MONTANA No 1 MINE PROJECT

Final Drilling Project Report for EDGI 2021 Round 5

(Revised 20 May 2022)

Montana No 1 Mine Project
ML 2023P/M
Final Drilling Project Report for
Exploration Drilling Grant Initiative
Round 5, 2021

Zeehan

Tasmania

For

Mineral Resources Tasmania

Mark Dugmore

April 2022

(Revised 20 May 2022)

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Tenement Holder – Columbus Metals Ltd (a wholly owned subsidiary of Stellar Resources Ltd)

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EXECUTIVE SUMMARY

Stellar Resources Ltd ("Stellar") was awarded four Exploration Drilling Co-Funding grants totalling $185,000 under the Tasmanian Government's Exploration Drilling Grant Initiative (EDGI Round 5) in June 2021. The grants awarded to Stellar were for the drill testing of four exploration prospects: Montana No. 1 (2 holes) and Queen No. 4 (1 hole) in ML2023P/M plus Zeehan Western (2 holes) and Oonah (2 holes) in EL13/2018.

This report details the results of diamond drill hole ZM141A drilled between June and August 2021 ~90m under the historic Montana No 1 Silver-Lead Mine. Two holes were originally planned to test for down dip transitional cassiterite mineralisation below the base metal mineralisation but only one hole was completed due to only Ag-Pb-Zn mineralisation being intersected in the first hole.

Metal zonation within granite related tin mineralising systems is well documented with proven examples within the Zeehan Mineral field. The Montana No 1 Mine is located on the NNW trending Montana Fault Zone and consists of six large, semicontinuous Ag-Pb-Zn fissure veins striking NNW to NNE.

Hole ZM141A was drilled to a total depth of 533.9m and intersected three narrow very high-grade Ag-Pb (-Zn) fissure veins. Mineralisation consists primarily of veined galena, with disseminated sphalerite within black shale in a brecciated siderite zone close to the contact between basalt and black shale of the Oonah Formation. Only minor Sn mineralisation was intersected within basalt from 271.1m (0.8m @ 0.52%).

As most of the mineralisation intersected in ZM141A is silver-lead-zinc fissure veins, it is interpreted that the transition into zones of tin mineralisation may still occur at greater depths below those intersected in the hole. Further desk top studies will be undertaken aimed at understanding the structural relationship of the Montana No 1 deposit with Queen Hill and Severn Deposit and an update of the stratigraphic models for the Montana No 1 Mine.

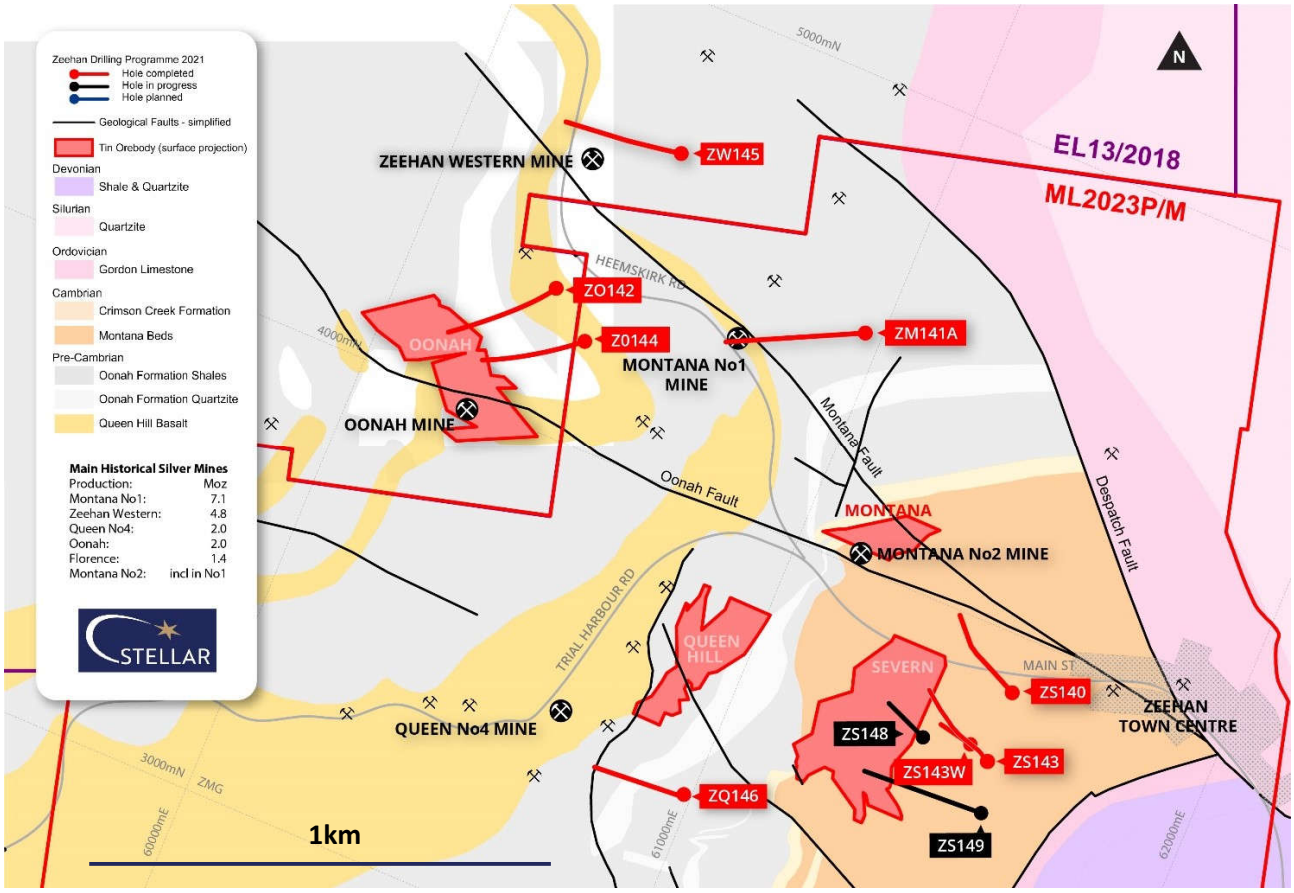

Figure 1. Exploration Index Map

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1. INTRODUCTION

1.1 Introduction

Stellar Resources Ltd ("Stellar") was awarded four Exploration Drilling Co-Funding grants totalling $185,000 under the Tasmanian Government's Exploration Drilling Grant Initiative (EDGI Round 5) in June 2021. The grants awarded to Stellar were for the drill testing of four exploration prospects: Montana No. 1 (2 holes) and Queen No. 4 (1 hole) in ML2023P/M plus Zeehan Western (2 holes) and Oonah (2 holes) in EL13/2018. Funding awarded to each of the project areas comprised $50,000 (Montana No 1), $35,000 (Queen), $50,000 (Zeehan Western) and $50,000 (Oonah).

Stellar's Heemskirk Tin Project is located 18km to the southwest of the Renison tin mine and access to the port of Burnie 150km to the north via sealed highway (Figure 2). The Heemskirk Tin Project includes 4 nearby tin deposits: Severn, Queen Hill, Montana and Oonah. Stellar holds secure Mining Leases over the Heemskirk Tin Project including the tailings pipeline route and tailings storage site and over the St Dizier satellite tin deposit.

In addition to the Heemskirk Tin Project, Stellar owns a portfolio of nearby Exploration Licenses including the Montana Flats and Mount Razorback EL's which contain several historic silver-lead-zinc mines with associated tin mineralization, and the St Dizier and Mount Razorback satellite tin deposits.

This report details the work completed under the EDGI 2021 Round 5 grant for the Montana No 1 Mine Project including drill testing of the Montana No 1 Mine target between June and August 2021.

1.2 Location and Access

EL13/2018 is located near Zeehan on the Queenstown (SK5505) 1:250,000 map sheet and Pieman (7914) 1:100,000 map sheet. The southeast boundary is 1.75 kilometres from the Zeehan PO. EL13/2018 adjoins the north and northwest boundary of Stellar Resources Mining Lease 2023P/M at Zeehan and extends north for seven kilometres. Main road access is from the Heemskirk Road which passes through the centre of EL13/2018 (Figure 3). Numerous unsealed tracks traverse the area.

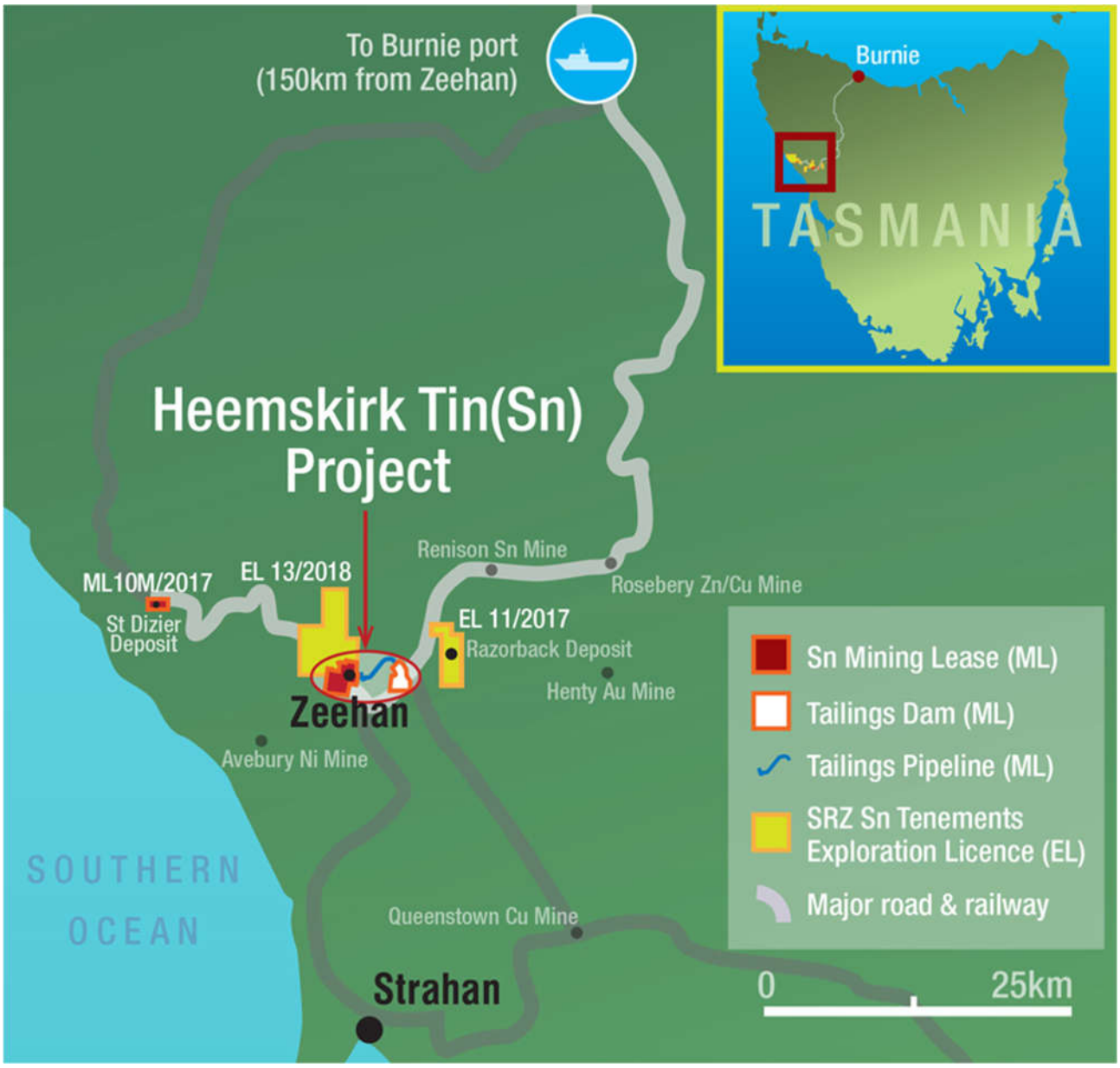

Figure 2. Location of Stellar Resources Projects, West Coast Tasmania

1.3 Tenement Details

ML2023P/M and EL13/2018 are 100% held by Columbus Metals Ltd, a wholly owned subsidiary of Stellar Resources Ltd. The mining lease was granted on 13 February 2017 for twelve years while the exploration licence was granted for five years on 26 November 2018 (see Table 1). The EL area is comprised entirely of crown land, with some coverage of the Mt Heemskirk Regional Reserve in the southwest, and the Parting Creek Regional Reserve in the northeast (Figure 3). The ML area comprises both cleared urban or farmland and regrowth forest after logging or burning (Figure 4). The operator of the tenements is Stellar Resources Ltd.

Table 1. Tenure details.

Title	Name	Area (km^2)	Expiry Date
ML2023P/M	Zeehan	6	1/2/2029
EL13/2018	Montana Flats	24	25/11/2023

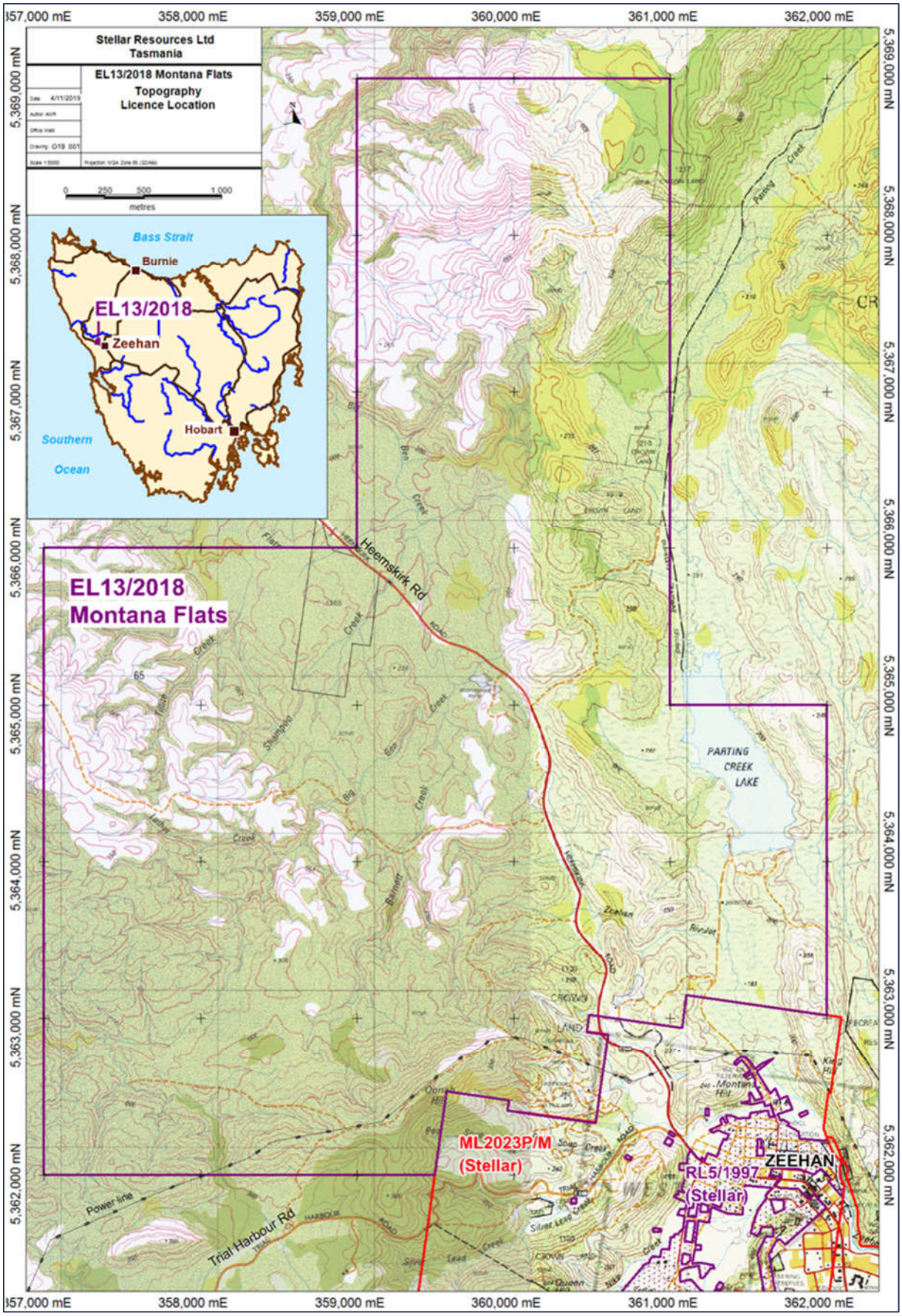

Figure 3. EL13/2018 Location Plan

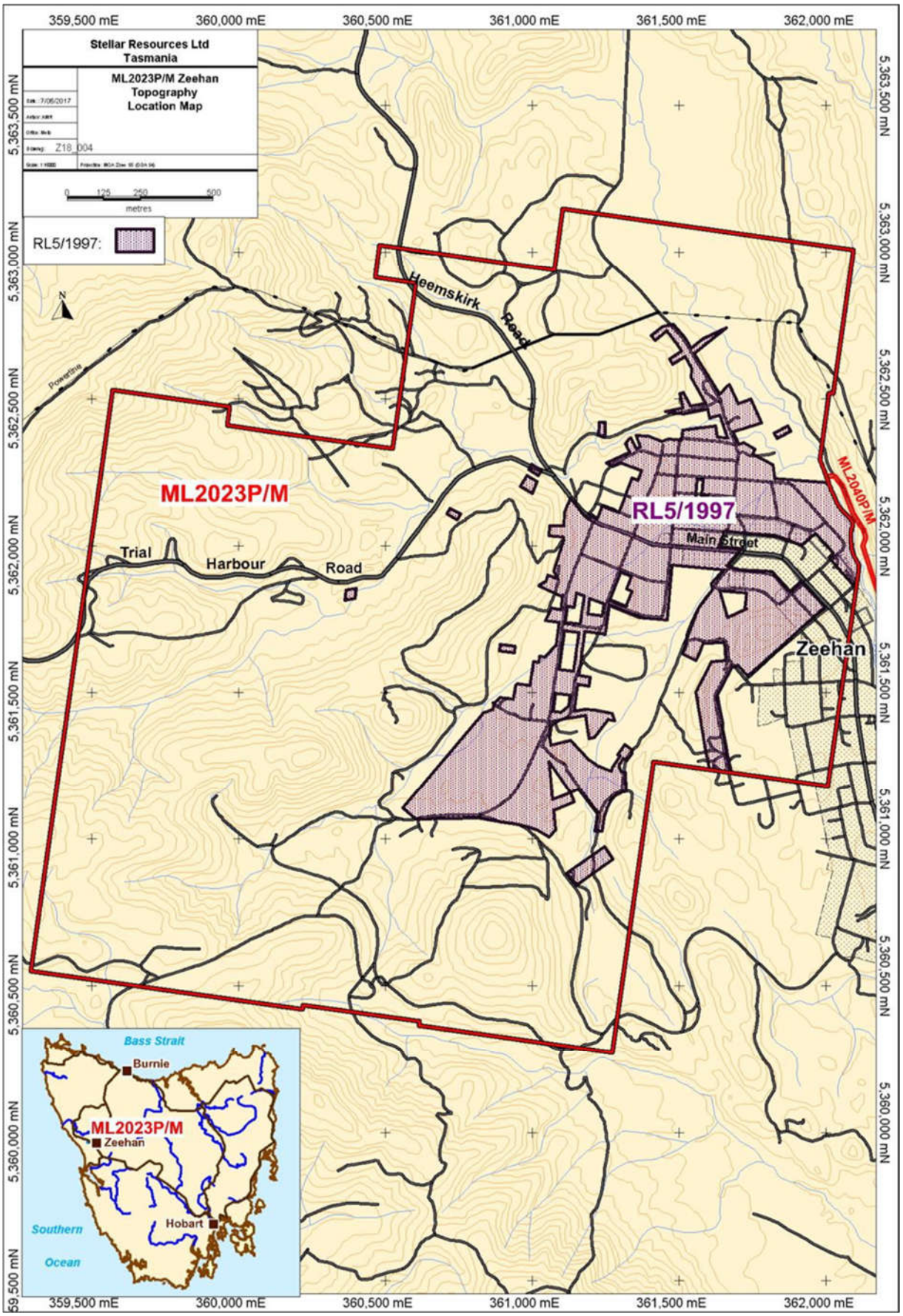

Figure 4. ML2023P/M Location Plan

1.4 Exploration Rationale

The principal objective of the program is to locate additional cassiterite mineralisation in proximity to the Queen Hill & Severn deposits to; (a) augment the current project resource base and extend the potential life of the Heemskirk Tin Project, and (b) potentially identify higher grade areas of tin mineralisation which may improve the project economics.

Subsidiary objectives are definition of project stratigraphy and structure and refinement of the geological model. Such information will assist further targeting and resource definition.

The (EDGI Round 5) holes were planned to test depth extensions below the historically significant Montana No. 1, Zeehan Western, Oonah and Zeehan Queen No. 4 mines (Figure 5 and Figure 6) which were amongst the largest silver-lead mines that made Zeehan one of the largest mining centres in Australia in the late 1800's. These mines had reported production grades of between 20 to more than 100 oz/t silver hosted in fissure veins ranging from a few cm up to 2.7m wide and mined over lengths of up to 300m.

None of these historic silver-lead mines have ever been drill tested, other than Oonah, where an Inferred Mineral Resource (0.59 Mt at 0.9% Sn, 0,8% Cu, 0.1% Pb, 0.1% Zn. Ag not included) has been defined above the depth of the planned holes. Drilling targeted depths below the historically mined silver-lead lodes where transition to tin mineralisation (cassiterite) is expected to have occurred.

Metal zonation from Sn-sulphide (stannite) to Ag-Pb-Zn within the Zeehan Mineral Field is well documented with proven examples at Montana No 2, Queen Hill and Oonah.

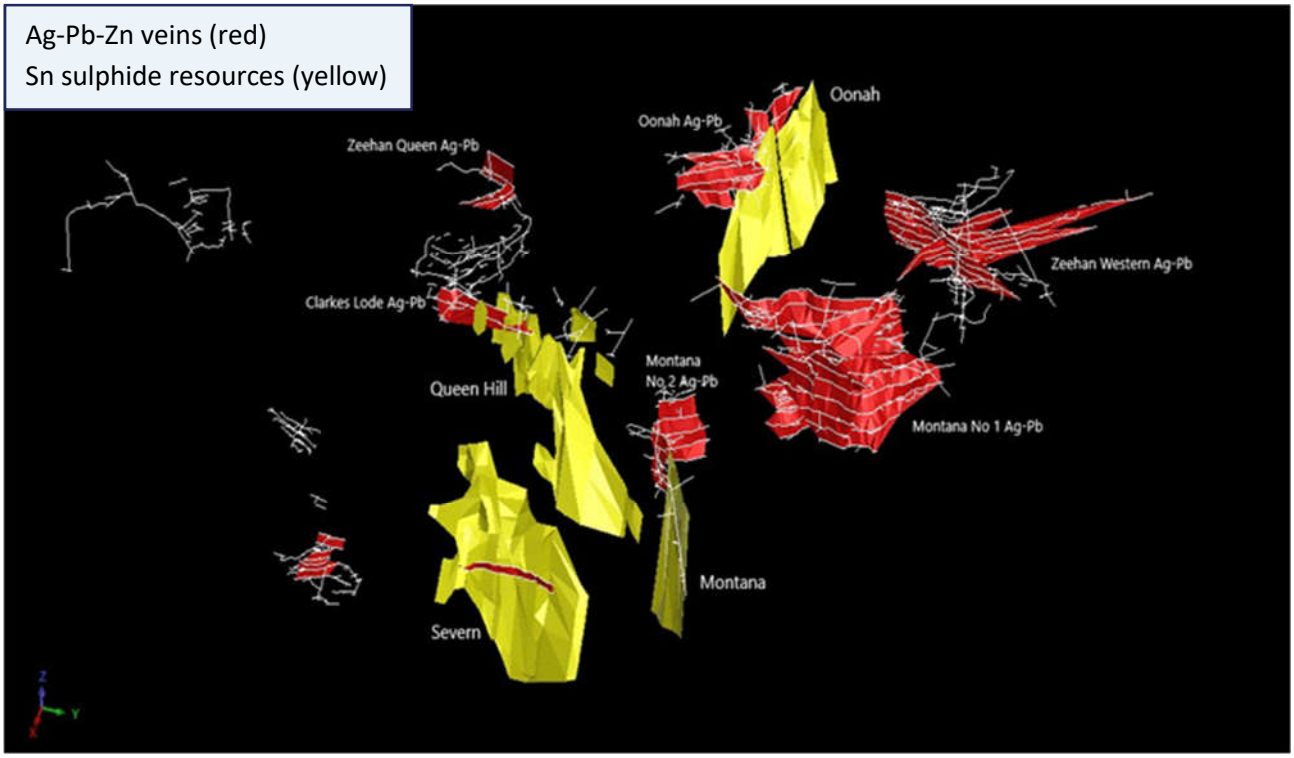

Figure 5. Zeehan Mineral Field Oblique View

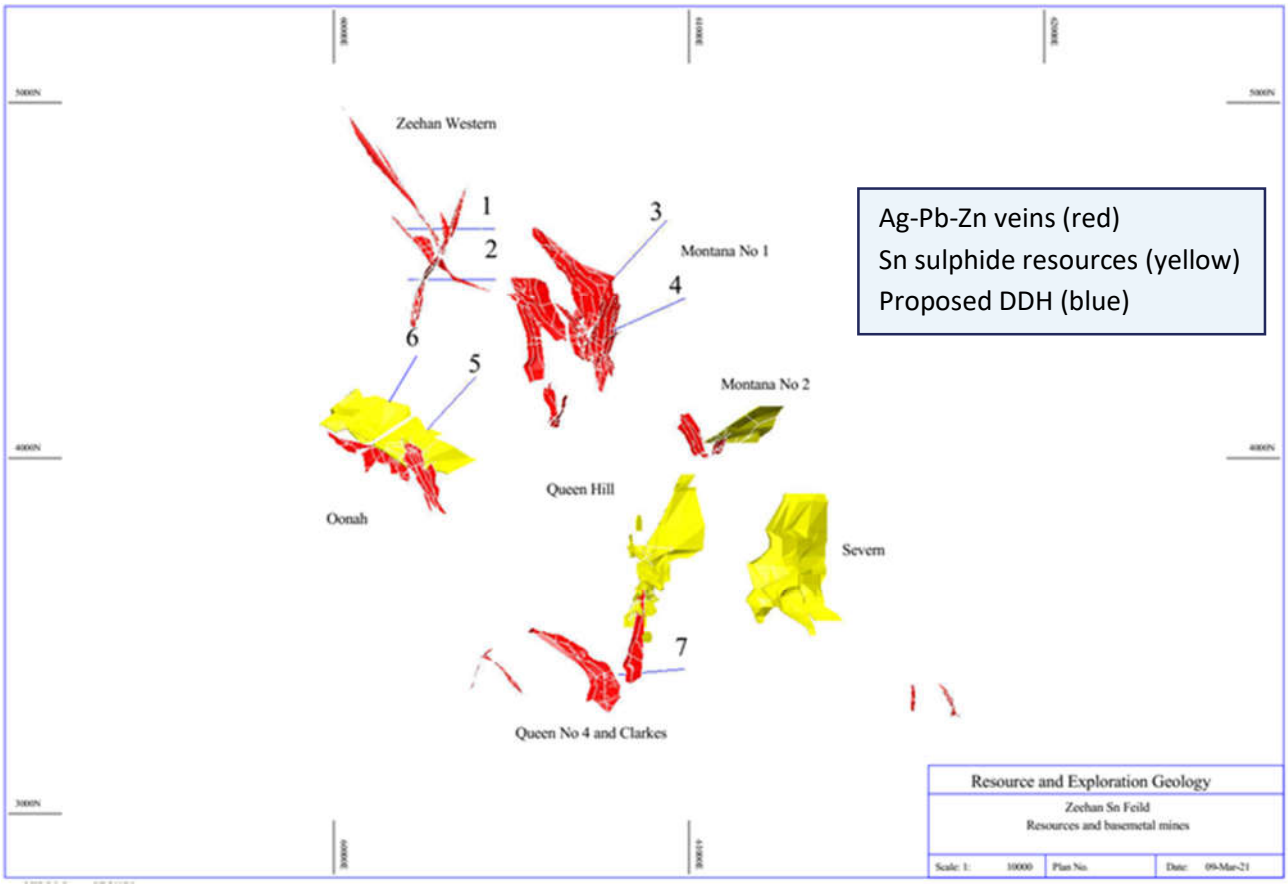

Figure 6. Zeehan Mineral Field Plan View: proposed drillhole locations

2. Previous Exploration

2.1 Prior to Stellar Resources

Previous exploration over ML2023P/M is described below.

Gippsland Minerals & Aberfoyle (1970 – 1989) completed mapping, sampling, geophysics, and geochemistry. Drilling comprised 89 diamond drill holes for 23,000m. This work culminated in the discovery & definition of the Queen Hill, Montana & Severn (tin) Deposits with resource delineation of 7.3 million tonnes @ 0.69% Sn & 10.9 g/t Ag. Subsequent work involved metallurgical testing & Pre-Feasibility Study.

Previous exploration over the adjoining EL13/2018 is described below.

BMR (1963 – 1964) geophysical surveys (IP, SP, Turam-EM & magnetic surveys)

Placer Prospecting (1963 – 1965) tested BMR anomalies via 7 dd holes. 4 holes at Oonah Mine intersected the Stannite Lode. 3 holes southwest of the Oonah Mine at Bradshaw's Lode were unsuccessful.

Minops (1971) drilled a further 10 dd holes, which tested along strike and down dip of the Stannite Lode. 5 holes intersected significant mineralisation.

Aberfoyle-Gippsland Minerals JV (1974 – 1977) drilled 1 dd hole at Bradshaw's Lode. It was unsuccessful.

CRA Exploration (1979 – 1996) joint ventured the project with Minops. They carried out detailed mapping, re-assayed core and drilled 12 more dd holes around the prospect.

RGC Exploration (1987 – 1995) were granted EL 42/1987, which surrounded the Queen Hill and Oonah Mine ML's. They carried out 1:10,000 scale mapping, rock chip sampling and a helicopter borne magnetic survey. In the 90's RGC drilled a 673m dd hole at Montana Hill, but it intersected nothing significant.

Rio Tinto & Allegiance JV (1996 – 2002) flew a high-resolution magnetic survey seeking nickel or shale hosted zinc deposits, with negative results.

Mt Conqueror & Central West Gold (2002 – 2003) reassessed the viability of the Stannite Lode but concluded it was "insufficient to support a stand-alone mining operation".

Bass Metals (2004 – 2009) took up EL 63/2004 because of the Despatch Fault and the juxtaposition of the Gordon limestone against the Oonah formation and the potential for carbonate-replacement mineralisation and sampled and drilled the Montana Silver Lead Mine: Insufficient economic mineralisation was encountered.

TNT Mines (2009 – 2017) drilled two diamond holes at the Oonah Mine and a 200m diamond hole under Anomaly 370 north of Parting Lake. A ground magnetic survey was also carried out over the Anomaly 370 area.

2.2 Exploration by Stellar Resources

Despite being one of the largest Ag-Pb producers in the district, very little modern exploration has been completed and no historic drilling has been completed in the vicinity of the Montana No 1 Mine.

Work completed by Stellar Resources to define the target at Montana No 1 Mine include the location of historic workings and the registration of old mine plans at Montana No 1 Mine. Data obtained from this work has been modelled in Surpac software. Digital models of registered workings and drilling from previous explorers have been used to construct a digital 3D model of the lodes.

Since 2010 Stellar has focussed on infill drilling and exploring for extensions to the Queen Hill, Severn, and Montana (tin) Deposits in ML2023P/M. Other nearby prospects (Stormsdown & Golf Course) have been drill tested together with several geophysical targets. Samples obtained from drilling have been used for extensive metallurgical testing. On-going resource estimation, metallurgical and mining studies resulted in completion of various mine scoping studies culminating in the 2019 scoping study. Environmental studies and permitting activities also commenced but were suspended in 2018.

3. GEOLOGICAL SETTING

3.1 Regional Geology

The oldest rocks in the project area are a sequence of volcanics and sediments equivalent to the Neoproterozic Oonah Formation (708 +/-6 to 690 +/- 10Ma), the oldest stratigraphy in the Zeehan area. These are predominantly quartzites with some interbedded arenaceous siltstones and shales. The upper part of the Oonah Formation is predominantly pelite and/or carbonate, including some evaporites, mafic volcanic rocks and conglomerate. Basalt in the vicinity of Queen Hill is highly vesicular and altered to sericite-chlorite-quartz-dolomite assemblages (Bottrill and Woolley, 2013).

Overlying the Oonah Formation rocks is a sequence of dolomites, carbonaceous pyritic slates and minor volcanics equivalent to the Neoproterozoic Success Creek Group (700 to 600Ma). This group comprises reddish brown siltstones with intercalated limestones and dolomite, referred to locally as the Poverty Point Beds, they correlate to that part of the Success Creek Group which hosts the Renison replacement tin deposits.

The Success Creek Group rocks are overlain by the Cambrian Crimson Creek Formation, comprising basal pyroclastic volcanics overlain by a sequence of greywackes and argillites with minor tuffaceous slates and grits. Basalt in the vicinity of Severn are MORB-type tholeiitic basalts and altered to albite-chlorite-calcite-quartz assemblages (Bottrill and Woolley, 2013).

Ordovician Gordon Limestone crops out northeast of Queen Hill while Siluro-Devonian Eldon Group sandstones and siltstones underlie most of the Zeehan town site.

The Devonian Heemskirk Granite outcrops 7 kilometres west of Zeehan, forming Mt Agnew and Mt Heemskirk, with a ridge of granite believed to extend beneath Queen Hill at depth.

The structure of the rocks in the area is complex with intense folding and faulting at all scales. The deformation is thought to be due to the Tabberabberan Orogeny. Broadly the Zeehan tin deposits are associated with the wide hinge zone of the northwest trending Heemskirk Anticlinorium, which is thought to have been the focus of the intrusion of the Heemskirk Granite at depth in this area.

At Zeehan, the Oonah Formation and the Success Creek Group both host vein and replacement tin deposits. Tin mineralisation within the dolomitic Poverty Point Beds at Montana is of cassiterite sulphide replacement style. Mineralisation at Severn may be similar, being due to smeared-out Poverty Point carbonates along the Severn Fault. Simplified geology is shown in Figure 1 and regional geology in Figure 7.

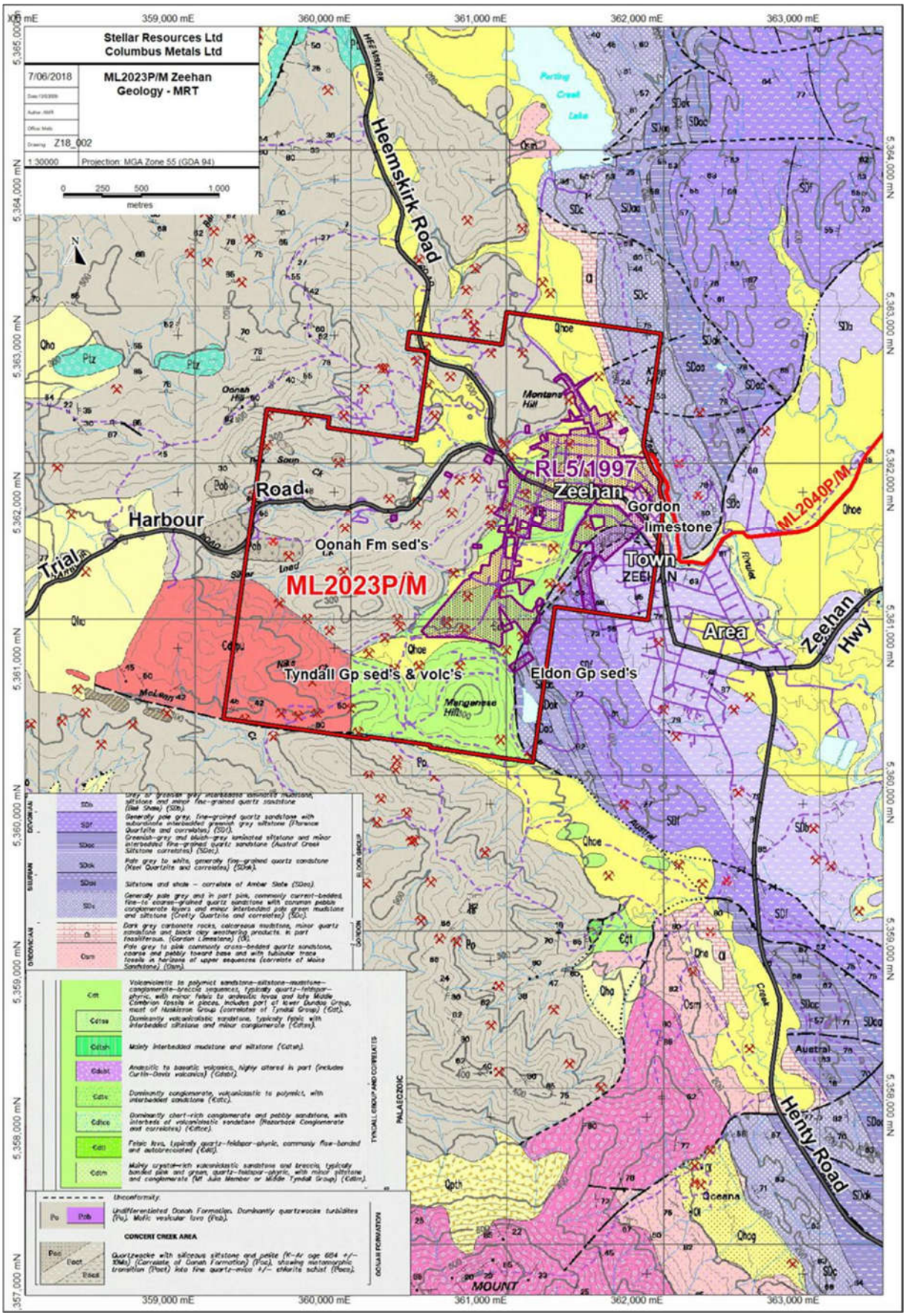

Figure 7. Regional Geology (MRT) Map

3.2 Mineralisation

Tin mineralisation at the Heemskirk Tin Project occurs as cassiterite in three main deposits: Severn, Queen Hill and Montana, with minor outcropping occurrences at Golf Course, Stormsdown and Poverty Point. The deposits are Renison Bell / Cleveland-type tin deposits in which granite-derived hydrothermal fluids, carrying tin, sulphur and other base metals, intruded along structural conduits and reacted with suitable lithologies, such as dolomite and carbonate rich volcaniclastic horizons, to precipitate generally sulphide-rich lodes containing cassiterite. Typical associated gangue minerals include pyrite, pyrrhotite, quartz, tourmaline, carbonates and fluorides.

In addition to the main high temperature tin-mineralising event, a later stage, cooler fluid event appears to have resulted in the formation of Pb-Zn-Ag sulphide lodes, which are not significantly tin-bearing. These lodes (Montana No 1, Queen Hill and Oonah) were the focus of early 20th century silver-lead mining activity.

In all the Zeehan deposits cassiterite occurs as fine grained (20 - 70 microns) disseminations in stockworks and masses of fine-grained gangue comprising siderite, chlorite, silica, pyrite and pyrrhotite.

The four main lodes, including Queen Hill (Figure 8Figure 8), Severn, Montana and Oonah deposits comprise a resource of 6.61Mt @ 1.1% Sn.

3.3 Historic Production

Between 1888 to 1925 the Oonah Mine produced 2.05 mill ozs Ag and 12,800 tonnes of Pb from 19,400t of high grade Pb-Ag ore (Galena Lode) and 20,000 of Cu-Sn-Ag ore (Stannite Lode).

Between 1892 to 1936 the Montana Mine produced 7.1mill ozs Ag and 49,580 tons of Pb from 8 levels to a depth of 253m, where the lode had diminished to a small uneconomic size.

Between 1901 to 1928 the Zeehan Western Mine produced 4.8mill ozs Ag and 26,300 tons of Pb from 13 levels to a depth of 330m, where the lode had diminished to a small uneconomic size.

Between 1902 to 1929 the Queen No 4 Mine produced 2mill ozs Ag and 16,530 tons of Pb from 4 levels to a depth of 70m.

In the 1920's several Pb/Ag prospects northwest of Zeehan were tested, and three small fissure style Pb/Ag mines (Barnett's, Quigley's and Big Ben) were operated sporadically.

From 1925 to 1954 the Oonah Mine was under lease but little production and from 1937 to 1950's the Montana Mine was worked for Ag-Pb-Zn.

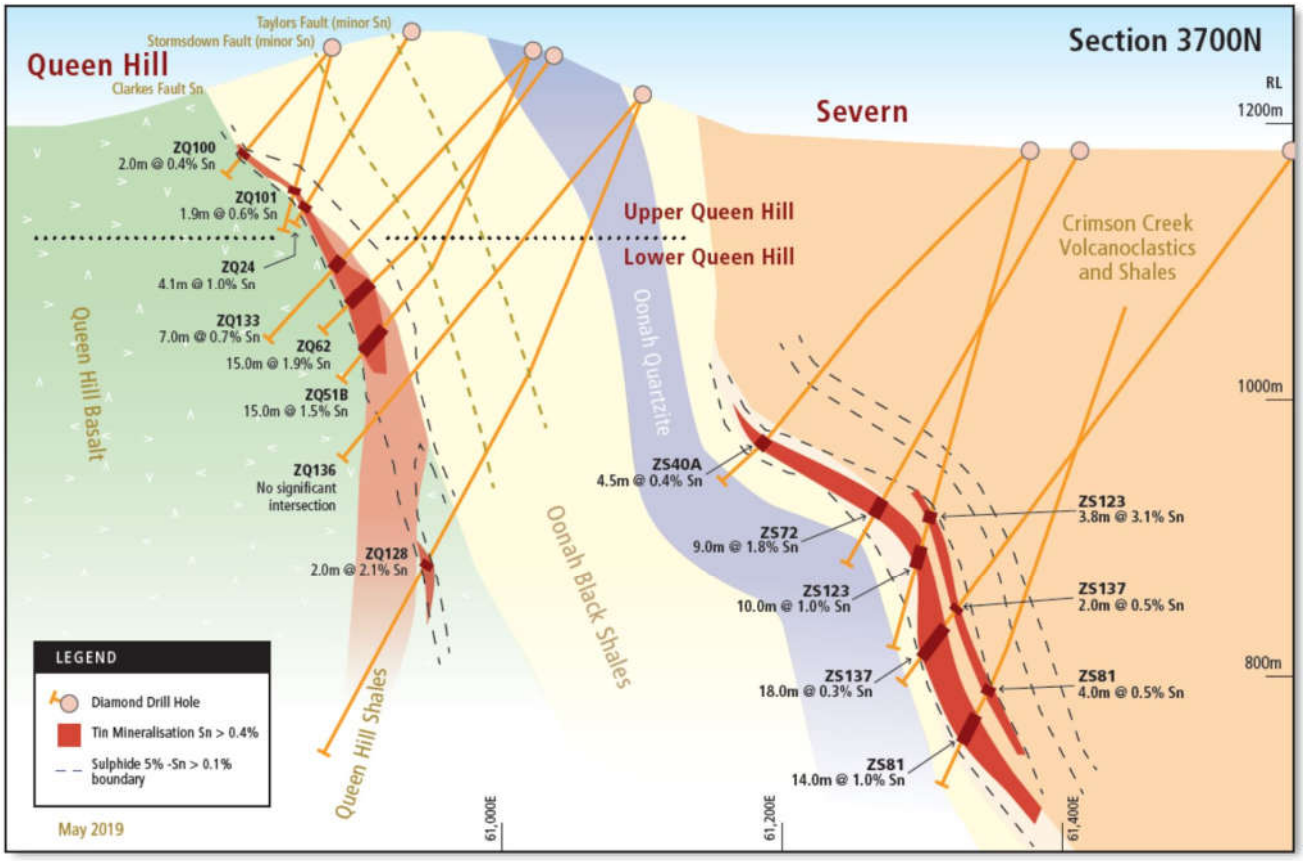

Figure 8. Schematic W-E cross-section 3700N, Queen Hill and Severn tin deposits

3.4 Geology of the Target

3.4.1 Montana No 1 Mine Target

The Montana No 1 mine is located on the NNW trending Montana Fault Zone (Figure 1) and consists of multiple (6 main lodes) sub parallel Ag-Pb-Zn fissure lodes. Historic mining extended to approximately 250m depth producing 7.1 Moz Ag and 49,580 tons Pb. Ore grades ranged up to 115 Oz/t Ag (Blissett, 1962).

Together with the Zeehan Western Mine (4.8Moz Ag, 26,300 tons Pb) the Montana Mines were the largest producing Pb-Ag Mines in the Zeehan field. The deposits are considered to have potential to transition to pyrite hosted Sn deposits at depth.

The Montana No 1 deposit is reasonably well understood from historic workings including a 253m deep shaft, one of the deepest in the district. Multiple lodes (up to 8) were recorded striking between NNW and NNE with steep E dips, the most important was No 1 Lode. The lodes are irregular in thickness to 1.2m and frequently split. Most production was from the upper 5 levels (<185m) from 5 lodes mined over lengths up to 240m (Blissett, 1962).

Mineralisation on deeper levels, below 185m, was regarded to be variable and extensively faulted. Only traces of galena were intersected on the bottom No 8 (253m) level but were unworkable and the mine was largely abandoned in 1914 with small quantities produced up to 1936 (Blissett, 1962).

Montana No 1 is an attractive drilling target for depth extensions transitioning into tin mineralisation as it contains a number (8 recorded) of silver-lead fissure vein lodes within the Montana Fault Zone. Mineralisation is localised within intensely folded and faulted alternating dark slate, siltstone and pale grey quartzite, with interbedded flows of spilitic lava.

Two reconnaissance diamond drillholes were designed to test for down dip transitional cassiterite mineralisation below the base metal veins and the mine workings (as modelled by Stellar Resources). The holes aimed to test approximately 100m below the lowest mine level (Figure 5, Figure 6 and Figure 9).

The proposed drillholes testing the depth extensions of the Montana No 1 deposit are displayed as a plan in Figure 6 and in oblique section in Figure 9.

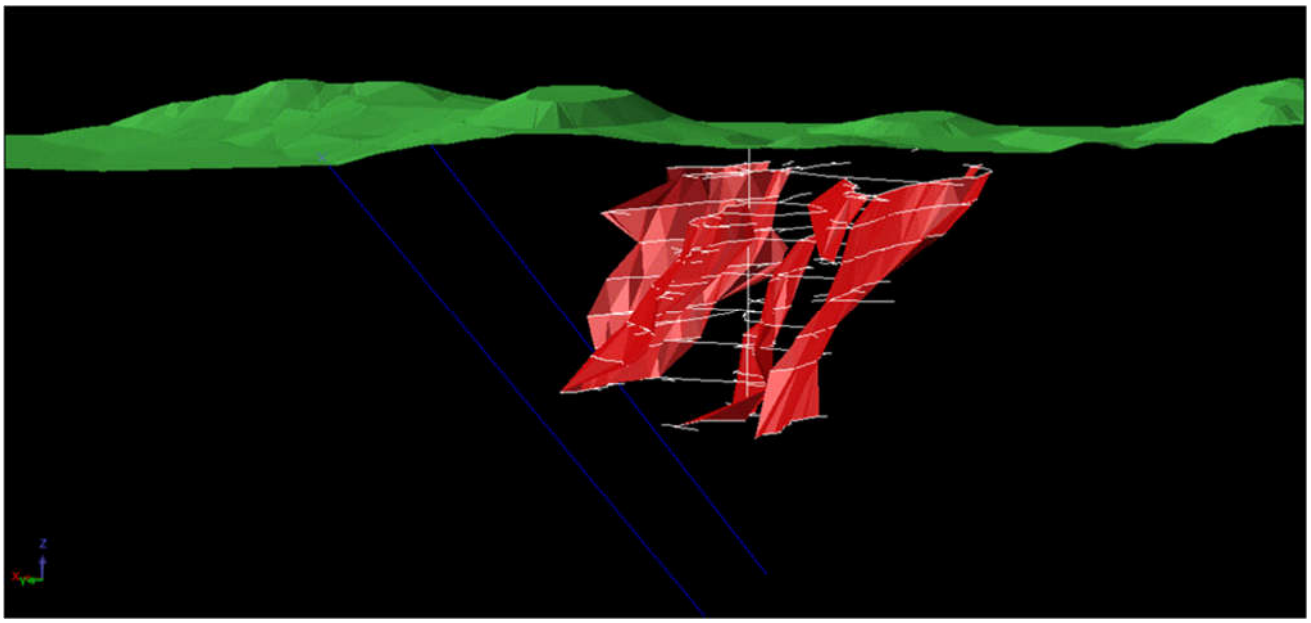

Figure 9. Montana No 1 oblique E view with proposed drillholes

4. WORK COMPLETED

In July and August 2021, a single diamond hole (ZM141A) was completed on ML2023P/M as part of Mineral Resources Tasmania's (MRT) Exploration Drilling Grant Initiative Program (Round 5) to test for down dip transitional cassiterite mineralisation below the base metal veins at the Montana No 1 Mine. The hole tested approximately 90m below the lowest mine level and intersected high grade narrow silver-lead-zinc fissure vein mineralisation. Due to the exploration focus being on tin, not silver-lead-zinc mineralisation, the second planned hole was not drilled.

4.1 Drilling

Between the 25th of June 2021 and the 13th of August 2021, Spaulding Drillers Pty Ltd of Devonport drilled one angled diamond hole at Montana No. 1, for a total of 533.9 metres within ML2023P/M. This hole ZM141A is detailed in Table 2 and location shown in Figure 1. The hole was drilled to the west at roughly right-angles to the NNW to NNE trending/steep E dipping mineralisation.

Hole ZM141A was drilled to 271m by triple tube HQ diamond drilling followed by 262.9m of triple tube NQ diamond drilling to the end of hole. The original EDGI proposal was for two holes (total 1,100m) however, the second hole was cancelled due to Ag-Pb-Zn mineralisation intersected in the first hole (ZM141A) and the decision to continue to focus on tin.

Table 2. Drillhole location – Montana No 1 Mine (GDA94 MGA 54 grid)

Hole	East	North	Elevation (mRL)	Azimuth	Inclination	Total Depth
ZM141A	361,205	5,362,719	221.3	271.4	-55.5	**533.9m**

4.2 Surveying

Collar coordinates (E & N) are recorded by GPS and are yet to be surveyed. The RL has been determined by pressing the collar onto Lidar topography surface due to inaccuracy in GPS Z values.

The hole was drilled triple tube (HQ3, NQ3) with oriented core using digital Ori tool.

The hole was surveyed with a single shot magnetic survey instrument at 30 metre intervals.

The downhole surveys are provided in Appendix 1.

4.3 Logging and Photography

The hole was geologically logged in full for core recovery, RQD, weathering, oxidation, lithology, alteration, mineralisation, vein types and vein intensity and structure. Primary data was collected digitally using a field laptop computer using in-house logging codes. The data was checked and verified prior to entering into a master database. Logging codes are provided in Appendix 2.

The drill core was photographed while wet and before cutting (full core). Photos of core trays are presented in Appendix 3.

No magnetic susceptibility readings were taken for this hole.

pXRF readings were taken at irregular intervals down the hole.

Digital drilling data, including collar, survey, lithology, alteration, veining, mineralisation, structure and recoveries are provided in Appendix 1.

4.4 Sampling and Analysis

HQ and NQ drill core was cut on site and ½ core samples collected. Core was sampled to mostly 1 metre lengths but also to geological boundaries where relevant.

A total of 194 samples for ZM141A (plus 21 QA/QC samples) were sent to ALS in Burnie for sample preparation and total Fe, S, Sn and WO3 analysis using the ME-XRF15d fused disc XRF method before being on-sent to ALS Brisbane for acid soluble aqua regia digestion ICP-MS multi-element analysis (ME-ICP41a method), and, where required, overlimit Pb, Zn & Ag analysis by acid soluble aqua regia digestion (ME-OG46 method) and, where required, overlimit Pb analysis using the fused disc XRF technique (ME-XRF15d method) (see Table 3).

Assay results are in are provided in Appendix 1.

Table 3. Analytical Methods.

ALS Code	Digestion	Analysis	Elements
ME-XRF15d	NA	XRF fusion	Fe, S, Sn, WO3
ME-ICP41a	Aqua Regia Digestion on 0.4g sample	ICP-MS	Ag, Al, As, Ba, Be, Bi, Ca, Co, Cr, Cu, Fe, Ga, K, La, Li, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sn Sr, Th, Ti, Tl, U, V, W, Zn.
ME-OG46 (Overlimit Base Metals Method where over ME-ICP41a limits)	Aqua Regia Digestion on 0.4g sample	ICP-MS	Pb, Zn, Ag
ME-XRF15d (Pb Overlimit Method where Pb over ME-OG46 limits)	NA	XRF fusion	Pb

5. RESULTS

5.1 Summary of Results

A summary of the lithology, alteration and veining within the drill hole is given below together with commentary on the analytical results.

5.2 Hole ZM141A

Drillhole ZM141A was designed to test the depth extensions of the steep E-dipping Ag-Pb-Zn vein mineralisation where the base metal mineralisation was inferred to transition down-dip to pyrite-hosted cassiterite mineralisation ~90m below the lowest mine level.

The hole intersected lithologies of the Oonah Formation including sandstone in the top of the hole to 23 then black shale interbedded with sandstone to 103m. The sequence from 103m to 216m comprised interbedded siltstone and sandstone, plus minor conglomerate and black shale. Amygdaloidal basalt was intersected from 216m to 405.7 followed by black shale to the end of hole at 533.9. Faulting occurs at various intervals throughout the hole.

Several zones of alteration and mineralisation in fissure vein lodes were intersected commencing from approximately 75m below the historically significant Montana No. 1 silver-lead-zinc mine.

This mineralisation consists primarily of galena, with disseminated sphalerite in siderite zones with the best developed mineralisation within black shale just below the contact with basalt.

The mineralised zones observed in ZM141A are fissure veins typically structurally controlled by faults that contain pyrite, galena, sphalerite, cassiterite, siderite and quartz (Photo 1).

The hole was extended from the planned depth of 500m to 533.9m due to additional siderite-pyrite veining observed beyond the planned end of hole depth.

Assay results from drillhole ZM141A confirm several narrow, very high-grade silver-lead-zinc fissure veins with significant intercepts as shown in Table 4. The best intersection was a fissure vein with a downhole interval of 1.2m from 423.0m to 424.2m returning 31.8 oz/t Ag, 23.9% Pb, 0.4% Zn and 0.1% Cu. This very-high grade fissure vein intercept is approximately 90m below the deepest historic Montana No. 1 mine workings as shown in Figure 10.

Minor Sn mineralisation (0.52% as cassiterite) observed from 271.1m to 271.9m (0.8m length) is in a narrow vein of siderite with pyrite and blebs of galena and sphalerite.

These results did not confirm the continuation of tin mineralisation ~75m below the historical Montana No 1 silver lead mine as shown in Figure 10 and the transition into zones of significant tin mineralisation may still occur at greater depths below those intersected in ZM141A.

Table 4. ZM141A Significant Intersections

Hole	From (m)	To (m)	Length (m)	Sn (%)	Cassiterite % of Total Sn	Cu (%)	Pb (%)	Zn (%)	Ag (g/t)
ZM141A	239.0	239.6	0.6	<0.01	100.0	0.0	3.6	0.4	119
ZM141A	271.1	271.9	0.8	**0.52**	100.0	0.0	0.1	0.1	1
ZM141A	411.0	411.4	0.4	0.03	33.3	0.0	12.2	4.6	478
ZM141A	423.0	424.2	1.2	0.02	100.0	0.1	23.9	0.4	988

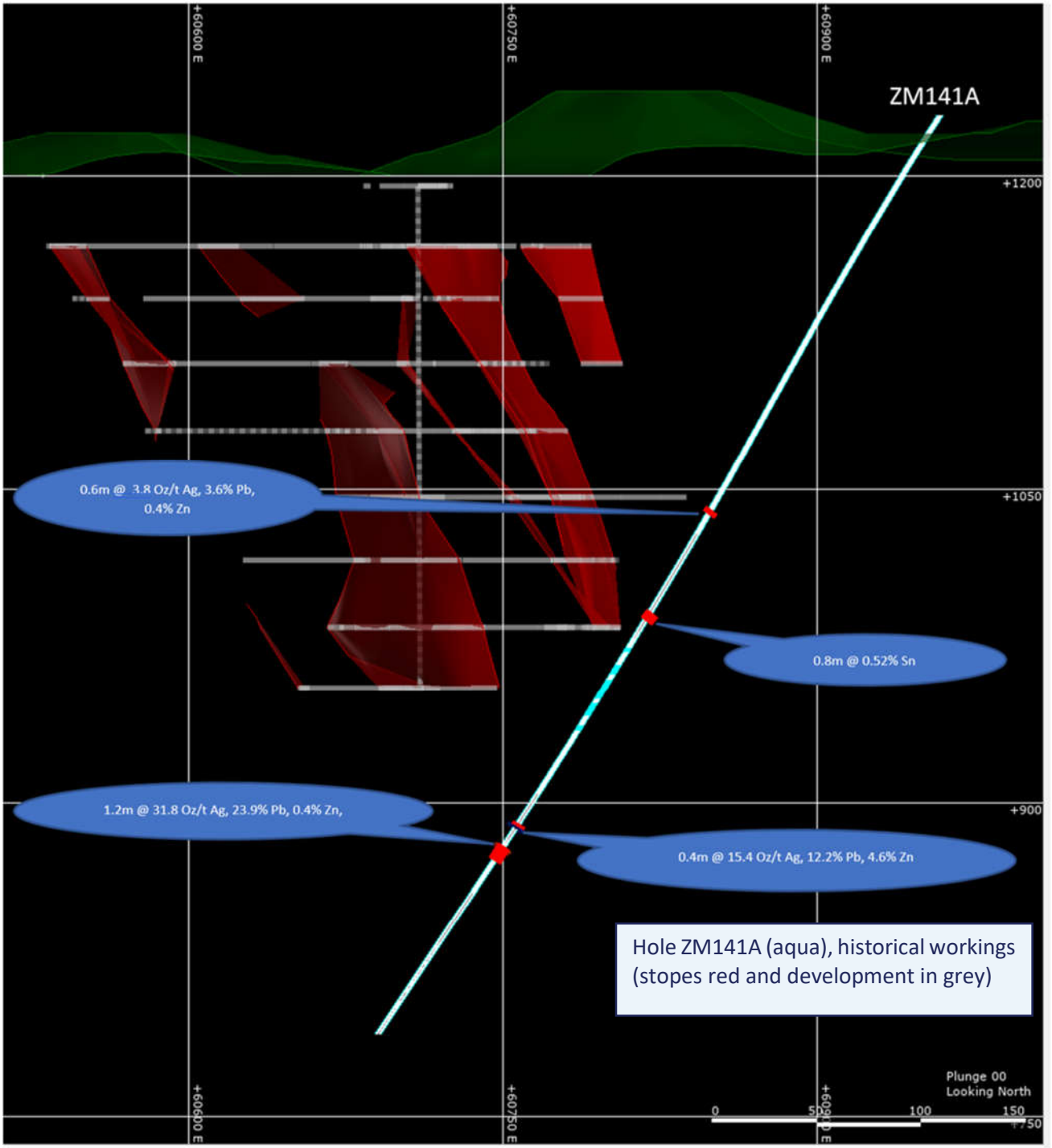

Figure 10. Montana No 1 Mine West-East Cross-section 4470mN (ZMG) showing Hole ZM141A

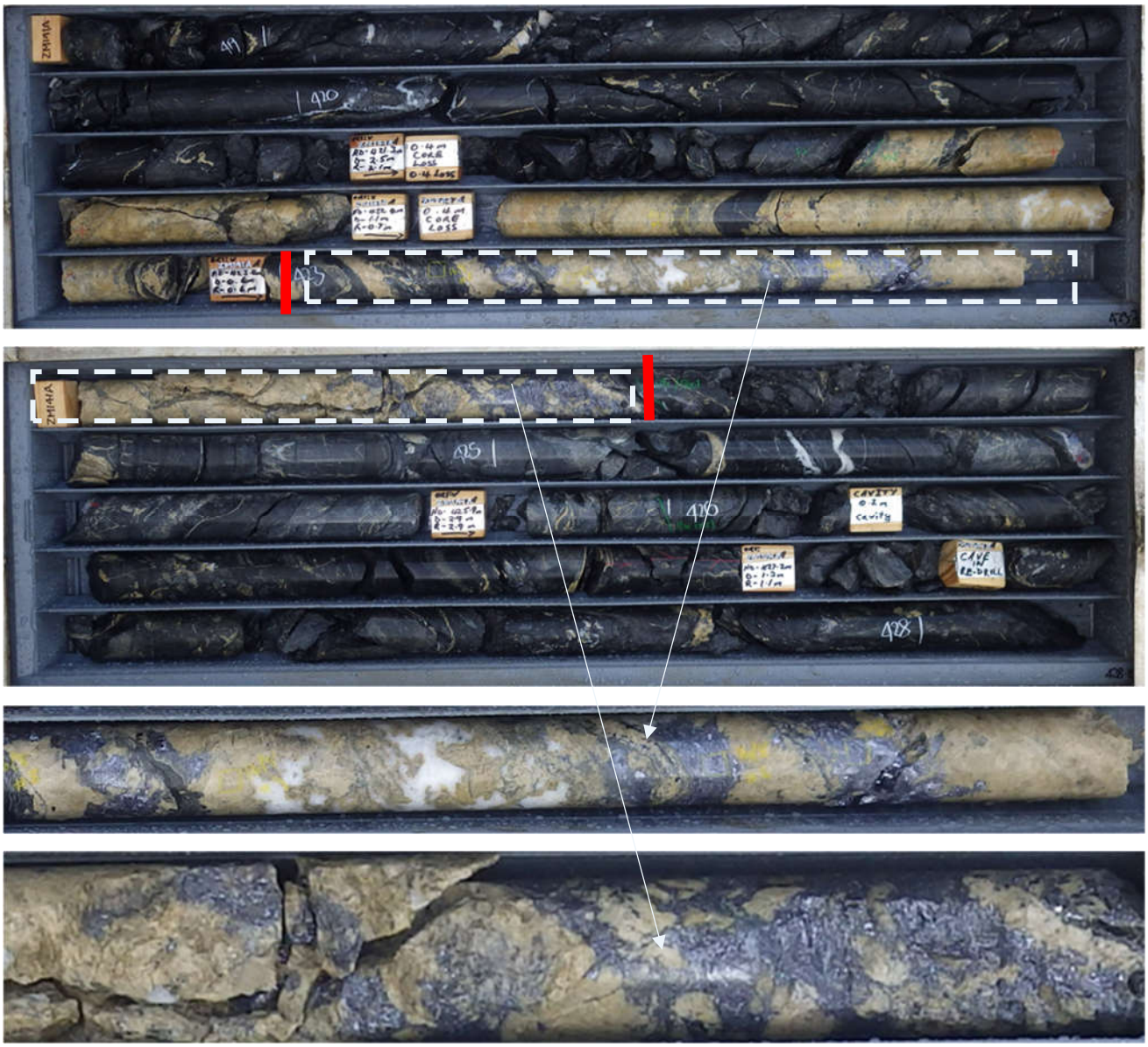

Photo 1. ZM141A Silver-Lead-Zinc mineralisation from 423m to 424.2m with visible galena, sphalerite

5.3 QA/QC

OREAS certified reference material standards are inserted approximately every 20 samples using Sn standards SZSt.1, SZSt.2 and SZSt.3 and Pb-Zn standard Std. 630b. Three (3) OREAS_SZ_St.1 standards, three (3) OREAS_SZ_St.2 standards, three (1) OREAS_SZ_St.3 standards and four (4) Std. 630b were submitted.

Course blanks and fine blank OREAS 22e are also inserted after mineralised zones. Four (4) coarse blanks and four (4) fine blanks were submitted. Duplicate samples are requested approximately 20 samples for the lab to repeat the sample. No Duplicates were sampled.

Analyses for the certified reference material, blanks and duplicates returned values within acceptable limits for all standards and the duplicate assays showed very good precision.

6. DISCUSSION OF RESULTS

A single diamond drillhole (ZM141A) co-funded under EDGI 2021 Round 5 was unsuccessful in intersecting significant tin mineralisation ~90m below the base of the existing workings at the Montana No 1 Mine. The Montana No 1 Mine was historically known for Ag-Pb production as one of the largest producers in the Zeehan field.

The assay results of the drillhole ZM141A (TD 533.9m) confirm narrow, very high-grade silver-lead (-zinc) mineralisation in fissure veins with best intersection of 1.2m @ 988 g/t Ag, 23.9% Pb, 0.4% Zn from 423m depth. Minor tin mineralisation (0.52%) as cassiterite was recorded over a narrow 0.8m interval from 271.1m.

While it was considered that at depth that cassiterite will transition from Ag-Pb-Zn mineralisation, the drilling confirmed that this transition is expected below the current depths of this EDGI 2021 Round 5 drilling.

The drilling program at Montana No 1 Mine has added important geological information regarding the tin and silver-lead-zinc zonation together with stratigraphy, structure, alteration, and controls to mineralisation of the prospect area. This new information provides Stellar with encouragement to plan follow-up exploration and drilling programs at Montana No 1 Mine. The company will continue to use the data collected to make further interpretations, particularly with the use of multielement data and detailed stratigraphic data.

7. RECOMMENDATIONS FOR FURTHER WORK

Further work would be required to elucidate the significance of the high grade, but narrow Ag-Pb-Zn mineralisation and whether the Company consider the tenor of alteration, mineralisation and veining too narrow to warrant any further drill testing. This work would involve structural studies and updating the stratigraphic and zonation model for the Montana No 1 Mine ahead of a commitment of deeper drill testing.

8. ENVIRONMENTAL MANAGEMENT

Two diamond holes were planned but only one hole was drilled at Montana No 1 Mine as part of EDGI 2021 Round 5 with hole ZM141A collared on ML2023P/M. The Montana No 1 Mine drill sites required the construction of two drill pads with only one being utilised.

Pad preparation, drilling and rehabilitation was conducted in accordance with the Mineral Exploration Code of Practice. The completed ZM141A drill collar has yet to be capped, as it is awaiting a survey pickup for a measured collar location. The ZM141A drill site has been rehabilitated, with all sumps filled in. Rehabilitation of the unused drill site has not yet been completed, with this this activity scheduled to be undertaken in tandem with rehabilitation works at the Zeehan Western and Queen Hill #4 sites, once their collar surveys have been completed.

9. EXPENDITURE

Stellar Resources Ltd (Stellar) was successful in its application for an Exploration Drilling Co-funding grant ($50,000) under the Tasmanian Government's Exploration Drilling Grant Initiative Program 2021, Round 5 for the Montana No 1 Mine Project.

The total direct drilling costs, excluding mobilisation, for the one hole drilled at Montana No. 1 (ZM141A) was $104,946. The total eligible direct drilling costs (50%) were $52,473 (Table 5).

The final EDGI grant amount is therefore the maximum grant amount of $50,000.

The Approved Purpose is: Montana No 1 Mine Drilling Project - 2 x Exploration drillholes for 1,100m as specified in the EDGI Proposal.

Table 5. Expenditure (excl GST)

Drillholes	Total Direct Drilling Costs	Eligible Direct Drilling Costs
ZM141A	$104,946	$52,473

An Excel spreadsheet which calculates the direct drilling cost for each hole from daily drill plod and invoice data has been provided along with this report. Copies of the drilling invoices and drill plods have also been provided.

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11. LIST OF FILES ACCOMPANYING THIS REPORT

Exploration Work Type	Filename	File format
Report	ML2023PM_202204_EDGI_Montana_01_Report Body.pdf	*pdf*
Drilling		
	ML2023PM_202204_EDGI_Montana_02_Appendix 1_data-submission.accdb	accdb
	ML2023PM8_202204_EDGI_03_Appendix 2_Logging Codes.pdf	pdf
	ML2023PM_202204_EDGI_Montana_04_Appendix 3_Core Photos.jpg	jpg
	ML2023PM_202204_EDGI_Montana_05_ZM141A_Tabulated Core Photo Index.xls	xls

APPENDIX 1 - Digital Data

APPENDIX 2 – Logging Codes

APPENDIX 3 – Core Photos