



STELLAR RESOURCES LIMITED

Tarcoola Iron Pty Ltd

EL18/2020 (PEPPERMINT HILL)

PARTIAL SURRENDER REPORT FOR THE PERIOD

16 August 2021 – 15 January 2024 (Entire Term)

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DATE: 14 March 2024

Datum used in report: GDA94.

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ABSTRACT

This Partial Surrender Report covers work completed on the 113 km² Surrendered Area of EL18/2020 surrendered on 15 January 2024 by Tarcoola Iron Pty Ltd (“Tarcoola”), a wholly owned subsidiary of Stellar Resources Limited, for the entire term the Surrendered Area has been held by Tarcoola from 16 August 2021 to 15 January 2024. The EL18/2020 Surrendered Area is located in the vicinity of Peppermint Hill, NE Tasmania comprising of two three blocks; (a) East of Ben Lomond / North of Peppermint Hill, (b) East of Ben Lomond / South of Peppermint Hill, (c) East of Rossarden. Work completed on the 61 km² Retained Area is covered in separate Annual Reports and is not included in this report.

Following Partial Surrenders of EL15/2020, EL17/2020 and EL18/2020 in January 2024, on 23 January 2024, Mineral Resources Tasmania approved Tarcoola’s application to consolidate the retained areas of EL17/2020 and EL18/2020 into the retained areas of EL15/2020 with EL15/2020 now having an area of 208 km².

EL18/2020 is one of 5 Exploration Licences currently held by Tarcoola covering a combined area of 648 km² in NE Tasmania. Tarcoola is actively exploring for lithium, gold, tin, and base metals on the ground it holds in northeast Tasmania.

Regionally, North-east Tasmania is highly prospective for Victorian-style Orogenic Gold, Intrusive Related Gold Systems (IRGS) contains ~739 recorded historic gold occurrences. Included of note is the Beaconsfield Mine (2.3 MOz), Lefroy Goldfield (0.2MOz) and New Golden Gate Mine (0.3 MOz).

EL 18/2020 occurs over the eastern contact of the alkali Gipps Creek Granite across easterly to Mt Clara and Mangana (outside lease) over fine to medium grained turbiditic sandstone. Locally the tenement is situated over an area of contrasting disrupted magnetic character with sporadic gold anomalies in stream sediments, with review of the regional geology unable to explain these magnetic anomalies. Also within the tenement, the Sawpit Ridge shows deep magnetic highs across several geological units in conjunction with high sporadic gold anomalies in stream sediments.

Work completed on the EL18/2020 Surrendered Area during the entire term the ground has been held from 16 August 2021 to 15 January 2024 has included:

- Reprocessing of geophysical surveys (aeromagnetic, radiometric and gravity surveys).
- Creation of historic exploration database and GIS environment.
- Capture of historic surface geochemistry data not in MRT Database from historic annual reports.
- Desktop targeting studies which identified the following targets within the EL18/2020 Surrendered Area:
 - Sawpit Ridge Au Target (AOI_018) - Selected for its deep magnetic high across several geological units in conjunction with high sporadic historic gold anomalies in stream sediments of up to 0.24 ppm Au.
 - Joy Creek Au Target (AOI_017) - Selected for its contrasting disrupted magnetic character and its sporadic gold anomalies in historic stream sediments, up to 0.16 ppm Au. An initial review of the Joy Creek Reserve area has not explained the magnetic anomalies. Joy Creek Reserve spans both the EL17/2020 Surrendered Area and the EL18/2020 Surrendered Area, with one of four minor stream sediment samples collected in 2022 within the northern part of AOI_017 within the EL17/2020 Surrendered Area returning an anomalous result of 0.19ppm Au.
- No fieldwork was undertaken by Tarcoola on the EL18/2020 Surrendered Area hence the above mentioned targets identified by Tarcoola remain untested.

Tarcoola conducted a review of its NE Tasmania exploration projects in November 2023 which resulted in the priority of the targets within the Surrendered Area being downgraded and a decision being made to surrender the area to reduce costs.

Expenditure was not separately recorded for the Surrendered Area. Expenditure over the Retained and Surrendered Areas combined has been reported in previous Annual Reports.

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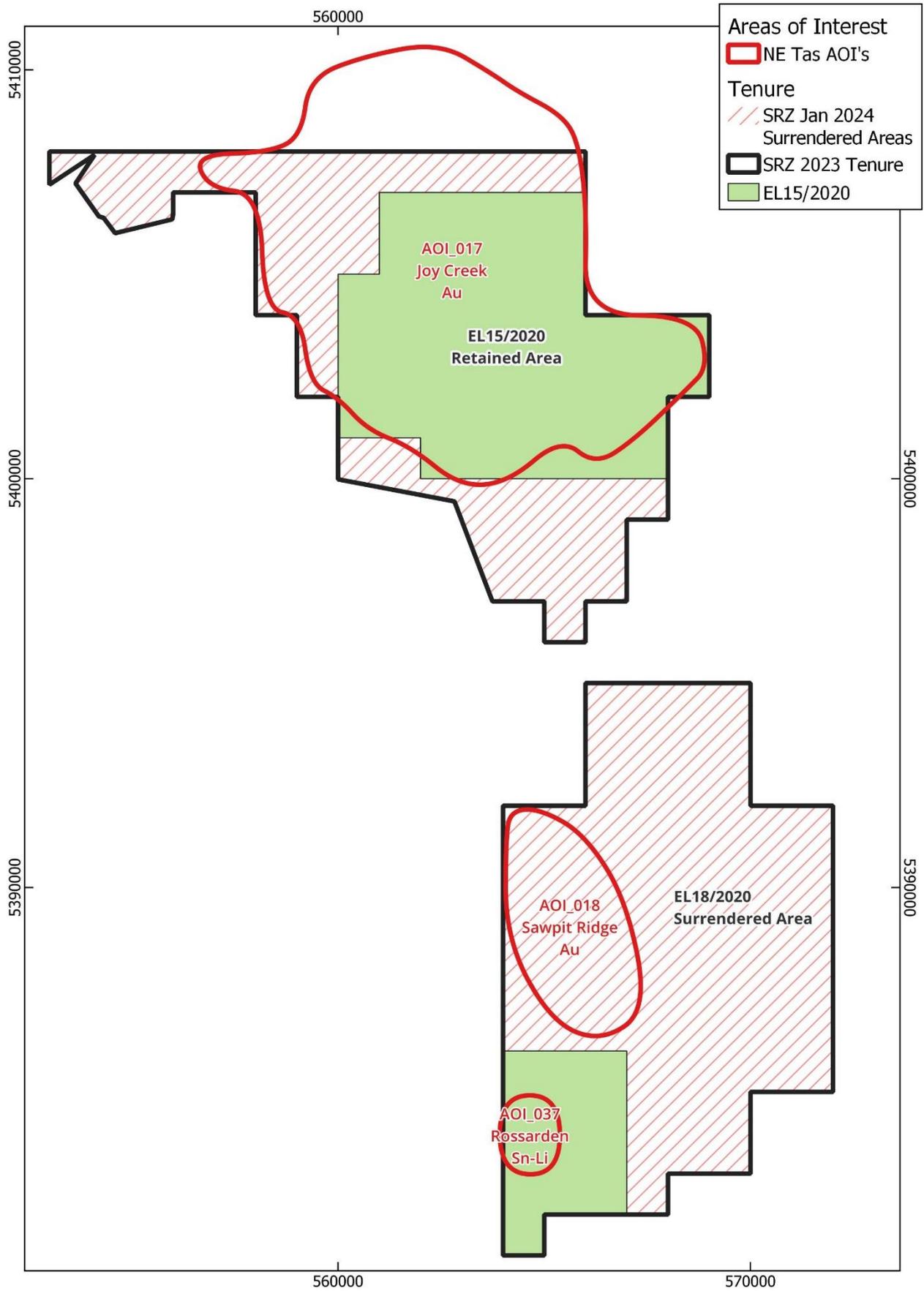


Figure 1. Activities Summary Map - EL18/2020 Surrendered Area (16 August 2021 to 15 January 2024)

1 INTRODUCTION

1.1 Exploration Rationale

1.1.1 Regional

NE Tasmania is considered an extension of the Western Lachlan Fold Belt, which hosts the 4Moz Walhalla gold mine in central Victoria (Figure 2). NE Tasmania hosts the Beaconsfield Mine (2.3 MOz), the Lefroy Goldfield (0.2MOz), and New Golden Gate Mine (0.3 MOz), as well as an additional >700 gold-bearing hard-rock mineral occurrences (Figure 3). NE Tasmania is considered prospective for orogenic and intrusion-related gold.

Orogenic gold mineralisation typically occurs within quartz veins which occupy 2nd or 3rd order dilational zones along large-scale faults related to folding and deformation. Typically, the orientation of these veins west of Pipers River tends to be east-west, which contrasts with that east of Pipers River, which tends to be NW. Both are interpreted to reflect dilation along sinistral transpressional structural corridors, oriented NW and NNW, respectively. Intrusive Related Gold occurs as veins and in stockworks at the margins of gold-bearing granodiorite stocks and plutons.

The two major mineralisation styles Orogenic gold, and Intrusion Related Gold Systems are typically identified by distinctive geophysical characteristics and associated mineral assemblages determined by the different geological settings. Regional scale structural trends/lineaments identified in aeromagnetic and gravity surveys and corresponding mapped faults have been interpreted as targets for orogenic gold mineralisation, whereas IRGS mineralisation is typically targeted using magnetic highs (or lows) associated with margins of granodiorites, interpreted as reflecting magnetite alteration and hornfelsing of the Mathinna group sediments, or strong mag-destructive sericite alteration.

1.1.2 Prospect

EL 18/2020 occurs over the eastern contact of the alkali Gipps Creek Granite across easterly to Mt Clara and Mangana (outside lease) over fine to medium grained turbiditic sandstone. Locally the tenement is situated over an area of contrasting disrupted magnetic character with sporadic gold anomalies in stream sediments, with review of the regional geology unable to explain these magnetic anomalies. Also, within the tenement, Sawpit ridge, shows deep magnetic highs across several geological units in conjunction with high sporadic gold anomalies in stream sediments.

1.1.2.1 Sawpit Ridge AOI_018

Selected for its deep magnetic high across several geological units in conjunction with high sporadic gold anomalies in historic stream sediments of up to 0.24 ppm Au.

1.1.2.2 Joy Creek Reserve AOI_017

Selected for its contrasting disrupted magnetic character and its sporadic gold anomalies in stream sediments, up to 0.16 ppm Au. Initial review of the Joy Creek Reserve area has not explained the magnetic anomalies. Joy Creek Reserve spans both the EL17/2020 Surrendered Area and the EL18/2020 Surrendered Area, with one of four minor stream sediment samples collected in 2022 within the northern part of AOI_017 within the EL17/2020 Surrendered Area returning an anomalous result of 0.19ppm Au.

1.2 Exploration Licence – EL18/2020 Surrendered Area

EL18/2020 was granted to Tarcoola Iron Pty Ltd (“Tarcoola”), a wholly owned subsidiary of Stellar Resources Limited, on 16 August 2021.

On 15 January 2024, Mineral Resources Tasmania approved Tarcoola’s Partial Surrender application to surrender 113 km² of EL18/2020, with 61 km² retained (see Figure 2).

This Partial Surrender Report for EL18/2020, covers work completed on the 113 km² Surrendered Area for the entire term the Surrendered Area has been held by Tarcoola (16 August 2021 to 15 January 2024).

Work completed on the 61 km² Retained Area is covered in separate Annual Reports and is not included in this report.

Following Partial Surrenders of EL15/2020, EL17/2020 and EL18/2020 in January 2024, on 23 January 2024, Mineral Resources Tasmania approved Tarcoola’s application to consolidate the retained areas of EL17/2020 and EL18/2020 into the retained areas of EL15/2020 with EL15/2020 now having an area of 208 km².

EL18/2020 is one of 5 Exploration Licences currently held by Tarcoola Iron Pty Ltd, a 100% owned subsidiary of Stellar Resources Limited, covering a combined area of 648 km² in NE Tasmania. Tarcoola is actively exploring for lithium, gold, tin, and base metals on the ground it holds in northeast Tasmania.

1.2.1 Exploration Licence Summary - EL18/2020 Surrendered Area

Tenement number: EL18/2020 Surrendered Area

Tenement name: PEPPERMINT HILL

Tenement area: 113 km² Surrendered Area

Tenement location: The Surrendered Area is located in the vicinity of Peppermint Hill, NE Tasmania comprising of two three blocks; (a) East of Ben Lomond / North of Peppermint Hill, (b) East of Ben Lomond / South of Peppermint Hill, (c) East of Rossarden. Reporting period: 16 August 2021 to 15 January 2024.

Tenement holder: Tarcoola Iron Pty Ltd., a wholly owned subsidiary of Stellar Resources Limited.

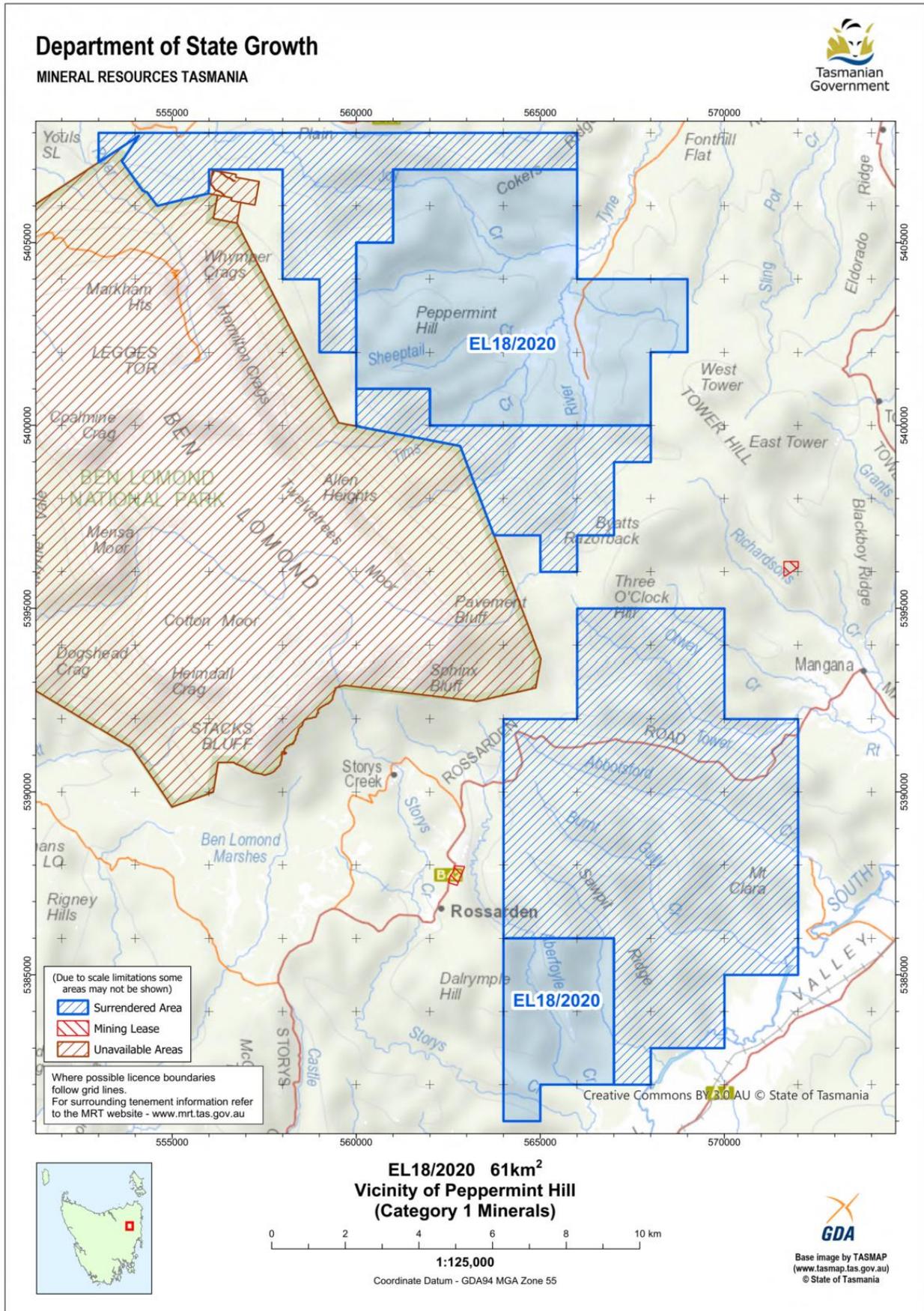


Figure 2. EL18/2020 Surrendered and Retained Areas

2 REVIEW OF PREVIOUS WORK

2.1 Historic Summary

A review of historic work completed on EL18/2020 (Surrendered and Retained Areas) was compiled by Adrian Rigg is listed in Table 1.

Table 1. Historic Exploration Summary

EL18/2020 Peppermint Hill					
Company	Year	Location	Activity	Comments	Report
Seltrust Mining	1982-3	Sawpit Ridge regional	Rock chip sampling	Ag, Bi, Co, Cr, Cu, Ni, Pb, Sn, W, Zn	84-2080, 84-2125
Cominex	1988	Tiger Gully	Rock chip sampling	Ag, As, Au, Cu, Mn, Zn	90-3097
TGS	1993	Fingal	Aeromagnetic survey	200m fls	
MRT	2007	NE Tasmania	Aeromagnetic survey	200m fls	

3 EXPLORATION COMPLETED DURING REPORTING PERIOD

This section covers work completed by Tarcoola Iron Pty Ltd., a wholly owned subsidiary of Stellar Resources Limited, on the EL18/2020 Surrendered Area (113 km²) during the entire term the ground has been held from 16 August 2021 to 15 January 2024.

3.1 Reprocessing of Geophysical surveys

From November 2020 to January 2021 Phil Muir from Southern Mineral Exploration Geophysics completed reprocessing of aeromagnetic, radiometric and gravity surveys over tenements held by Tarcoola Iron in the NE Tasmania (Appendix A). In addition to the 2007 Northeast Tasmania and 1999 Northern Tasmania regional aeromagnetic and radiometric surveys, 6 local aeromagnetic surveys over Tarcoola Iron's NE Tasmania tenements were reprocessed using 5 different filterers on aeromagnetic surveys, 5 different filters on airborne radiometric surveys and 2 different filters on gravity surveys. For each survey and filter combination, 4 different colouring options were produced resulting in a total of 362 different reprocessed geophysical images generated (See **Appendix A**). Local surveys were also stitched into regional surveys to produce combined regional-local survey stitched images.

The reprocessed geophysical surveys produced by Southern Mineral Exploration Geophysics have provided a key targeting tool for desktop identification of orogenic structural gold targets and IRGS targets.

3.2 Creation of Historic Exploration Database and GIS Environment

In October 2020, Ross Corben from Geowiz Consulting compiled Tarcoola Iron's initial exploration database in Microsoft Access, containing all available historic exploration data including:

- Soil sampling results
- Stream sediment sampling results
- Rock chip results
- Drilling results
- Historic records on occurrences

Geowiz then established a GIS environment in Google Earth incorporating all the data in the historic exploration Microsoft Access database, along with the reprocessed geophysical surveys completed by Southern Mineral Exploration Geophysics and published 25K and 50K geological map sheets.

3.3 Capture of Historic Surface Geochemistry not in MRT Database

From February 2021 to March 2022, GIS consultant Adrian Rigg captured soil sampling, stream sediment sampling and rock chip sampling data not available in MRT's database for Tarcoola's NE Tasmania EL's from public file Company annual exploration reports. These have been added to the Access database and GIS environments by Geowiz.

A total of 55 rock chip samples, 2 stream sediment samples and zero soil samples were captured from company reports within the EL18/2020 Surrendered Area. This data is provided in **Appendix B**.

3.4 Desktop Targeting Studies

Several desktop targeting studies have been completed by Stellar and by consultant Josh Phillips from JP Geoscience. These have comprised review of all historic data including soil, rock chip and stream sediment results, drilling results and historic records on occurrences within each tenement as well as analysis of geophysical surveys completed by Phil Muir.

Targets identified within the EL18/2020 Surrendered Area are shown in Figure 1 and include:

- Sawpit Ridge Au Target (AOI_018) - Selected for its deep magnetic high across several geological units in conjunction with high sporadic gold anomalies in historic stream sediments of up to 0.24 ppm Au.
Joy Creek Au Target (AOI_017) - Selected for its contrasting disrupted magnetic character and its sporadic gold anomalies in historic stream sediments, up to 0.16 ppm Au. An initial review of the Joy Creek Reserve area has not explained the magnetic anomalies. Joy Creek Reserve spans both EL17/2020 Surrendered Area and the EL18/2020 Surrendered Area, with one of four minor stream sediment samples collected in 2022 within the northern part of AOI_017 within the EL17/2020 Surrendered Area returning an anomalous result of 0.19ppm Au.

3.5 Reconnaissance Visits

No fieldwork was undertaken by Tarcoola on the EL18/2020 Surrendered Area.

4 DISCUSSION OF RESULTS

No surface geochemistry sampling has been undertaken over the surrendered area.

The targets identified by Tarcoola within the EL18/2020 Surrendered Area remain untested.

5 CONCLUSIONS

Tarcoola conducted a review of its NE Tasmania exploration projects in NE Tasmania in November 2023 which resulted in the priority of the targets within the Surrendered Area being downgraded and a decision being made to surrender the area to reduce costs.

6 FUTURE EXPLORATION

As the area has been surrendered, no further work is planned.

7 ENVIRONMENTAL MANAGEMENT

Minor vegetation cutting for foot access to sample sites has been the only environmental disturbances occurring from exploration activities such as geological mapping and hand sample collection. All and any disturbance is remediated immediately when samples are taken, in accordance with best practice. For example, all soil sampling holes are backfilled with a suitable length stick included, in case of subsidence, so the smaller fauna can always climb out. Disturbed rocks are replaced to preserve insect and reptile habitat.

8 EXPENDITURE

Expenditure was not separately recorded for the Surrendered Area. Expenditure over the Retained and Surrendered Areas combined has been reported in previous Annual Reports.

9 REPORTING BIBLIOGRAPHY

Annual Technical Reports as provided during the term Tarcoola Iron Pty Ltd have held EL18/2020 is detailed in Table 2 below.

Table 2. EL18/2020 List of Reports Provided During Exploration Tenement Term

COMPANY	PERIOD	TITLE	AUTHOR	APPENIDCES
Tarcoola Iron Pty Ltd (Stellar Resources Limited)	16 August 2021 to 15 August 2022	EL18_2020 2022 Annual Technical Report	R. Lockley, R. Spencer- Llyod	Appendix A - Reprocessing of aeromagnetic, radiometric and gravity surveys over tenements held by Tarcoola Iron, NE Tasmania (P. Muir) Appendix B - EL18_2020 Tarcoola Iron Historic Geochemical data - Access database
Tarcoola Iron Pty Ltd (Stellar Resources Limited)	16 August 2022 to 15 August 2023	EL18_2020 2023 Annual Technical Report	R. Lockley	Appendix A - EL18_2020 Tarcoola Iron Geochemical data - Access database

10 REFERENCES

See Table 1 for MRT references to Annual Reports covering historic exploration completed over EL18/2020. All historic listings are referenced by Company, Year, Location, and the relevant Report Number.

Bottril, R.S., Taheri, J., Keele, R.A., and McClenaghan. 1994, A field guide to gold deposits in northeastern Tasmania, Mineral Resources Tasmania REPORT 1994/149

Reed, A.R., 2004, Gold mineralisation and the regional Palaeozoic structure of the Mathinna Supergroup, eastern Tasmania, Mineral Resources Tasmania REPORT 2004/01

Seymour, D.B., Woolward, I.R., McClenaghan, M.P., Bottril, R.S. 2011, Stratigraphic revision and re-mapping of the Mathinna Supergroup between the River Tamar and the Scottsdale Batholith, northeast Tasmania, Mineral Resources Tasmania, Tasmania.

APPENDICES

- Appendix A Reprocessed aeromagnetic, radiometric and gravity surveys over tenements held by Tarcoola Iron, NE Tasmania (Phil Muir, Southern Mineral Exploration Geophysics, Nov 2020 – Jan 2021)
- Appendix B Historic Geochemical data captured from company reports over Surrendered Areas collected by GIS consultant Adrian Rigg. Microsoft Access database. (Ross Corben, Geowiz Consulting)