

STELLAR RESOURCES LIMITED

ACN 108 758 961

PROSPECTUS

For the offers of:

- (a) up to 33,333,333 Shares at an issue price of \$0.015 per Share (**SPP Shares**), together with one free attaching unlisted Option for every two SPP Shares subscribed for and issued, exercisable at \$0.025 each on or before the date that is two (2) years from the date of issue (**SPP Options**) to participants under the SPP to raise \$500,000 (with the ability to accept oversubscriptions of up to a further \$500,000 via the issue of up to a further 33,333,333 SPP Shares and up to a further 16,666,667 SPP Options) (**SPP Offer**);
- (b) 62,947,500 unlisted Options, exercisable at \$0.025 each on or before the date that is two (2) years from the date of issue (**Placement Options**) to participants under the Placement (**Placement Options Offer**); and
- (c) 25,179,000 Options, exercisable at \$0.025 each on or before the date that is two (2) years from the date of issue (**Lead Manager Options**) to the Lead Manager (or its nominee/s) for funds raised under the Placement (**Lead Manager Options Offer**),

together the **Offers**.

SECURITY PURCHASE PLAN INFORMATION

The SPP Offer is currently scheduled to close at 5:00pm (AEST) on 23 September 2022. Valid applications must be received by that time. Details of how to apply for Securities are set out in the SPP Application Form accompanying this Prospectus.

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 stockbroker, accountant or other professional adviser.

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

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CORPORATE DIRECTORY

Directors

Simon O'Loughlin
Non-Executive Chairman

Gary Fietz
Executive Director

Thomas Whiting
Non-Executive Director

Simon Taylor
Non-Executive Director

Company Secretary

Mathew Watkins

ASX Code

SRZ

Share Registry*

Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

Telephone: 1300 737 760
Telephone: + 61 2 9290 9600 (outside
Australia)

Registered Office

Level 4, 96-100 Albert Road
SOUTH MELBOURNE VIC 3205
Telephone: +61 3 9692 7222

Email: szinfo@stellarresources.com.au
Website: www.stellarresources.com.au

Lead Manager

Taylor Collison Limited
Level 10, 151 Macquarie Street
SYDNEY NSW 2000

Solicitors

Steinepreis Paganin
Level 6, 99 William Street
MELBOURNE VIC 3000

Auditor*

William Buck Audit
Level 20
181 William Street
MELBOURNE VIC 3000

** These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.*

1. TIMETABLE AND IMPORTANT NOTES

1.1 Timetable

Action	Date*
Record Date for SPP	19 August 2022 at 7.00pm (AEST)
Announcement of Placement and SPP and lodgement of Appendix 3B with ASX	22 August 2022
Issue of Shares under Placement and lodgement of Appendix 2A with ASX	29 August 2022
Lodgement of Prospectus for SPP Offer, Placement Options Offer and Lead Manager Options Offer	5 September 2022
Opening date of the SPP Offer	5 September 2022
Closing Date of the SPP Offer**	23 September 2022
Announcement of the results of the SPP	28 September 2022
Issue of SPP Shares and lodgement of Appendix 2A for SPP Shares with ASX	30 September 2022
Quotation of SPP Shares issued under the SPP Offer	3 October 2022
Date of Annual General Meeting to approve issue of Placement Options, SPP Options and Lead Manager Options	8 November 2022
Issue of SPP Options, Placement Options and Lead Manager Options, lodge Appendix 3G for Options with ASX	11 November 2022

* The above dates are indicative only and may change without prior notice.

** Subscribers under the SPP Offer should ensure that they have lodged their SPP Application Form by this date.

1.2 Important Notes

This Prospectus is dated 5 September 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective 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.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably

be expected to be known to investors and professional advisers whom potential investors may consult.

1.3 ASIC Instrument

In certain circumstances, a listed company may undertake a share purchase plan in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**). The ASIC Instrument allows a share purchase plan to be conducted without the use of a prospectus once in any consecutive 12-month period.

As the Company is also offering Options under the SPP (subject to obtaining Shareholder approval), the Company is unable to rely on the relief granted by the ASIC Instrument in respect of the Options (given the relief relates to offers of fully paid ordinary shares only) and, therefore, is undertaking the issue of Shares and Options under the SPP pursuant to this Prospectus.

1.4 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 SPP Options issued under this Prospectus. The Company and the Lead Manager 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.stellarresources.com.au). By making an application under the SPP Options Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

1.5 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 5 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

1.6 Taxation implications

The Directors do not consider it appropriate to give Shareholder's advice regarding the taxation consequences of applying for Securities under this Prospectus. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with applying for Securities under this Prospectus.

1.7 Applicants outside Australia and New Zealand

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

1.8 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 our 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 our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

1.9 Website – Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at www.stellarresources.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 or New Zealand resident and must only access this Prospectus from within Australia and New Zealand.

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. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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.

1.10 Website

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

1.11 Disclaimer

No person is authorised to give information or to make any representation in connection with the offers described in 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 the Offers. You should rely only on information in this Prospectus.

1.12 Investment Advice

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for securities under this Prospectus.

2. DETAILS OF THE OFFERS

2.1 Background to the Placement and SPP

On 22 August 2022, the Company announced that it was undertaking a capital raising of up to \$2,888,425 comprising:

- (a) a placement to professional and sophisticated investors to raise \$1,888,425 via the issue of 125,895,000 Shares at an issue price of \$0.015 per Share (**Placement**); and
- (b) a share purchase plan to raise \$500,000 (with an ability to accept oversubscriptions of up to a further \$500,000), under which Eligible Shareholders would be given an opportunity to acquire Shares up to the value of \$30,000 at an issue price of \$0.015 per Share (**SPP**).

The Company also announced that, subject to obtaining Shareholder approval, participants in the Placement and the SPP would be issued one (1) free-attaching attaching Option for every two (2) Shares subscribed for and issued to them pursuant to the Placement and SPP. The Options are unlisted and exercisable at \$0.025 each, on or before the date that is two (2) years from the date of issue of the Options.

On 29 August 2022, the Company issued 125,895,000 Shares under the Placement pursuant to the Company's available placement capacity under ASX Listing Rule 7.1.

The issue of the Placement Options, SPP Options and the Lead Manager Options (as defined below) is subject to the Company obtaining Shareholder approval at the Company's upcoming annual general meeting to be held on 8 November 2022 (**Annual General Meeting**). If approval for the issue of the Placement Options, SPP Options or the Lead Manager Options is not obtained at the Annual General Meeting, the Company will issue these Securities pursuant to its placement capacity under ASX Listing Rule 7.1 following the Annual General Meeting.

Taylor Collison Limited (ACN 008 172 450) (AFSL 247083) has been engaged to act as lead manager in relation to the Placement and SPP (**Lead Manager**). In consideration for the services to be provided to the Company, the Lead Manager will receive the following fees:

- (a) a management fee of 2% of the total amount raised under the Placement (plus GST);
- (b) a selling fee of 4% of the total amount raised under the Placement (plus GST); and
- (c) subject to obtaining Shareholder approval, the issue of 25,179,000 unlisted Options on the same terms and conditions as the Placement Options as consideration for the funds raised under the Placement (the **Lead Manager Options**). If approval for the issue of the Lead Manager Options is not obtained at the Annual General Meeting, the Company will issue these Securities pursuant to its placement capacity under ASX Listing Rule 7.1.

Further details in relation to the Placement and the SPP are set out in the ASX announcement dated 22 August 2022 (**Announcement**).

2.2 The Placement Options Offer

By the Placement Options Offer under this Prospectus, the Company offers 62,947,500 unlisted Placement Options, exercisable at \$0.025 each, on or before the date that is two (2) years from the date of issue of the Placement Options, to participants in the Placement.

No funds will be raised from the issue of Placement Options pursuant to the Placement Options Offer as the Placement Options are free attaching to Shares issued under the Placement on a one (1) for two (2) basis. Fractional entitlements will be rounded up to the nearest whole number.

As stated above, the issue of the Placement Options is subject to Shareholder approval to be obtained at the Annual General Meeting. If Shareholder approval is not obtained, the Company will issue these Securities pursuant to its placement capacity under ASX Listing Rule 7.1 following the Annual General Meeting.

The Placement Options will be issued on the terms and conditions set out in Section 4.2. All of the Shares issued upon exercise of the Placement Options will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to Shares.

The purpose and effect of the Placement Options Offer is set out in Section 3.2.

2.3 The SPP Offer

By the SPP Offer under this Prospectus, the Company offers up to 33,333,333 SPP Shares at an issue price of \$0.015 per SPP Share, together with one (1) unlisted SPP Option for every two (2) SPP Shares subscribed for and issued, exercisable at \$0.025 per SPP Option on or before the date that is 2 years from the date of issue of the SPP Options, to Eligible Shareholders.

The SPP Offer is an offer to each Eligible Shareholder to subscribe for new Shares to a maximum value of \$30,000 of at an issue price of \$0.015 per SPP Share, together with one unlisted SPP Option for every two SPP Shares subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

The Company, in consultation with the Lead Manager, has the ability to accept oversubscriptions of up to a further \$500,000, via the issue of up to a further 33,333,333 SPP Shares and up to a further 16,666,667 SPP Options.

As stated above, the issue of the SPP Options is subject to Shareholder approval to be obtained at the Annual General Meeting. If Shareholder approval is not obtained, the Company will issue these Securities pursuant to its placement capacity under ASX Listing Rule 7.1.

All of the Shares offered under the SPP Offer pursuant to this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

The SPP Options offered under the SPP Offer pursuant to this Prospectus will be unlisted and exercisable at \$0.025 each on or before the date that is two (2) years from the date of issue of the SPP Options and otherwise on the terms set out in Section 4.2. All of the Shares issued upon exercise of the SPP Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose of the SPP Offer is set out in Section 3.1. The SPP Offer is non-renounceable, which means that Eligible Shareholders may not transfer their rights to any Securities offered under the SPP Offer.

No funds will be raised from the issue of SPP Options pursuant to the SPP Options Offer as the SPP Options are free attaching to Shares issued under the SPP on a one for two basis.

2.4 Eligibility to participate in SPP Offer

Only Eligible Shareholders may participate in the SPP Offer. 'Eligible Shareholders' for the purpose of the SPP Offer are Shareholders:

- (a) who were registered holders of Shares on the Record Date; and
- (b) whose registered address was in Australia or New Zealand.

If you are the only registered Shareholder of a holding of Shares, but you receive more than one SPP Offer (for example because you are registered as the holder of Shares in more than one capacity), you may only apply for one parcel of Shares with a value of up to \$30,000. The Company reserves the right to reject any application for Shares under this Prospectus to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

Participation in the SPP Offer is optional and is subject to the terms and conditions set out in this Prospectus.

2.5 The Lead Manager Options Offer

By the Lead Manager Options Offer under this Prospectus, the Company offers 25,179,000 unlisted Lead Manager Options as consideration for the funds raised under the Placement, exercisable at \$0.025 each, on or before the date that is two (2) years from the date of issue of the Lead Manager Options, to the Lead Manager (or its nominee/s).

No funds will be raised from the issue of Lead Manager Options pursuant to the Lead Manager Options Offer as the Lead Manager Options are being issued for nil cash consideration in part consideration for services provided by the Lead Manager to the Company.

As stated above, the issue of the Lead Manager Options is subject to Shareholder approval to be obtained at the Annual General Meeting. If Shareholder approval is not obtained, the Company will issue these Securities pursuant to its placement capacity under ASX Listing Rule 7.1.

The Lead Manager Options will be issued on the terms and conditions set out in Section 4.2. All of the Shares issued upon exercise of the Lead Manager Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose and effect of the Lead Manager Options Offer is set out in Section 3.2.

2.6 Minimum subscription

There is no minimum subscription under the Offers.

2.7 Not underwritten

The SPP Offer is not underwritten.

2.8 Lead Manager

As set out above, the Company has appointed Taylor Collison Limited as the Lead Manager in relation to the Placement and SPP.

Further details in respect of the appointment of the Lead Manager and the fees payable (including Lead Manager Options issued) to the Lead Manager are set out in Section 2.1 above and the Announcement. A summary terms of the mandate letter between the Company and the Lead Manager is set out in Section 6.4.

The Company confirms that no fees or Options are payable to the Lead Manager in respect of the SPP Offer.

2.9 Applications

Placement Options Offer

Only participants in the Placement are eligible to apply for Placement Options under the Placement Options Offer. Accordingly, the Placement Options Offer will only be extended to the specific parties who participated in the Placement on invitation from the Directors and the Application Form will be provided by the Company to these parties only.

No subscription monies are payable for the Placement Options offered pursuant to this Prospectus as the Placement Options are being issued on the basis of one free-attaching Option for every two Shares subscribed for and issued under Placement.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEST) on 7 November 2022**.

SPP Offer

Eligible Shareholders may apply under the SPP Offer by completing the SPP Application Form accompanying this Prospectus in accordance with the instructions outlined on the SPP Application Form.

Pursuant to the SPP Offer, Eligible Shareholders may apply for Shares with a maximum value of \$30,000. Eligible Shareholders may participate by selecting one of the following options to purchase Shares under the SPP Offer:

	SPP Application Amount	Number of Shares which may be purchased
Offer A	\$1,000	66,666
Offer B	\$2,500	166,666
Offer C	\$5,000	333,333
Offer D	\$7,500	500,000
Offer E	\$10,000	666,666
Offer F	\$15,000	1,000,000

	SPP Application Amount	Number of Shares which may be purchased
Offer G	\$20,000	1,333,333
Offer H	\$25,000	1,666,666
Offer I	\$30,000	2,000,000

Where the amount applied for results in a fraction of a Security the number of Shares issued will be rounded down to the nearest whole Security.

Completed SPP Application Forms and payment of the application moneys must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEST) on the Closing Date**.

The Company reserves the absolute discretion to scale back applications under the SPP Offer to the extent and in the manner it sees fit. If the Company undertakes a scale back, you will receive the number of SPP Shares determined by the Company in its absolute discretion which may be less than the number of Shares applied for. In this case, the difference between the application moneys received and the number of SPP Shares allocated to you multiplied by the issue price per SPP Share may be refunded to you by direct credit (to your nominated account recorded on the Company's share register) or by cheque as soon as practicable, without interest.

If you require assistance in completing a SPP Application Form, please contact the Company's Share Registry, Boardroom Pty Limited on 1300 737 760 (callers within Australia) or +61 2 9290 9600 (callers outside Australia).

Lead Manager Options under the Lead Manager Options Offer

Only the Lead Manager (or its nominee/s) will be eligible to apply for Lead Manager Options under the Lead Manager Options Offer. Accordingly, the Lead Manager Options Offer will only be extended to specific parties on invitation from the Directors and the Application Form will be provided by the Company to these parties only.

No subscription monies are payable for the Lead Manager Options offered pursuant to this Prospectus as the Lead Manager Options are being issued in part consideration for services provided to the Company (refer to Section 2.1 for further details).

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (AEST) on 7 November 2022**.

2.10 Payment – SPP Offer

For payment by BPAY® or Cheque, please follow the instructions on the SPP Application Form.

You can only make a payment via:

- (a) BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions; or
- (b) By Cheque, forward your completed Application Form together with your cheque in Australian currency drawn on and payable at an Australian bank

to reach the Company's Share Registry, Boardroom Pty Limited, no later than 5.00pm on the closing date at the address set out below:

Stellar Resources Limited
c/- Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Cheques should be made payable to "Stellar Resources Limited" and crossed "Not Negotiable".

Please note that by making payment by BPAY®:

- (c) you do not need to submit the SPP Application Form but are taken to have made the declarations on that SPP Application Form; and
- (d) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Securities which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Securities (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

2.11 Additional Payment Option for New Zealand shareholders

To facilitate payment of Application Monies from Eligible Shareholders resident in New Zealand (**New Zealand Shareholders**), in addition to the options of applying via BPAY® or completing the SPP form and paying by cheque in Australian currency, please note that New Zealand Shareholders can remit their application monies by international electronic funds transfer (**EFT**) in accordance with their personalised offer letter sent to New Zealand Shareholders.

Please note that the application monies remitted by New Zealand Shareholders by EFT will be subject to international transfer and foreign currency conversion fees levied by your financial institution such that the amount received by the Company in Australian dollars will be less than the amount remitted in New Zealand dollars.

For processing and reconciliation, when making your payment, please add to the remittance advice your CRN which appears under the Biller Code on the front of the Application Form and forward a copy of the remittance advice to Company's share registry, Boardroom Pty Limited, by post to the address set out in the Retail Entitlement Offer Booklet or by e-mail to corporateactions@boardroomlimited.com.au, as soon as the payment is made. Failure to do so may result in funds not being matched to your application and Stellar being unable to issue you New Shares under the SPP Offer.

If New Zealand Shareholder have any additional questions regarding the Offer, please contact the Stellar Offer Information Line on +61 2 9290 9600 or by e-mail to corporateactions@boardroomlimited.com.au, during the Offer Period.

2.12 ASX listing – Shares

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the 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 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 Shares now offered for subscription.

2.13 ASX listing – Options

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

2.14 Issue

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus. Application monies will be held in a separate subscription account until the Securities are issued. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether any Securities are issued and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all the Securities. The Directors reserve the right to reject any application or to allocate any Applicant fewer Securities than the number applied for.

Where the number of Securities issued is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no issue of Securities is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

Holding statements for Securities issued under the Offers will be mailed in accordance with the timetable set out at the commencement of this Prospectus.

2.15 Restrictions on the distribution of the Prospectus

The distribution of this Prospectus outside Australia and New Zealand may be restricted by law.

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

New Zealand

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under that Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Offers and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Offers must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

The SPP Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

2.16 Enquiries

Any questions concerning the Offers should be directed to the Company's registry, Boardroom Pty Limited on 1300 737 760 (callers within Australia) or +61 2 9290 9600 (callers outside Australia).

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Placement and Offers

Placement and SPP Offer

The primary purpose of the SPP Offer and the Placement is to raise up to \$2,888,425 (before costs and assuming oversubscriptions of \$500,000 are accepted under the SPP Offer). The funds raised from the SPP Offer together with the Placement are planned to be used in accordance with the table set out below:

Proceeds of the SPP Offer and Placement	Full Subscription (\$2,388,425)	%	Oversubscription (\$2,888,425)	%
Heemskirk Tin Project Exploration Expenditure	\$1,314,034	55%	\$1,609,143	56%
North-East Tasmania Exploration Expenditure	\$355,257	15%	\$435,041	15%
Corporate Costs and Working Capital	\$557,057	23%	\$682,164	24%
Expenses of the Offers (including the Lead Manager Placement Fees) ¹	\$162,077	7%	\$162,077	6%
Total	\$2,388,425	100%	\$2,888,425	100%

Notes:

1. Refer to Sections 2.1 and 6.9 for further details relating to the fees payable to the Lead Manager and the estimated expenses of the Offers (respectively).

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

In the event the Company raises more than the full subscription of \$2,388,425 under the Placement and SPP Offer but less than the oversubscription of \$2,888,425, the additional funds raised will be first applied towards the expenses of the Offers and then towards working capital.

On completion of the Placement and SPP Offer, the Board believes the Company will have sufficient working capital to achieve the above objectives. However, to the extent the SPP Offer is not fully subscribed, the Company will seek to appropriately scale back and or delay its discretionary spending, while it seeks alternative sources of funding (as required).

Placement Options Offer

The Placement Options Offer is being made to participants in the Placement such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, given the Placement Options are issued with disclosure under this Prospectus, the Shares issued upon the exercise of any of the Placement Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Placement Options Offer (other than funds raised if the Placement Options are subsequently exercised) as the Placement Options are free-attaching to Shares issued under the Placement on a one for two basis.

Lead Manager Options Offer

The Lead Manager Options Offer is being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, given the Lead Manager Options are issued with disclosure under this Prospectus, then the Shares issued upon the exercise of any of the Lead Manager Options can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

No funds will be raised under the Lead Manager Options Offer as the Lead Manager Options are being issued for nil cash consideration in part consideration for services provided to the Company by the Lead Manager.

3.2 Effect of the Offers

The principal effect of the Placement and Offers (assuming the Company accepts oversubscriptions and issues the maximum number of Securities under the Offers) will be to:

- (a) increase the cash reserves by \$2,888,425 (before deducting the estimated expenses of the Placement and the Offers) immediately after completion of the Placement and the Offers; and
- (b) increase the number of Shares on issue from 965,197,626 to 1,031,864,292 Shares following completion of the Placement and the Offers; and
- (c) increase the number of Options on issue from 27,800,000 to 149,259,833 Options following completion of the Placement and the Offers.

3.3 Effect of the Offers on capital structure

The effect of the Offers on the Company's capital structure (assuming the Company accepts oversubscriptions and issues the maximum number of Securities under the Offers) is set out below.

Shares	Number
Shares currently on issue ^{1,2}	965,197,626
Shares to be issued under the SPP Offer ³	66,666,666
Total Shares on issue on completion of the Offers	1,031,864,292

Notes:

- 1. The rights and liabilities attaching to the Shares are summarised in Section 4.1.
- 2. Includes the 125,895,000 Shares issued on 29 August 2022 under the Placement.
- 3. Please refer to Section 2.3 for further information regarding the SPP Offer.

Options	Number
Options currently on issue ¹	27,800,000
Options to be issued under the Placement Options Offer ²	62,947,500
Options to be issued under the SPP Options Offer ²	33,333,333
Options to be issued under the Lead Manager Options Offer ²	25,179,000
Total Options on issue on completion of the Offer	149,259,833

Notes:

1. Comprising of 27,800,000 unlisted Options exercisable at \$0.015 per Option expiring on 24 December 2022; and
2. The rights and liabilities attaching to the Options are summarised in Section 4.2.

3.4 Pro-forma balance sheet

The reviewed balance sheet as at 31 June 2022 and the pro-forma balance sheet as at 30 June 2022 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

	Pro-forma Adjustments						
	31 December 2021 (\$) (reviewed)	Adjustment 1 - Proceeds from Offer (Full Subscription)	Adjustment 2 - Proceeds from Offer (Oversubscription)	Adjustment 3 - Costs of the Offer	Adjustment 4 - Broker Options	31 December 2021 (Pro forma)(\$) (Full Subscription) (incl. Adj 1, 3 & 4)	31 December 2021 (Pro forma)(\$) (Over Subscription) (incl. Adj 2, 3 & 4)
Current Assets							
Cash and cash equivalents	4,177,715	2,388,425	2,888,425	(162,077)		6,404,063	6,904,063
Trade and other receivables	33,116					33,116	33,116
Prepayments	57,131					57,131	57,131
Total Current Assets	4,267,962					6,494,310	6,994,310
Non-Current Assets							
Trade and other receivables	252,700					252,700	252,700
Property, Plant and Equipment	129,355					129,355	129,355
Right-of-use assets	1,687					1,687	1,687
Exploration Expenditure	12,541,247					12,541,247	12,541,247
Total Non-Current Assets	12,924,989					12,924,989	12,924,989
Total Assets	17,192,951					19,419,299	19,919,299

		Pro-forma Adjustments					
	31 December 2021 (\$) (reviewed)	Adjustment 1 - Proceeds from Offer (Full Subscription)	Adjustment 2 - Proceeds from Offer (Oversubscription)	Adjustment 3 - Costs of the Offer	Adjustment 4 - Broker Options	31 December 2021 (Pro forma)(\$) (Full Subscription) (incl. Adj 1, 3 & 4)	31 December 2021 (Pro forma)(\$) (Over Subscription) (incl. Adj 2, 3 & 4)
Current Liabilities							
Trade and other payables	172,640					172,640	172,640
Lease liabilities	1,772					1,772	1,772
Total Current Liabilities	174,412					174,412	174,412
Total Liabilities	174,412					174,412	174,412
Net Assets	17,018,539					19,244,887	19,744,887
Equity							
Issued and paid up capital	42,929,215	2,388,425	2,888,425	(162,077)	(208,986)	44,946,577	45,446,577
Reserves	92,494				208,986	301,480	301,480
Accumulated losses	(26,003,170)					(26,003,170)	(26,003,170)
Total Equity	17,018,539					19,244,887	19,744,887

Notes:

1. This assumes capital raised as follows:
 - (a) Full subscription of \$2,388,425 consisting of:
 - (i) \$1,888,425 Placement funds raised by way of the issue of 125,895,000 Shares at \$0.015 (1.5 cents) per Share; and
 - (ii) \$500,000 SPP funds raised by way of the 33,333,333 shares at \$0.015 (1.5 cents) per share.
 - (b) Oversubscription of \$2,888,425 consisting of:
 - (i) \$1,888,425 Placement funds raised by way of the issue of 125,895,000 Shares at \$0.015 (1.5 cents) per Share; and
 - (ii) \$1,000,000 SPP funds raised by way of the 66,666,667 shares at \$0.015 (1.5 cents) per share.
2. This is an estimate of the costs of the Placement and Offers, which includes:
 - (a) a management fee of 2% plus GST of the total amount raised by the Company under the Placement;
 - (b) a placement fee of 4% plus GST of the total amount raised by the Company under the Placement;
 - (c) legal fees;
 - (d) share registry and postage fees; and
 - (e) ASIC lodgement ASX quotation fees.
3. Represents 25,179,000 Lead Manager Options issued to Taylor Collison Pty Ltd (or their nominee) at a nil issue price per Option, in connection with lead manager services for the Placement. The value has been calculated using the Black Scholes method using a volatility

of 119% on the assumption that the entire 25,179,000 Lead Manager Options are granted to Taylor Collison Limited (or their nominee). Note that the value is subject to change pending the valuation inputs including timing of issue noting that all of the Lead Manager Options are issued subject to Shareholder approval.

The pro-forma balance sheet has been prepared assuming two scenarios being full subscription and over subscription Securities offered under this Prospectus are issued (i.e. \$500,000 and \$1,000,000 is raised under the SPP respectively), no existing Options are exercised and including expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted above. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

(a) 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.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) 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:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) 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
- (iii) 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).

(c) 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.

(d) **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.

(e) **Shareholder liability**

As the Shares issued 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.

(f) **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.

(g) **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.

(h) **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.

(i) **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.

4.2 Terms and Conditions of the Options offered pursuant to the Offers

The terms and conditions of the SPP Options, Placement Options and Lead Manager Options are as follows:

(a) **Unlisted Options**

The SPP Options, Placement Options and Lead Manager Options will all be unlisted Options.

(b) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(c) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.025 (**Exercise Price**).

(d) **Expiry Date**

Each Option will expire at 5:00pm (AEDT) on the date that is two (2) years from the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(f) **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.

(g) **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**).

(h) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) 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; and

- (ii) 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.

(i) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **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.

(l) **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.

(m) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(n) **Quotation**

The Company will not apply for quotation of the Options on ASX.

5. RISK FACTORS

5.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

5.2 Company and Industry specific

(a) Potential for Dilution

Assuming all Securities to be issued under this Prospectus are issued and no Options are exercised prior to the date of issue, the number of Shares will increase from 965,197,626 Shares currently on issue to 1,031,864,292 Shares. This means that each Share will represent a lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters. The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.015 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offers.

(b) Future Capital Needs and Additional Funding

The funds raised under the Offers are considered sufficient to meet the immediate exploration and evaluation objectives of the Company. Additional funding may be required in the event exploration costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur, additional financing will be required.

In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remain unknown at the date of this Prospectus.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means.

Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a

property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(c) **Exploration and Operating**

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 any of the Projects, 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 at any Project prove to be unsuccessful this could lead to a diminution in the value of that Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral exploration licences comprising that Project.

(d) **Resource and Reserves and Exploration Targets**

A JORC Code compliant mineral resource has been estimated at the Heemskirk Tin Project and for the smaller satellite St Dizier Tin Project. While the Company intends to undertake additional exploratory and development work with the aim of improving confidence in the resource estimates and expanding the resources and assessing potential development scenarios, no assurance can be provided that said resources can be economically extracted or that additional resources can be identified. The Company has also identified a number of exploration targets based on geological interpretations and geophysical data, geochemical sampling and historical drilling. However, insufficient data exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining additional resources, no assurances can be given that additional exploration will result in the determination additional resources on any of the exploration targets identified. Even if adequately large resources are identified, no assurance can be provided that they will be commercially viable.

Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that 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.

(e) **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 any of the Projects.

The risks associated with the development of a mine will be considered in full should any of the Projects reach that stage and will be managed with ongoing consideration of stakeholder interests.

(f) **Litigation**

The Company is not currently involved in any litigation. However, the Company may in the ordinary course of business become involved in litigation and disputes, for example with its contractors or clients over a broad range of matters including its products. Any such litigation or dispute could involve significant economic costs and damage to relationships with contractors, clients or other stakeholders. Any such outcomes may have an adverse impact on the Company's business, market reputation and financial condition and financial performance.

(g) **Local Community**

The Company's Projects are situated throughout Tasmania. While the Company will do all in its power to maintain good working relationships with the local community, and will pursue a mining plan designed to minimize any community impact, there is a risk that this will not be sufficient to satisfy community expectations. In that event, the activities of the Company could potentially be disrupted and/or delayed.

(h) **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 the highest 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.

(i) **Native Title**

Whilst the areas of the Company's project is not considered to include any such rights, the Company has interests in other tenements which include areas over which legitimate Native Title rights of indigenous Australians may exist. Tenements which the Company may acquire in the future may also include areas where Native Title rights exist. Where Native Title rights exist, the Company's ability to gain access to the land or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. As at the date of this Prospectus, the Company is not aware of any Native Title rights which it expects to materially adversely affect its operations. Nevertheless, no guarantee can be given that Native Title rights will not affect the Company.

(j) **Regulatory Compliance**

The Company's operating activities are 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 requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.

Obtaining necessary permits can be a time-consuming process and 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 mining claims comprised in a Project.

(k) **Climate Risk**

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:

- (i) 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
- (ii) 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.

5.3 General risks

(a) **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.

(b) **Economic**

General economic conditions, 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.

(c) **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:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) 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. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(d) **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.

(e) **Ukraine Conflict**

The current evolving conflict between Ukraine and Russia (**Ukraine Conflict**) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.

The Directors are continuing to closely monitor the potential secondary and tertiary macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

(f) **Coronavirus (COVID-19)**

The outbreak of the coronavirus disease (**COVID-19**) is impacting global economic markets. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

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.

(g) **Commodity price volatility and exchange rate risks**

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 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.

(h) **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 the Australia may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

(i) **Taxation**

The acquisition and disposal of Shares 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 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 or Options under this Prospectus.

5.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

6. ADDITIONAL INFORMATION

6.1 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.

6.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is 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 Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;

- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company or an ASIC office during normal office hours.

Details of documents lodged with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below:

Date	Description of Announcement
29 August 2022	Section 708A Cleansing Notice
29 August 2022	Application for quotation of securities – SRZ
22 August 2022	Proposed issue of securities - SRZ
22 August 2022	Proposed issue of securities - SRZ
22 August 2022	SRZ to raise up to \$2.4m by way of Placement and SPP
18 August 2022	Investor Presentation - Australia's Next Tin Producer
18 August 2022	Trading Halt
3 August 2022	South Severn and Scamander Exploration EDGI Grants
27 July 2022	More Outstanding Tin Intersections from Severn Infill Holes
22 July 2022	Fourth Quarter Activities and Cash Flow Reports
14 July 2022	High Grade Gold Soil Anomalies at Leura & Back Creek
15 June 2022	Outstanding Tin Results from Severn Infill Holes
12 May 2022	Change of Director's Interest Notice
10 May 2022	Section 708A Cleansing Notice
10 May 2022	Application for quotation of securities - SRZ
26 April 2022	Third Quarter Activities and Cash Flow Reports
7 April 2022	Heemskirk Tin Phase 2A Drilling Program
23 March 2022	High-Grade Tin Intersected in Severn Hole ZS143W
15 March 2022	Half Year Accounts
28 February 2022	Stellar Pegs Prospective Lithium & Tin Ground in NE Tasmania
16 February 2022	Change of Director's Interest Notice x4
11 February 2022	Section 708A Cleansing Notice

Date	Description of Announcement
11 February 2022	Application for quotation of securities - SRZ
25 January 2022	Second Quarter Activities and Cash Flow Reports
20 December 2021	High Grade Tin Intersected in Second Severn Hole
22 November 2021	Montana No.1 Hole Silver-Lead Grades
16 November 2021	Results of Annual General Meeting
16 November 2021	Presentation - Annual General Meeting
11 November 2021	Large Magnetic & Conductive Target Modelled at South Severn
5 November 2021	ZS140 Results and Heemskirk Tin Drilling Update
29 October 2021	First Quarter Activities and Cash Flow Reports
15 October 2021	Notice of Annual General Meeting/Proxy Form
22 September 2021	Completion of Sale of Non-Core Exploration Licence to AGE
22 September 2021	AGE: Alligator completes acquisition of EL6350 - Samphire Project
21 September 2021	Appendix 4G and Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website (www.stellarresources.com.au).

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent dates of those sales were:

	Price	Date
Highest	\$0.024	6 - 7 June 2022
Lowest	\$0.014	1 September 2022
Last	\$0.015	2 September 2022

6.4 Lead Manager Mandate

The Company has signed a mandate letter to engage Taylor Collison Limited to act as lead manager to the Placement and SPP (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

Term	The engagement commenced on 18 August 2022 and will continue until the earlier of: (a) completion of the Offers; and (b) 3 months from the date of the Lead Manager Mandate, unless terminated earlier by mutual written agreement.
Services	The Lead Manager has agreed to provide services to the Company including: (a) assisting in negotiations, where necessary, with Australian regulatory authorities and the ASX; (b) settling clients of the Lead Manager who participate, and help coordinate any potential Company direct participants to settle with the Company; (c) assisting with the take up in the SPP including reviewing the Prospectus and assistance with marketing the SPP Offer to eligible security holders; and (d) such other services as may be agreed between the Company and the Lead Manager.
Fees	In consideration for its services, the Company agreed to pay the following fees to the Lead Manager: (a) a management fee of 2% of the total amount raised under the Placement (plus GST); (b) a selling fee of 4% of the total amount raised under the Placement (plus GST); and (c) subject to obtaining Shareholder approval, the issue of 25,179,000 Options on the same terms and conditions as the Placement Options (the Lead Manager Options). In the event that approval for the issue of the Lead Manager Options is not obtained at the Annual General Meeting, the Company has agreed to issue the Lead Manager Options pursuant to its placement capacity under ASX Listing Rule 7.1, as soon as such capacity is available.
Expenses	The Company has agreed to reimburse the Lead Manager for all reasonable out-of-pocket expenses associated with the Placement, to be approved in advance for any individual expense greater than \$2,000.
First Right of Refusal	The Company agreed to offer the Lead Manager the first right of refusal to act as lead manager in future capital raisings undertaken in connection with the Company within 12 months of the date of allotment of the Placement Shares. The Company agreed that the fees associated with any future capital raisings will be on the same terms as those contained in the Lead Manager Mandate.

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

6.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, the following persons (together with their associates) have a relevant interest in 5% or more of the Shares on issue in the Company:

Shareholder ¹	Shares	% ²
BNP Paribas Nominees Pty Ltd Six SIS Ltd <DRP A/C>	62,453,869	7.489%
Capetown S A	62,382,221	7.480%

Notes:

1. These parties may all participate in the SPP Offer up to an amount of \$30,000.
2. Relevant interest percentages as at 30 June 2021, as disclosed in the Company's Annual Report for the financial year ended 30 June 2021.

The Company confirms that no existing Shareholder will increase its Shareholding to above 19.9% as a result of the Placement or the Offers.

6.6 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers pursuant to this Prospectus; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus and following completion of the Offers is set out in the table below.

Date of this Prospectus

Director	Shares	Options
Simon O'Loughlin	8,716,194 ¹	1,350,000 ^{1,2}
Gary Fietz	4,574,453 ³	Nil
Thomas Whiting	7,612,469 ⁴	Nil
Simon Taylor	9,889,103 ⁵	2,000,000 ²

Notes:

1. Held indirectly by D-Tech Investors Pty Ltd and Yoix Pty Ltd, entities in which Mr O'Loughlin is a Director.
2. Exercisable at \$0.015 each on or before 24 December 2022.
3. Held indirectly by Widerange Mining Projects Pty Ltd ATF The G & K Fietz Family A/C, an entity in which Mr Fietz is a Director.
4. 4,442,688 Shares held directly by Mr Whiting and 3,169,781 Shares held indirectly by Silver Whiting Pty Ltd ATF T Whiting Superfund A/C, of which Mr Whiting is a Director.
5. Held indirectly by Jimzbal Pty Ltd ATF Jimzbal Super A/C and Jimzbal Pty Ltd ATF Taylor Family Trust. Mr Taylor is a director of Jimzbal Pty Ltd.

Completion of the Offers

Director	Shares	Options
Simon O'Loughlin	9,716,194 ^{1,6}	1,850,000 ^{1,2,6}
Gary Fietz	4,574,453 ³	Nil
Thomas Whiting	9,612,469 ^{4,6}	1,000,000 ⁶
Simon Taylor	11,889,103 ^{5,6}	3,000,000 ^{2,6}

Notes:

1. Held indirectly by D-Tech Investors Pty Ltd and Yoix Pty Ltd, entities in which Mr O'Loughlin is a Director.
2. Exercisable at \$0.015 each on or before 24 December 2022.
3. Held indirectly by Widerange Mining Projects Pty Ltd ATF The G & K Fietz Family A/C, an entity in which Mr Fietz is a Director.
4. 4,442,688 Shares held directly by Mr Whiting and 3,169,781 Shares held indirectly by Silver Whiting Pty Ltd ATF T Whiting Superfund A/C, of which Mr Whiting is a Director.
5. Held indirectly by Jimzbal Pty Ltd ATF Jimzbal Super A/C and Jimzbal Pty Ltd ATF Taylor Family Trust. Mr Taylor is a director of Jimzbal Pty Ltd.
6. Simon O'Loughlin, Simon Taylor and Thomas Whiting intend to participate in the SPP Offer to the amount of \$15,000, \$30,000 and \$30,000 respectively and on that basis will be issued 1,000,000, 2,000,000 and 2,000,000 Shares and 500,000, 1,000,000 and 1,000,000 SPP Options, respectively (subject to Shareholder approval).

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution 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 \$500,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Remuneration for the year ended 30 June 2021	Remuneration for the year ended 30 June 2022 ¹	Proposed remuneration for the year ending 30 June 2023
Simon O'Loughlin	\$42,199	\$50,323 ²	\$51,935 ²
Gary Fietz	\$269,899	\$345,274 ³	\$346,629 ³
Thomas Whiting	\$87,040	\$68,345 ⁴	\$69,700 ⁴
Simon Taylor	\$35,302	\$42,845 ⁵	\$44,200 ⁵

Notes:

- During the financial year ended 30 June 2022, the Directors fees were increased in line with a review undertaken by the Board.
- Total remuneration comprising of salary of \$47,000 plus statutory superannuation (the increase in remuneration for the year ended 30 June 2023 is due to an increase in statutory superannuation from 10% to 10.5%).
- Directors' fees comprising of salary of \$40,000 plus statutory superannuation. In addition, Mr Fietz provides executive consulting services to the Company on an ad hoc basis pursuant to a consulting agreement between Mr Fietz, the Company and Widerange Consulting Pty Ltd at a rate of \$1,400 per day (plus GST) or pro-rata part thereof (\$175 per hour for 8-hour days). Mr Fietz has received or expects to receive the following fees pursuant to the consulting arrangement:
 - for the year ended 30 June 2022, \$302,429 for additional executive related services provided by Mr Fietz to the Company; and
 - for the year ended 30 June 2023, \$302,429 for additional executive related services provided by Mr Fietz to the Company (on the basis that Mr Fietz will likely provide the same quantum of additional executive related services to the Company on the same terms as the previous year). The increase in total remuneration for the year ended 30 June 2023 is attributed to the increase in statutory superannuation from 10% to 10.5% in relation to Fietz's directors' fees.
- Directors' fees comprising of salary of \$40,000 plus statutory superannuation. In addition, Mr Whiting provides consulting services to the Company on an ad hoc basis at a rate of \$2,000 per day (plus GST). Mr Whiting has received or expects to receive the following fees pursuant to the consulting arrangement:
 - for the year ended 30 June 2022, \$25,500 for additional exploration related services provided by Mr Whiting to the Company; and
 - for the year ended 30 June 2023, \$25,500 for additional exploration related services provided by Mr Whiting to the Company (on the basis that Mr Whiting will likely provide the same quantum of additional exploration related services to the Company on the same terms as the previous year). The increase in total remuneration for the year ended

30 June 2023 is attributed to the increase in statutory superannuation from 10% to 10.5% in relation to Mr Whiting's directors' fees.

5. Comprising of salary of \$40,000 plus statutory superannuation (the increase in remuneration for the year ended 30 June 2023 is due to an increase in statutory superannuation from 10% to 10.5%).

6.7 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 2 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.

Taylor Collison Limited has acted as the Lead Manager to the Company in relation to the Placement. Taylor Collison Limited will receive the fees set out in Section 2.1 from the Company in consideration for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Taylor Collison Limited has been paid fees totalling \$341,077 (excluding GST and disbursements) for services provided to the Company (excluding fees set in Section 2.1).

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$1,455 (excluding GST and disbursements) for legal services provided to the Company.

6.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the 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; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes 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.

Taylor Collison Limited has given its written consent to being named as the Lead Manager in this Prospectus. Taylor Collison Limited has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

6.9 Estimated expenses of Offers

The total expenses of the Placement and Offers are estimated to be approximately \$162,077 as follows:

Expense	(\$)
ASIC Fees	3,206
Lead Manager Fees (Placement only)	113,306
Legal Fees	15,000
ASX quotation fees	5,196
Miscellaneous, printing and other expenses	25,369
Total	162,077

6.10 Electronic Prospectus

ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If

you have not, please phone the Company's Share Registry, Boardroom Pty Limited on 1300 737 760 (callers within Australia) or +61 2 9290 9600 (callers outside Australia) who will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

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 Prospectus or any of those documents were incomplete or altered.

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

The Company will not be issuing Option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets 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 CHES and issuer sponsorship.

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.

6.12 Privacy Act

If you complete an application for Securities, 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, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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 Company's Share Registry.

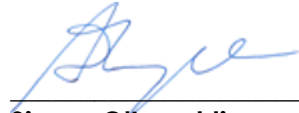
You can access, correct and update the personal information that we hold about you. Please contact the Company if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (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 Shares, the Company may not be able to accept or process your application.

7. 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.



Simon O'Loughlin
Non-Executive Chairman
For and on behalf of
STELLAR RESOURCES LIMITED

8. DEFINITIONS

\$ means Australian dollars.

AEST means Australian eastern standard time as observed in Melbourne, Victoria.

Annual General Meeting or **Meeting** means the general meeting of Shareholders of the Company to be held on 8 November 2022.

Application Form means an application form to apply for securities under the SPP Offer, the Placement Options Offer or the Lead Manager Options Offer, as the context requires.

ASIC means the Australian Securities and 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 listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day 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.

Closing Date means the date specified in the timetable in Section 1.1 of this Prospectus (unless extended or brought forward).

Company means Stellar Resources Limited (ACN 108 758 961).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

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

Eligible Shareholders are Shareholders with a registered address in Australia and New Zealand, who were registered holders of Shares on the Record Date.

Lead Manager means Taylor Collison Limited (ACN 008 172 450) (AFSL 247083).

Lead Manager Options means the Options to be offered to the Lead Manager in part consideration for services provided to the Company, with an exercise price of \$0.025 each, expiring on the date that is two (2) years from the date of issue of the Options.

Offers means the Placement Options Offer, the SPP Offer and the Lead Manager Options Offer.

Official Quotation means official quotation on ASX.

Opening Date means the opening date of the Offers as specified in the timetable set out in Section 1.1 of this Prospectus (unless varied).

Option means an option to acquire a Share.

Placement means the placement undertaken by the Company, details of which are set out in the Company's announcement dated 22 August 2022.

Placement Options means the Options to be offered to participants under the Placement, with an exercise price of \$0.025 each, expiring on the date that is two (2) years from the date of issue of the Options.

Projects means the Company's projects including:

- (a) The Heemskirk Tin Project (ML 2023P/M, ML 2M/2014, ML 2040P/M & ML RL5/1997);
- (b) The St Dizier satellite Tin Project (ML 10M/2017);
- (c) Exploration Licences near Zeehan, Tasmania prospective for tin and base metals (EL11/2017 & EL13/2018);
- (d) North-East Tasmania Exploration Licences prospective for gold, tin and base metals (EL11/2020, EL12/2020, EL13/2020, EL14/2020, EL15/2020, EL16/2020, EL17/2020, EL18/2020, EL19/2020, EL2/2021 & EL10/2020); and
- (e) EL3/2021.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out in Section 1.1.

Section means a section of this Prospectus.

Securities means Shares and/or Options.

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

Shareholder means a shareholder of the Company.

SPP means the Company's share purchase plan, whereby the Company has offered each Eligible Shareholder an opportunity to subscribe for Shares up to the value of \$30,000 at an issue price of \$0.015 per Share to raise up to \$500,000, with the ability to accept oversubscriptions of up to a further \$500,000.

SPP Application Form means an application form to apply for Securities under the SPP.

SPP Options means the Options to be offered to Eligible Shareholders who subscribe for Shares under the SPP, with an exercise price of \$0.025 each, expiring on the date that is two (2) years from the date of issue of the Options.