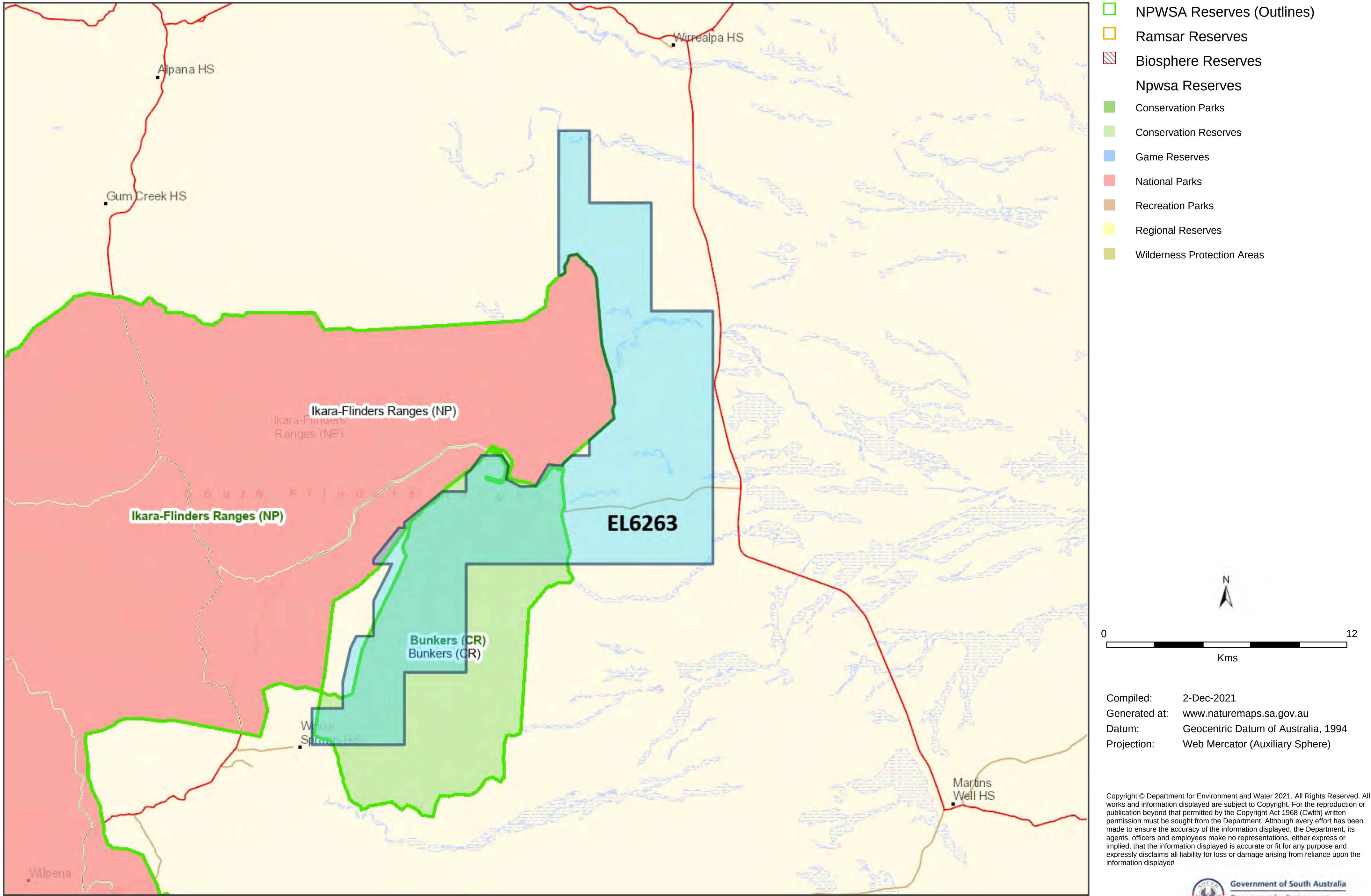

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Generated at: www.naturemaps.sa.gov.au
Datum: Geocentric Datum of Australia, 1994
Projection: Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

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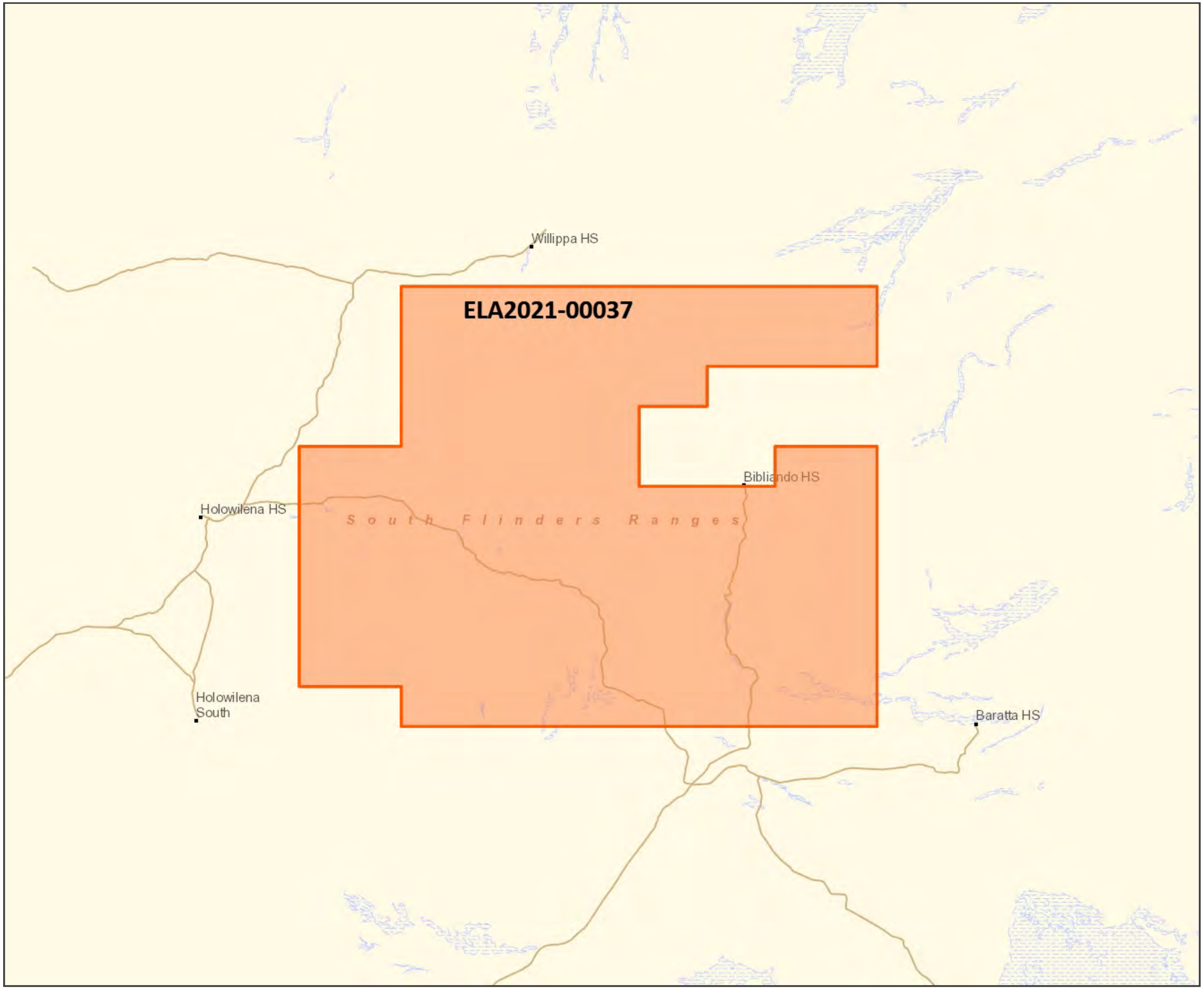

SA's Marine Park Zoning

Shore-based Recreational

All Year

1 May to 31 October (inclusive)

NPWSA Reserves (Outlines)

SA's Marine Park Network

Ramsar Reserves

Special Purpose Areas

Special Purpose Area (Shore-based Recreational Fishing Allowed)

Significant Economic Development

Harbor Activities

Transhipment

Anchoring

Submarine Cables and Pipelines

Murray Mouth Dredging

Defence Prohibited Area

Aquaculture

Shipwreck Aquatic Reserves

Dolphin Sanctuary

Netting Closures

Biosphere Reserves

Aquatic Reserves

N

0 12

Kms

Compiled:	2-Dec-2021
Generated at:	www.naturemaps.sa.gov.au
Datum:	Geocentric Datum of Australia, 1994
Projection:	Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

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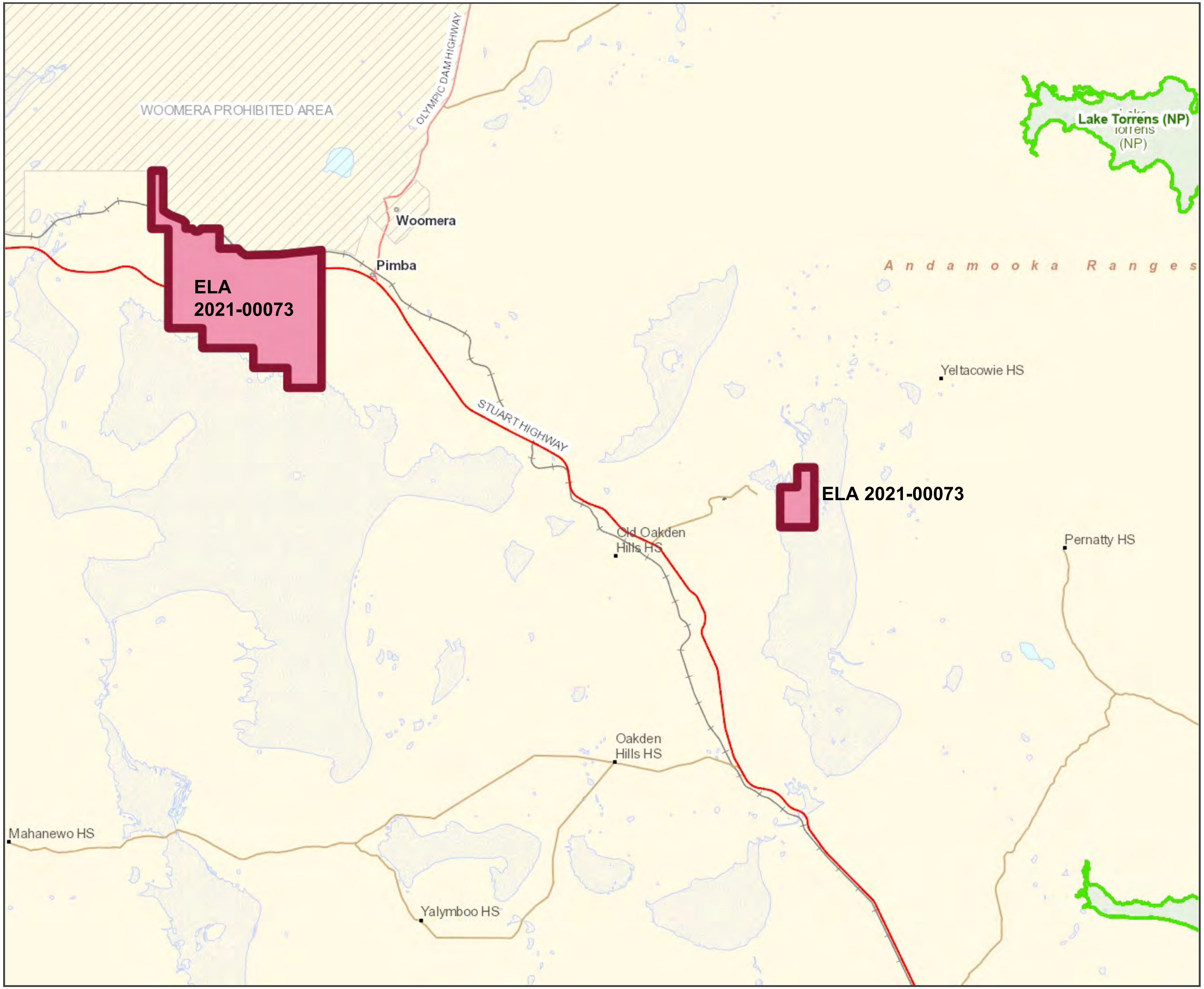

SA's Marine Park Zoning Co-ordinates
NPWSA Reserves (Outlines)
SA's Marine Park Network
Ramsar Reserves
Special Purpose Areas
Special Purpose Area (Shore-based Recreational Fishing Allowed)
Special Purpose Area (Recreational Fishing Allowed)
Significant Economic Development
Harbor Activities
Transhipment
Anchoring
Submarine Cables and Pipelines
Murray Mouth Dredging
Defence Prohibited Area
Aquaculture
Shipwreck Aquatic Reserves
Netting Closures
Sanctuaries
Biosphere Reserves
Aquatic Reserves
Aboriginal Trad. Use Zones
Conservation Zone

N

0 24
Kms

Compiled:	12-Jan-2022
Generated at:	www.naturemaps.sa.gov.au
Datum:	Geocentric Datum of Australia, 1994
Projection:	Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

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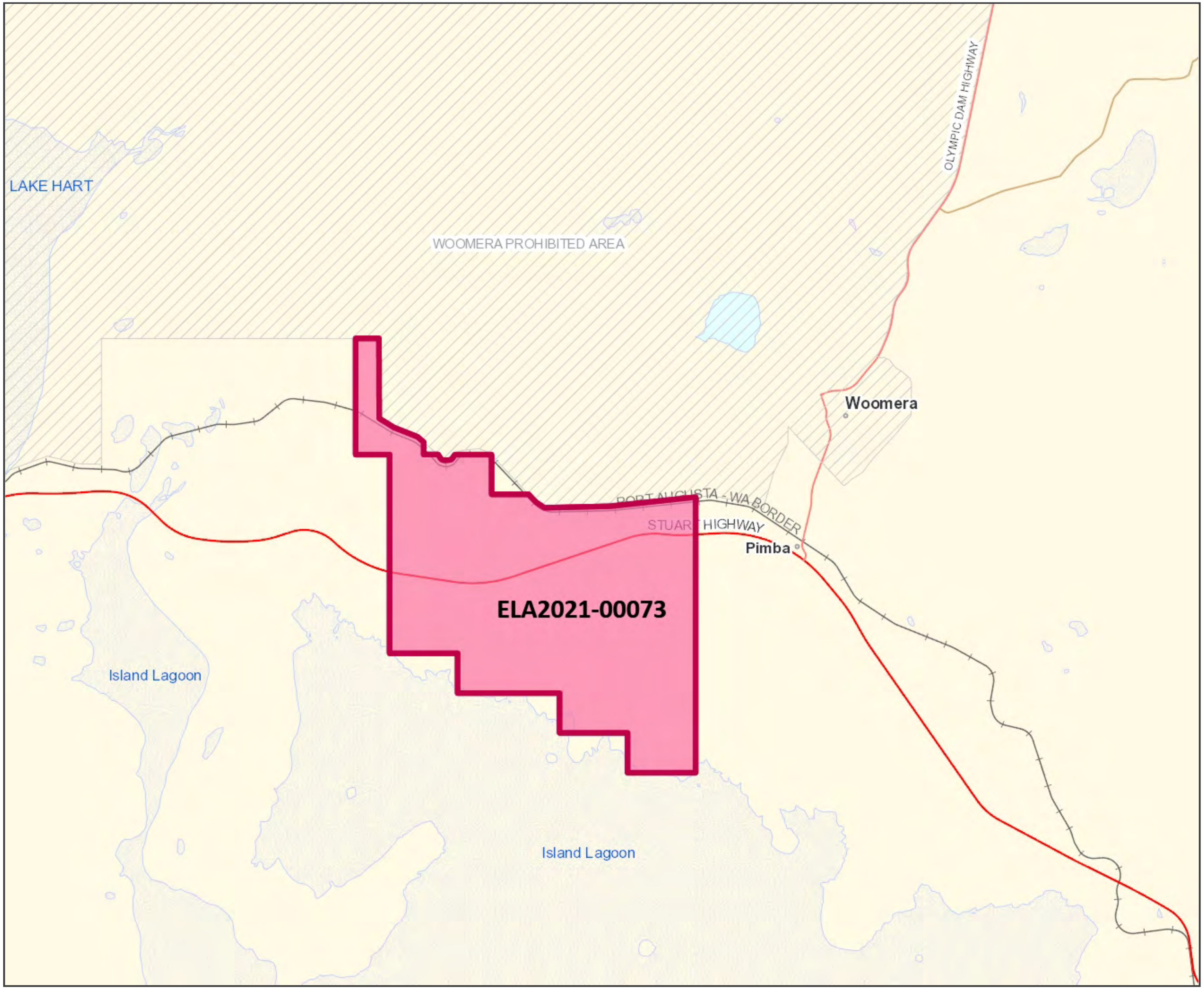


SA's Marine Park Zoning

Shore-based Recreational

All Year

1 May to 31 October (inclusive)

NPWSA Reserves (Outlines)

SA's Marine Park Network

Ramsar Reserves

Special Purpose Areas

Special Purpose Area (Shore-based Recreational Fishing Allowed)

Significant Economic Development

Harbor Activities

Transhipment

Anchoring

Submarine Cables and Pipelines

Murray Mouth Dredging

Defence Prohibited Area

Aquaculture

Shipwreck Aquatic Reserves

Dolphin Sanctuary

Netting Closures

Biosphere Reserves

Aquatic Reserves

N

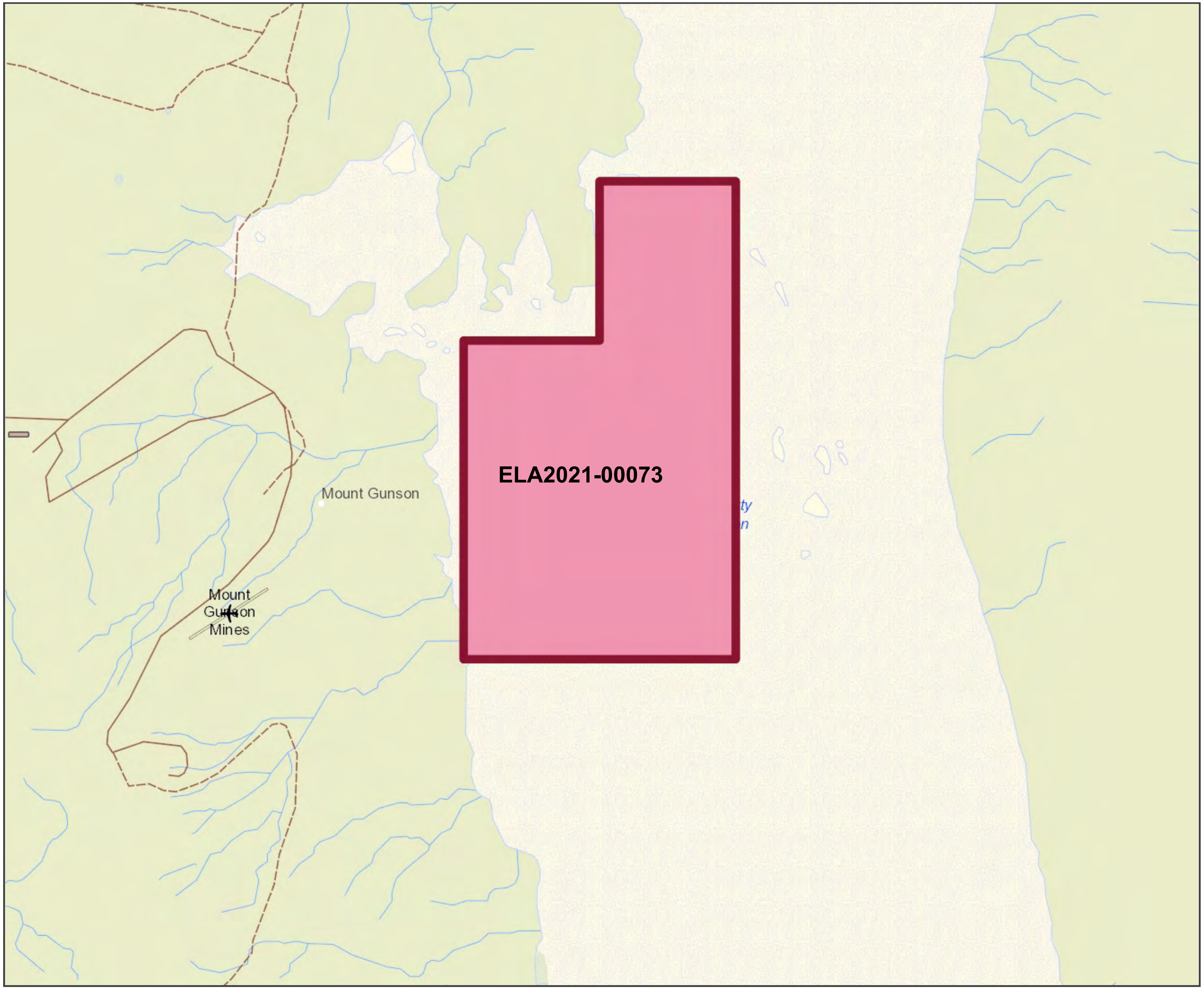
0 12

Kms

Compiled:	2-Dec-2021
Generated at:	www.naturemaps.sa.gov.au
Datum:	Geocentric Datum of Australia, 1994
Projection:	Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

Map data is compiled from a variety of sources and hence its accuracy is variable.



SA's Marine Park Zoning Co-ordinates
NPWSA Reserves (Outlines)
SA's Marine Park Network
Ramsar Reserves
Special Purpose Areas
Special Purpose Area (Shore-based Recreational Fishing Allowed)
Special Purpose Area (Recreational Fishing Allowed)
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Submarine Cables and Pipelines
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Defence Prohibited Area
Aquaculture
Shipwreck Aquatic Reserves
Dolphin Sanctuary
Netting Closures
Sanctuaries
Biosphere Reserves
Aquatic Reserves
Aboriginal Trad. Use Zones

N

0 3.0
Kms

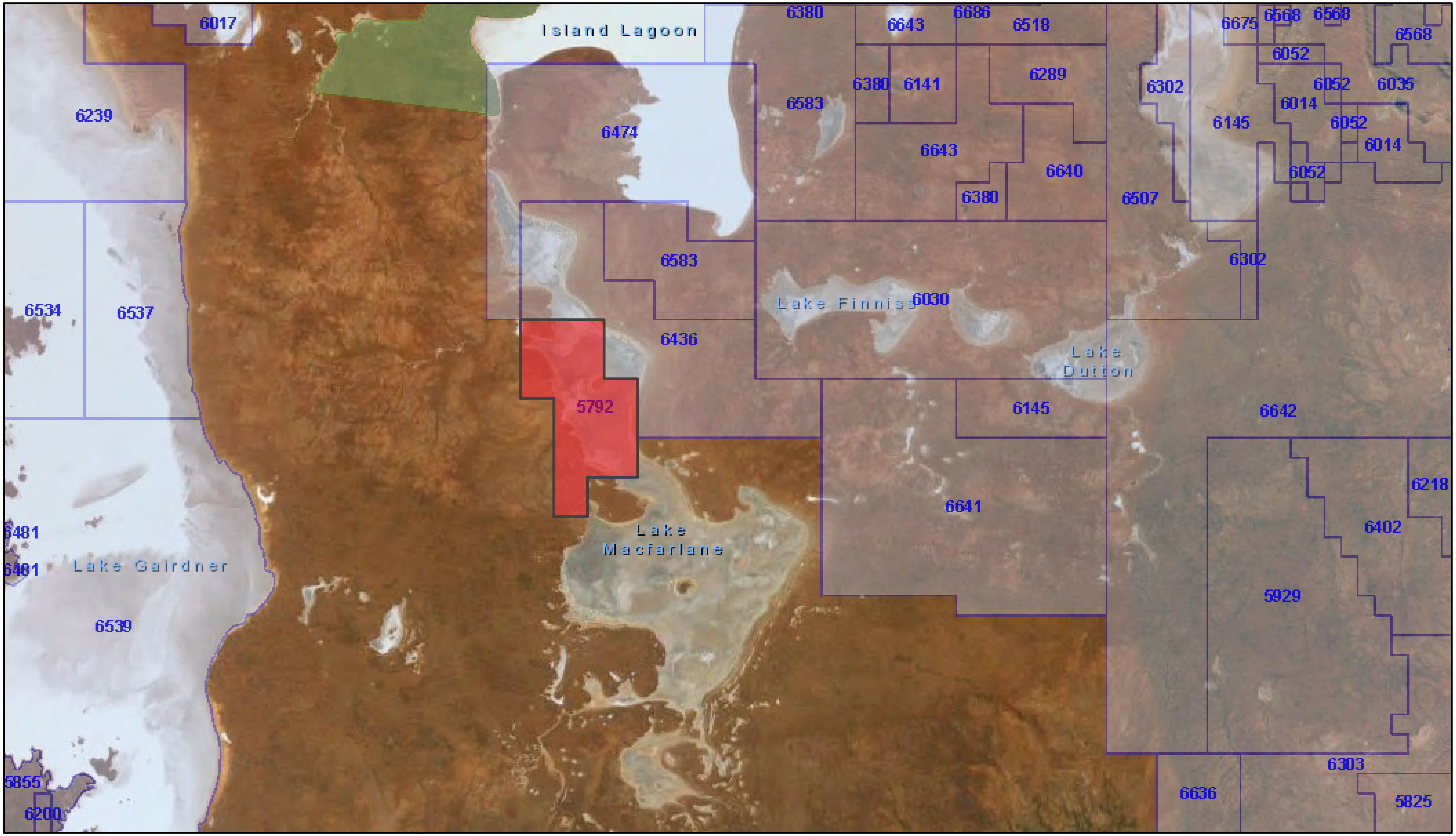
Compiled: 12-Jan-2022
Generated at: www.naturemaps.sa.gov.au
Datum: Geocentric Datum of Australia, 1994
Projection: Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

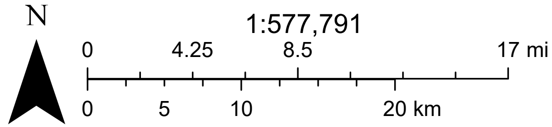
Map data is compiled from a variety of sources and hence its accuracy is variable.

APPENDIX 2 - NHVAA SARIG MAPS

Native Vegetation Areas - EL5792



December 2, 2021



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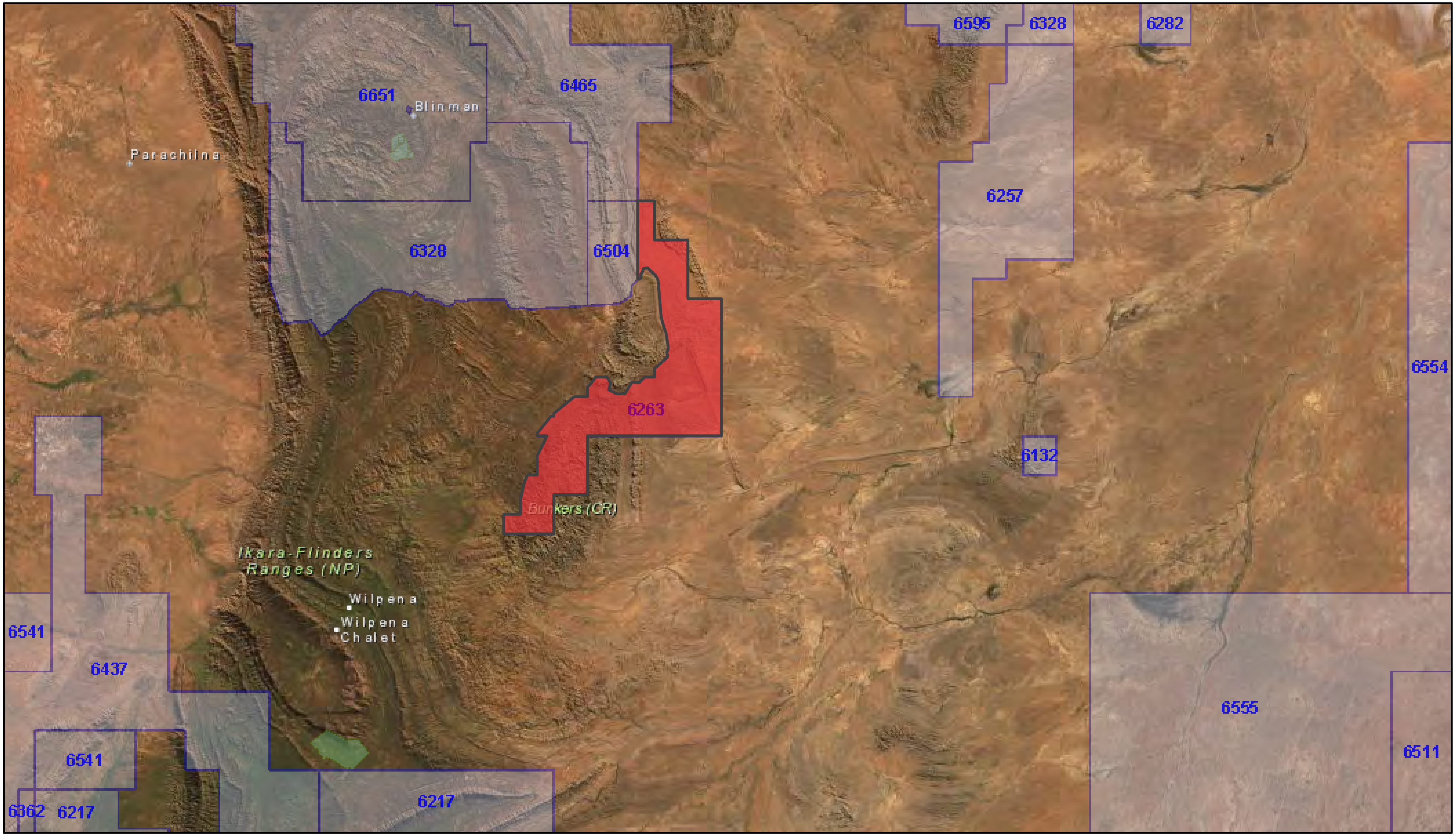
SOUTH AUSTRALIA

Government of South Australia

Native Vegetation Areas - EL6263



December 2, 2021

N

1:577,791

0 4.25 8.5 17 mi

0 5 10 20 km

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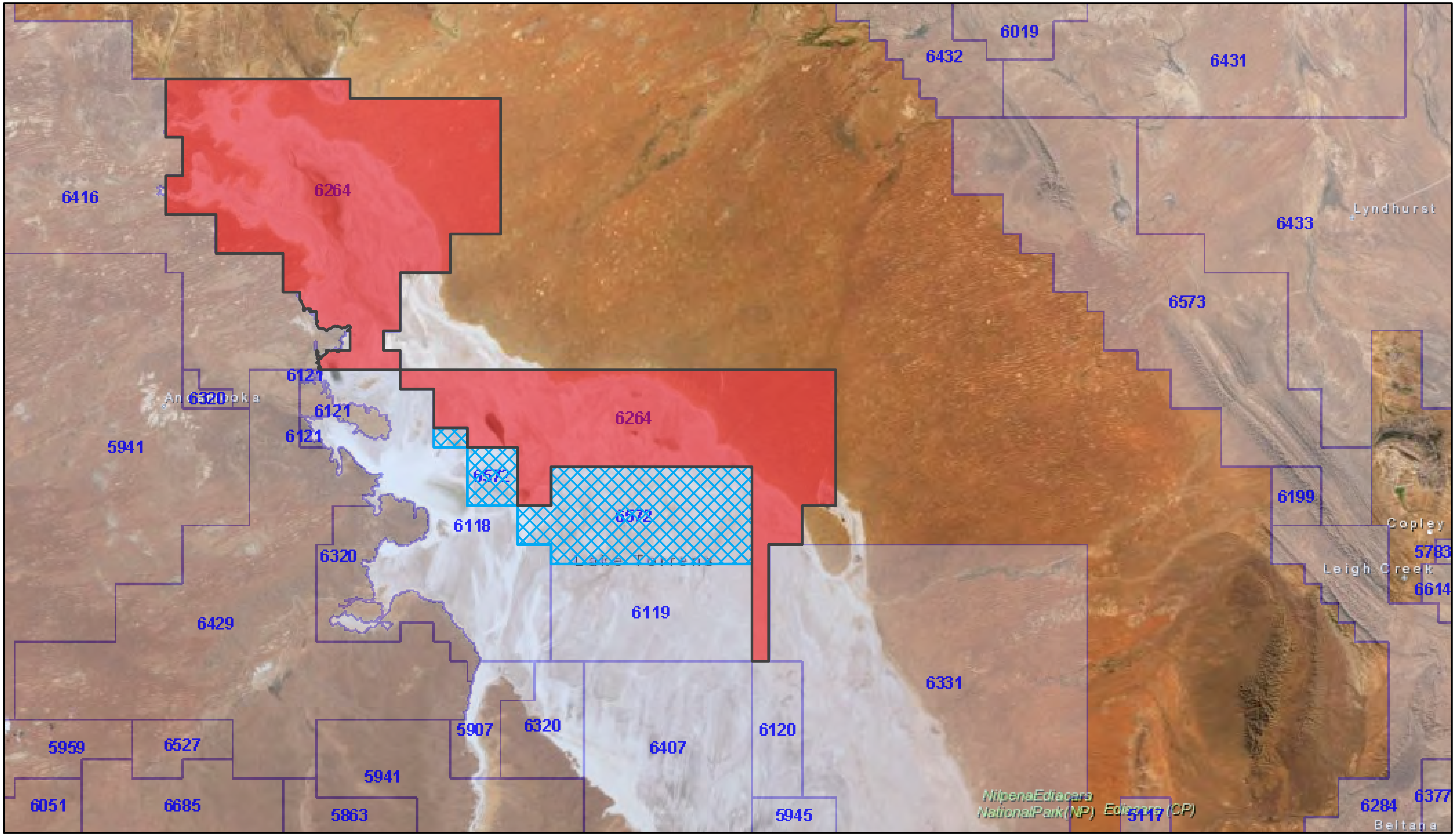
http://www.energymining.sa.gov.au/bottom_links/disclaimer

SOUTH AUSTRALIA

Government of South Australia

Native Vegetation Areas - EL6264



December 2, 2021

N

1:577,791

0 4.25 8.5 17 mi

0 5 10 20 km

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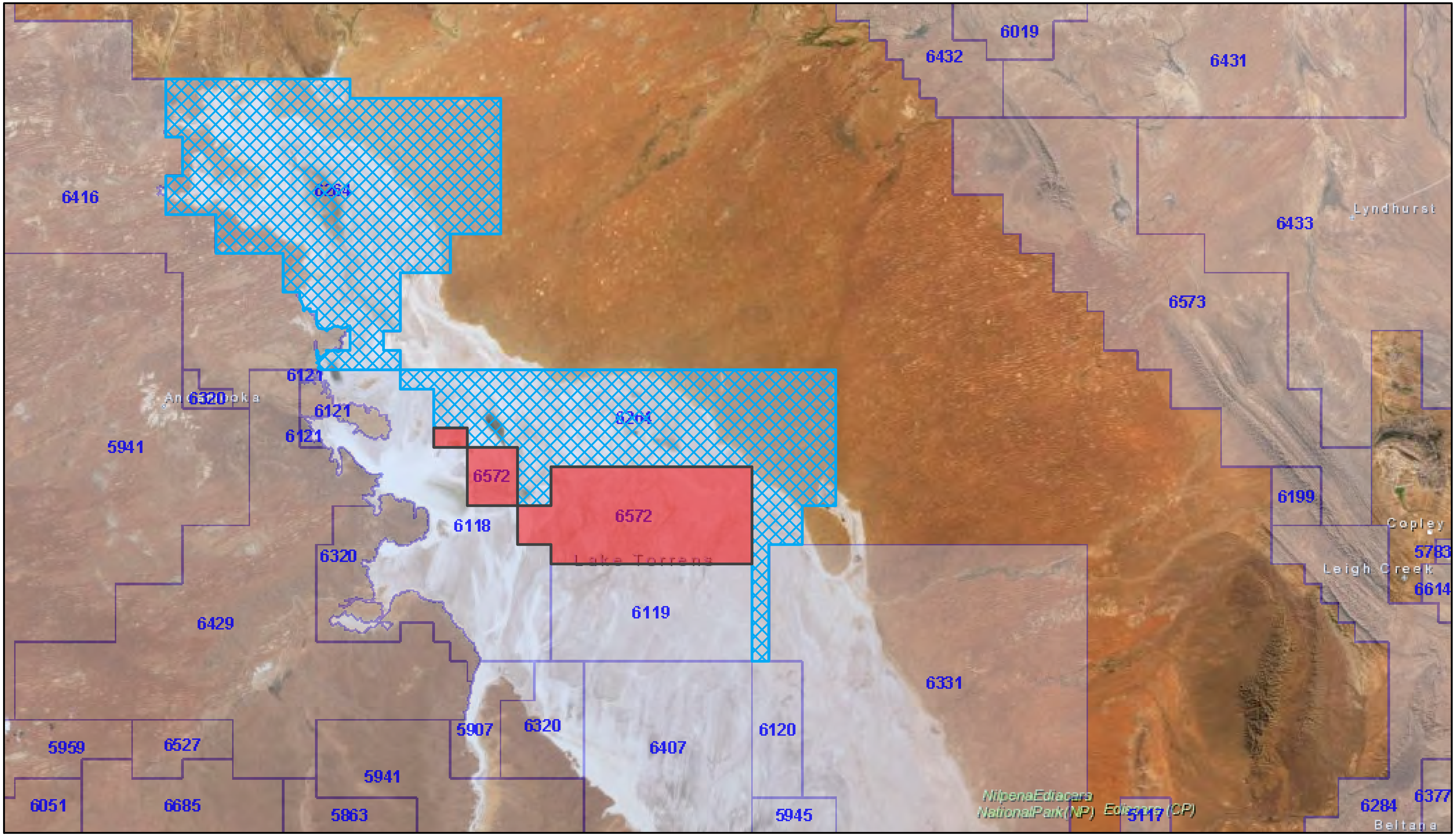
SOUTH AUSTRALIA

Government of South Australia

Native Vegetation Areas - EL6572



December 2, 2021

N

1:577,791

0 4.25 8.5 17 mi

0 5 10 20 km

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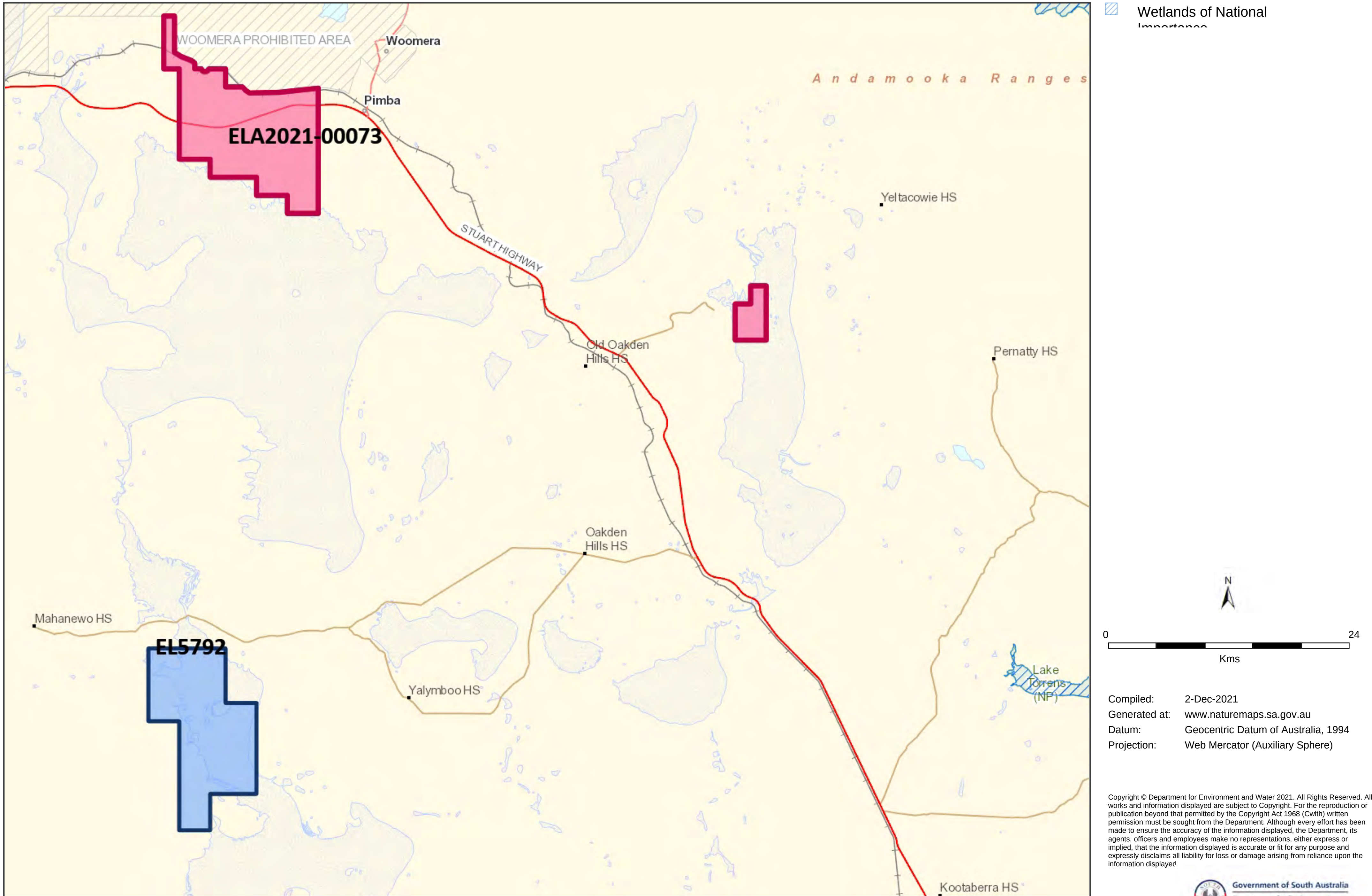
SOUTH AUSTRALIA

Government of South Australia

APPENDIX 3 - WETLANDS OF NATIONAL IMPORTANCE MAPS

Nationally Important Wetlands - EL 5792 & ELA2021-00073

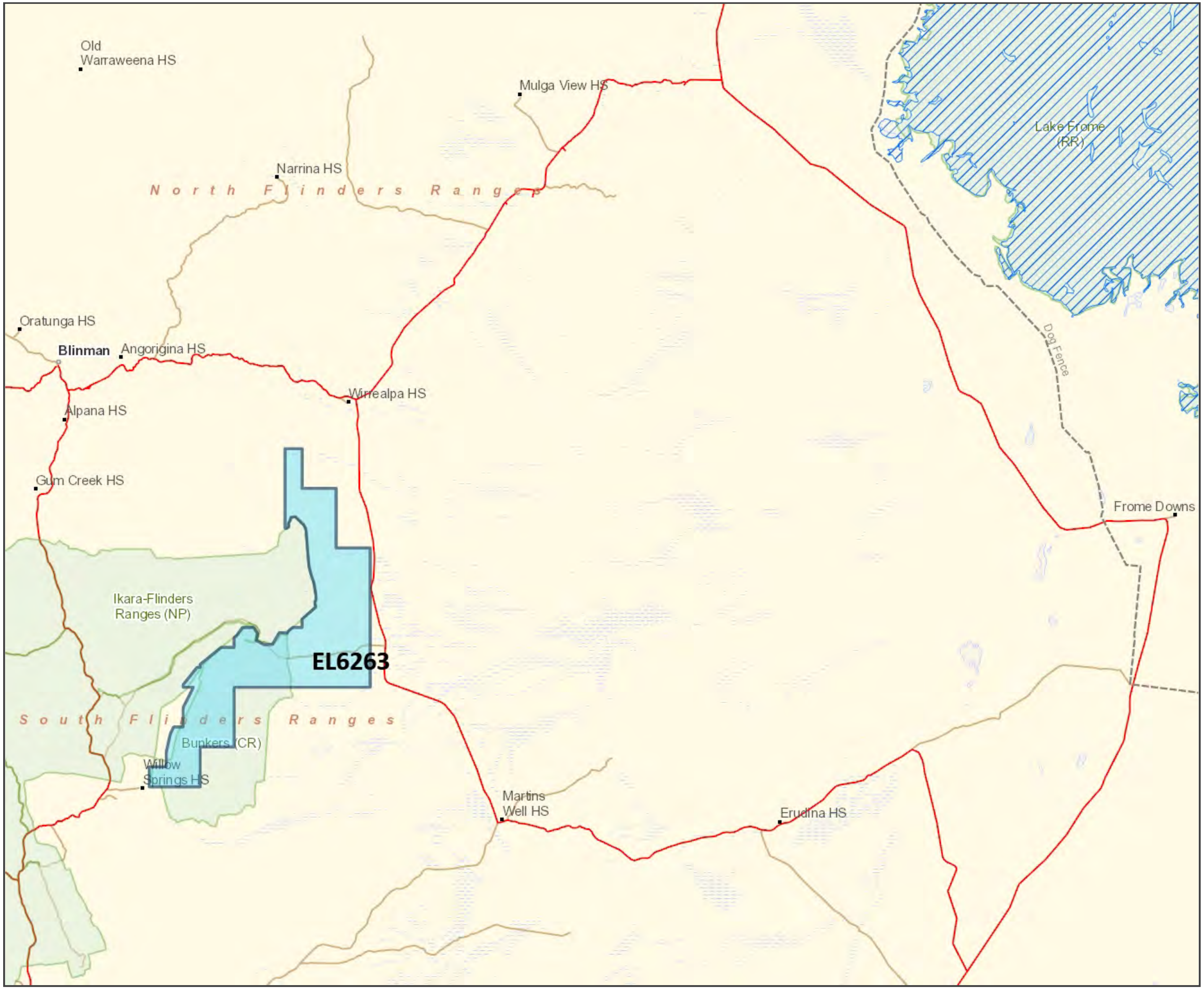


Compiled: 2-Dec-2021
Generated at: www.naturemaps.sa.gov.au
Datum: Geocentric Datum of Australia, 1994
Projection: Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

Map data is compiled from a variety of sources and hence its accuracy is variable.

Nationally Important Wetlands - EL 6263



Wetlands of National

N

0 24

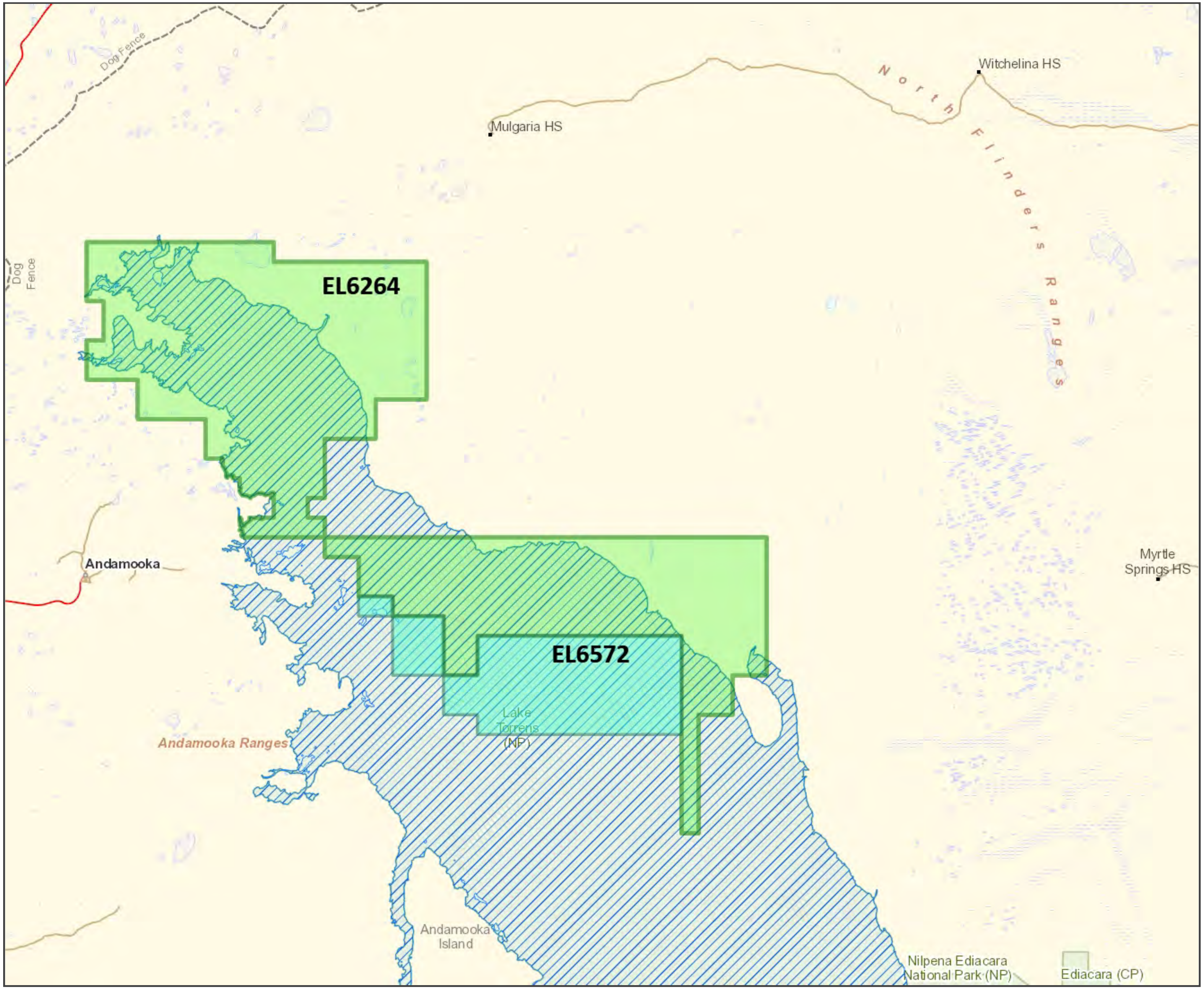
Kms

Compiled:	2-Dec-2021
Generated at:	www.naturemaps.sa.gov.au
Datum:	Geocentric Datum of Australia, 1994
Projection:	Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

Map data is compiled from a variety of sources and hence its accuracy is variable.

Nationally Important Wetlands - EL 6264 & EL6572



Wetlands of National Importance

N

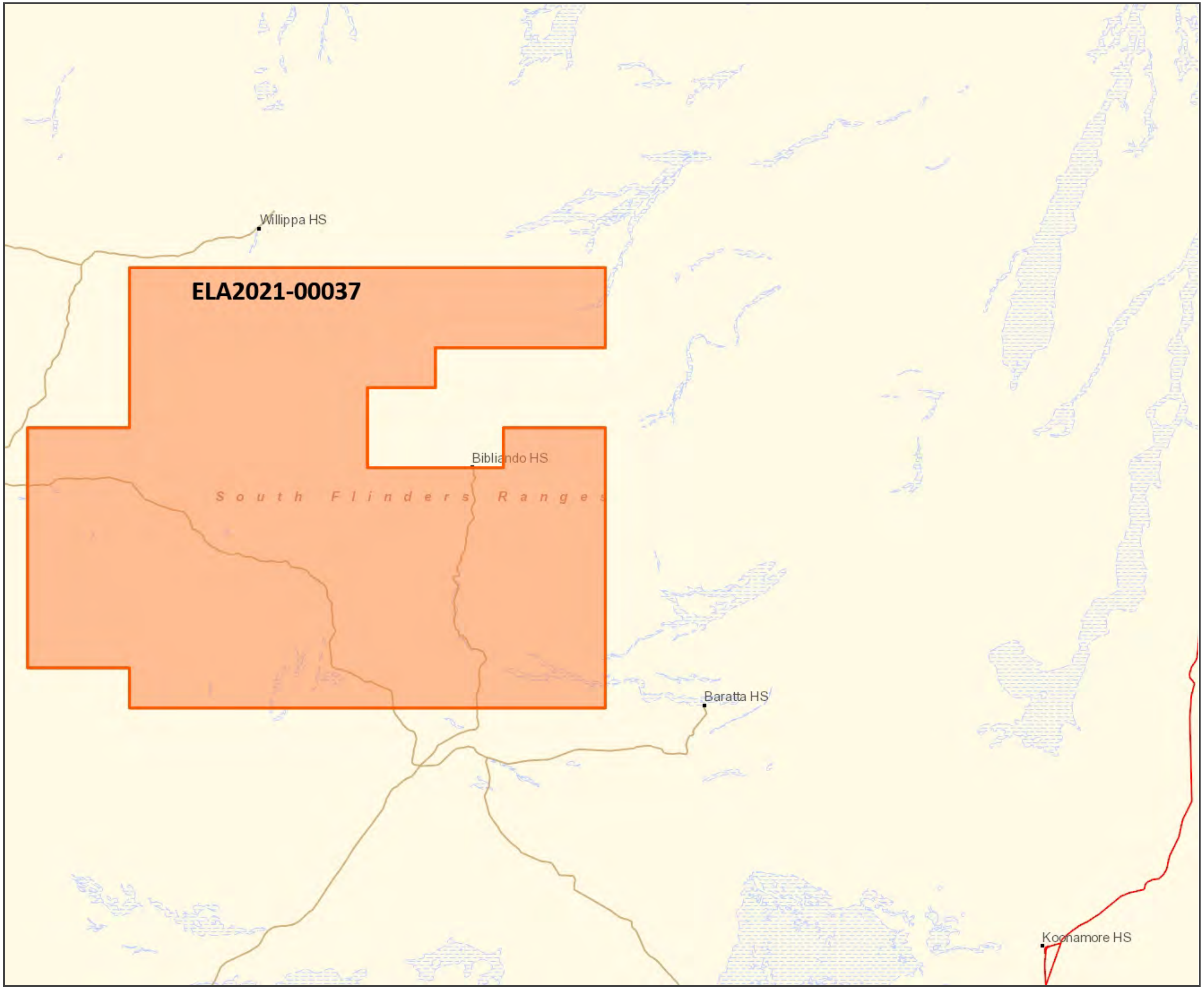
0 24
Kms

Compiled: 2-Dec-2021
Generated at: www.naturemaps.sa.gov.au
Datum: Geocentric Datum of Australia, 1994
Projection: Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

Map data is compiled from a variety of sources and hence its accuracy is variable.

Nationally Important Wetlands - ELA2021-00037



Wetlands of National Importance

N

0 12
Kms

Compiled:	2-Dec-2021
Generated at:	www.naturemaps.sa.gov.au
Datum:	Geocentric Datum of Australia, 1994
Projection:	Web Mercator (Auxiliary Sphere)

Government of South Australia
Department for Environment and Water

Map data is compiled from a variety of sources and hence its accuracy is variable.

The Board of Directors
Stelar Metals Limited
Ground Floor, 16 Ord Street
West Perth WA 6005

20 January 2022

Grant Thornton Corporate Finance Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000

PO Box 7757
Cloisters Square
Perth WA 6850

T +61 8 9480 2000

Dear Directors,

STELAR METALS LIMITED – INVESTIGATING ACCOUNTANT REPORT AND FINANCIAL SERVICES GUIDE

Introduction

Grant Thornton Corporate Finance Pty Ltd ("Grant Thornton Corporate Finance") has been engaged by Stelar Metals Limited ("Stelar Metals", or the "Company") to prepare this report for inclusion in the prospectus to be issued by the Company on or about 20 January 2022 (the "Prospectus") in respect of the initial public offering of fully paid ordinary shares in the Company ("the Public Offer") and admission to the Australian Securities Exchange.

Grant Thornton Corporate Finance holds an Australian Financial Services Licence (AFS Licence Number 247140). This report is both a limited assurance Investigating Accountant Report, the scope of which is set out below, and a Financial Services Guide, as attached at **Appendix A**.

Expressions defined in the Prospectus have the same meaning in this report, unless otherwise specified.

Scope of this Report

Grant Thornton Corporate Finance Pty Ltd has been engaged by the Directors to perform a limited assurance Investigating Accountant Report engagement in relation to the following statutory historical and pro forma historical financial information of Stelar Metals included at Section 6 of the Prospectus.

Statutory Historical Financial Information for Australian Rare Earths

- Audited statutory historical statements of comprehensive income for the financial period 2 July 2021 (being the date of incorporation) to 30 November 2021 (FY21) (Historical Statement of Profit or Loss and Other Comprehensive Income included at Section 6.2);
- Audited statutory historical cash flow statements for, FY21 (Historical Statement of Cash Flows included at Section 6.3); and
- Audited statutory historical statements of financial position as at 30 November 2021 (Historical Statement of Financial Position included at Section 6.4).

(together, the “Statutory Historical Financial Information”)

Pro Forma Historical Financial Information

- The pro forma historical statement of financial position of the Company as at 30 November 2021 which assumes completion of the transactions outlined in Section 6.5 and 6.6 of the Prospectus as though they had occurred at that date.

The Pro Forma Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to the general purpose financial reports prepared in accordance with the Corporations Act 2001.

As described in Section 6.13 of the Prospectus, the stated basis of preparation is the recognition and measurement principles contained in the Australian Accounting Standards and the Company’s adopted accounting policies.

The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information after adjusting for the effects of the pro forma adjustments described in Section 6.6 of the Prospectus (“the Pro Forma Adjustments”). The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Company’s adopted accounting policies applied to the Pro Forma Adjustments as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information and does not represent the Company’s actual or prospective financial position.

Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Company, which are detailed at Section 7 of the Prospectus, and the inherent uncertainty relating to the prospective financial information.

Directors’ Responsibility

The Directors of the Company are responsible for:

- The preparation and presentation of Statutory Historical Financial Information;
- The preparation and presentation of Pro Forma Historical Financial Information, including the selection and determination of the pro forma adjustments included in the Pro Forma Historical Financial Information; and
- The information contained within the Prospectus.

This responsibility also includes compliance with applicable laws and regulations and for such internal controls as the Directors determine necessary to enable the preparation of the Statutory Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information and Pro Forma Historical Financial Information based on the procedures performed and evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3420: *“Assurance Engagements to Report on the Compilation of Pro Forma Historical Pro Forma Financial Information”* and ASAE 3450: “*Assurance Engagements involving Corporate Fundraisings and/ or Prospective Historical Pro Forma Financial Information”.*

A limited assurance engagement consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards, and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit reports used as a source of the financial information.

We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances:

- Consideration of work papers, accounting records and other documents;
- Consideration of the appropriateness of the pro forma adjustments described in Section 6.6;
- Enquiry of Directors and management in relation to the Statutory Historical Financial Information and the Pro Forma Historical Financial Information;
- Analytical procedures applied to the Statutory Historical Financial Information and the Pro Forma Historical Financial Information;
- A review of the accounting records and other documents of the Company and its auditors; and
- A review of the consistency of the application of the stated basis of preparation and adopted accounting policies as described in the Prospectus used in the preparation of the Statutory Historical Financial Information and the Pro Forma Historical Financial Information.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Conclusion

Statutory Historical Financial Information and Pro Forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention which causes us to believe that the Statutory Historical Financial Information and Pro Forma Historical Financial Information is not presented fairly, in all material respects, in accordance with the stated basis of preparation and the pro forma adjustments as described in Section 6.6 of the Prospectus.

Restriction on Use

Without modifying our conclusion, we draw attention to Section 6 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, this Investigating Accountant Report not be suitable for use for another purpose.

Consent

Grant Thornton Corporate Finance has consented to the inclusion of this Investigating Accountant Report in the Prospectus in the form and context in which it is included.

Liability

The liability of Grant Thornton Corporate Finance is limited to the inclusion of this report in the Prospectus. Grant Thornton Corporate Finance makes no representation regarding, and has no liability, for any other statements or other material in, or omissions from the Prospectus.

Independence or Disclosure of Interest

Grant Thornton Corporate Finance does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Grant Thornton Corporate Finance will receive a professional fee for the preparation of this Investigating Accountant Report.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD

Mitesh Ramji

Partner and Authorised Representative

20 January 2022

Grant Thornton Corporate Finance Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000

PO Box 7757
Cloisters Square
Perth WA 6850

T +61 8 9480 2000

Appendix A (Financial Services Guide)

This Financial Services Guide is dated 20 January 2022.

1 About us

Grant Thornton Corporate Finance Pty Ltd (ABN 59 003 265 987 and Australian Financial Services Licence no 247140) ("Grant Thornton Corporate Finance") has been engaged by Stelar Metals Limited ("Stelar Metals" or the "Company") to provide general financial product advice in the form of an Independent Limited Assurance Report (the "Report") in relation to the initial public offering of fully paid ordinary shares in the Company (the "Public Offer") and admission to the Australian Securities Exchange. This report is included in the prospectus dated on 20 January 2022 (the "Prospectus"). You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

2 This Financial Services Guide

This Financial Services Guide (FSG) is designed to assist retail clients in their use of any general financial product advice contained in the report. This FSG contains information about Grant Thornton Corporate Finance generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the report, and how complaints against us will be dealt with.

3 Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities and superannuation products and deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and superannuation products.

4 General financial product advice

The report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

5 Fees, commissions and other benefits we may receive

Grant Thornton Corporate Finance charges fees to produce reports, including the report. These fees are negotiated and agreed with the entity which engages Grant Thornton Corporate Finance to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this report, Grant Thornton Corporate Finance will receive from the Company a fee of $15,000 which is based on commercial rates plus reimbursement of out-of-pocket expenses.

Partners, Directors, employees or associates of Grant Thornton Corporate Finance, or its related bodies corporate, may receive dividends, salary or wages from Grant Thornton Australia Ltd. None of those persons or entities receive non-monetary benefits in respect of, or that is attributable to, the provision of the services described in this FSG.

6 Referrals

Grant Thornton Corporate Finance - including its Partners, Directors, employees, associates and related bodies corporate - does not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licenced to provide.

7 Associations with issuers of financial products

Grant Thornton Corporate Finance and its Partners, Directors, employees or associates and related bodies corporate may from time to time have associations or relationships with the issuers of financial products. For example, Grant Thornton Australia Ltd may be the auditor of, or provide financial services to the issuer of a financial product and Grant Thornton Corporate Finance may provide financial services to the issuer of a financial product in the ordinary course of its business.

In the context of the report, Grant Thornton Corporate Finance considers that there are no such associations or relationships which influence in any way the services described in this FSG.

8 Independence

Grant Thornton Corporate Finance is required to be independent of the Company in order to provide this report. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with Stelar Metals Limited (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Public Offer.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Public Offer, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Public Offer.

Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

9 Complaints

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority (AFCA) (membership no. 11800). All complaints must be in writing and addressed to the Head of Corporate Finance at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to AFCA who can be contacted at:

Australian Financial Complaints Authority

GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 367 287

Email: info@afca.org.au

Grant Thornton Corporate Finance is only responsible for the report and FSG. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

10 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

11 Contact Details

Grant Thornton Corporate Finance can be contacted by sending a letter to the following address:

Head of Corporate Finance
Grant Thornton Corporate Finance Pty Ltd
Level 17, 383 Kent Street
Sydney, NSW, 2000