ASX: **SLB**
stelarmetals.com.au

29 January 2025
ASX ANNOUNCEMENT

Quarterly Activities Report for the period ending 31 December 2024

Highlights

- New geophysical targets prospective for copper identified in the Bibliando Diapir in the southern portion of the Baratta Copper Project in South Australia.
- Bibliando Diapir extends for 7.5-kilometres along the Bibliando Thrust, with historic copper and silver mineral occurrences and gossans within the diapir.
- Surface sampling and geological mapping commenced at Bibliando Diapir.
- Baratta's geological setting displays characteristics Stelar considers similar to those seen in the Central African Copper Belt, the world's second-largest copper-producing province.
- During the quarter, Stelar continued to actively hunt for new business development opportunities to expand its portfolio of projects in Tier 1 jurisdictions, including Western Australia and South Australia.

Stelar Metals Limited (ASX:**SLB**) ("**Stelar**" or the "**Company**") is pleased to provide an update for the three months ending 31 December 2024. The Company commenced geological mapping and surfacing sampling exploration activities at the Bibliando Diapir in the southern portion of the Baratta Copper Project in South Australia, which is considered highly prospective for sediment-hosted copper mineralisation, akin to the Central African Copperbelt.

Colin Skidmore, Stelar's CEO commented:

"We are pleased to report our progress this quarter, including the identification of promising new geophysical targets for copper within the Bibliando Diapir, located in the southern portion of the Baratta Copper Project. Surface sampling and geological mapping will continue at the Bibliando Diapir, in addition to geological mapping and rock chip sampling at the main Baratta Mine area to discover additional parallel gossans and map their strike potential. The Company continues to negotiate with stakeholders with the aim of submitting an application to undertake drill testing of this exciting project."

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"The priority focus this Quarter has been reviewing a number of high-quality business development opportunities in South Australia and Western Australia to potentially complement Stelar's portfolio."

Baratta Copper Project

Stelar's Baratta Copper Project ("Baratta") is located in South Australia, comprising of two licences that were granted to the Company in late 2022 (*Figure 1*). The project is considered highly prospective for sediment-hosted copper mineralisation, akin to the Central African Copperbelt.

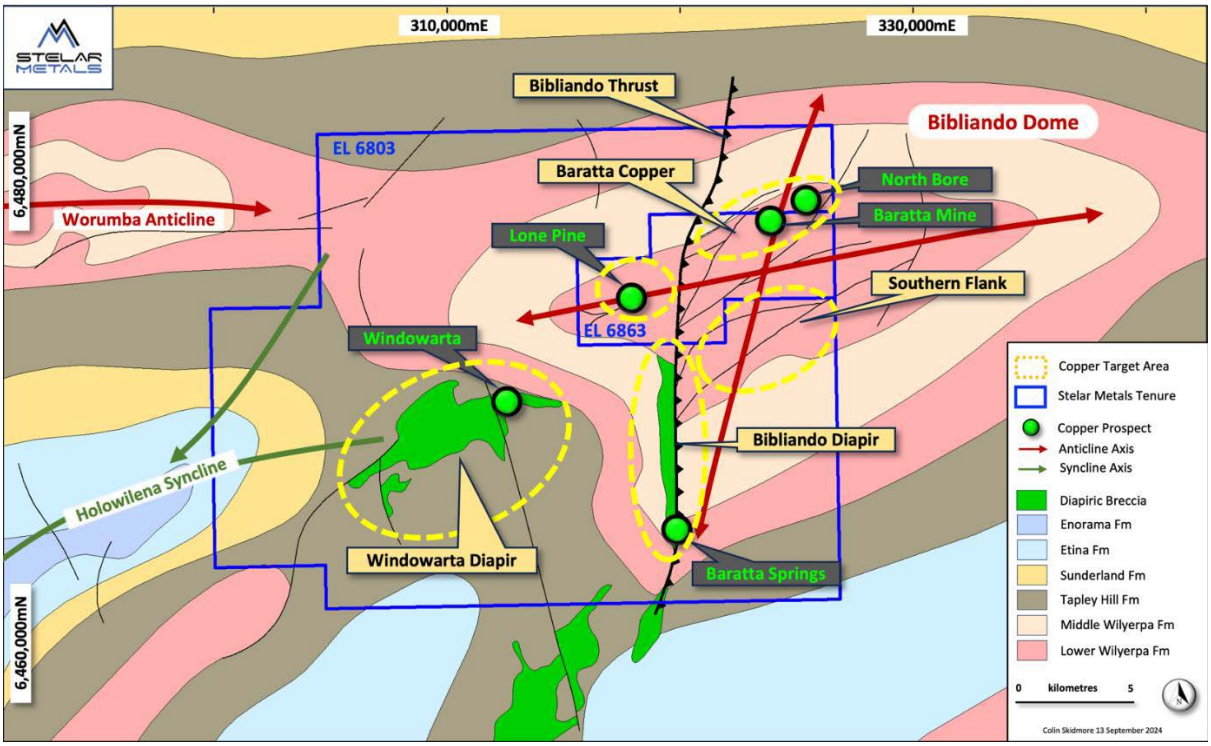

Figure 1: *Regional geological setting of the Baratta Project showing major prospects and target areas*

The historic Baratta Copper Mine produced copper ore between 1896 and 1904 from a 1.5 km-long zone of stratabound workings in a structure splaying off the Bibliando Thrust.

Sediment-hosted Stratabound Copper (SSC) deposits are the world's second most important source of copper and account for ~20% of the world's copper production. In 2024, the Central African Copper Belt (CACB), which spans the Democratic Republic of Congo and Zambia, is positioned to be the second-largest global copper producer behind Chile's large porphyry deposits.

In Australia, only the Adelaide Rift Complex (Baratta) and the Stuart Shelf, both in South Australia, are considered prospective for this highly prized style of copper mineralisation.

South Australia contains 69% of Australia's economic demonstrated copper resources and produces approximately one-third of Australia's mined copper.

Stelar's Baratta Project in the Flinders Ranges shares many similarities to the CACB yet has seen minimal historical exploration (Table 1).

Table 1: *Comparison between Central African Copper Belt and the Baratta Copper Project in South Australia*

	Central African Copper Belt [1]	Baratta Copper Project
Geological Setting	• Katanga Intercratonic Basin • NeoProterozoic (880-600 Ma)	• Adelaidean Intercratonic Basin • NeoProtereozoic (717-660 Ma)
Host Stratigraphy	Lower Roan Group	Lower Umberatana Group (LUG)
Host Lithology	Black shales; Dark-grey & green (reduced) siltstones; dolomitic and carbonaceous sediments; fluvial sandstones; redbed sandstones (oxidised)	Dark-grey & green (reduced) siltstones; sandstones; and mudstones; with carbonaceous and dolomitic interbeds Underlying and overlying oxidised redbeds
Deformation & Metamorphism	• Lufilian Orogen (600-490 Ma) • Complex folding and thrusting • Amphibolite-Greenschist Facies	• Delamerian Orogeny (520-490 Ma) • Complex folding and thrusting • Amphibolite-Greenschist Facies
Evaporites & Salt Tectonics	Underlying evaporite beds and diapiric breccias	Evaporite beds in underlying Callana Group and extensive diapirism
Structure	• Northern flank of Luima Dome • Proximity to high-angle structures and late-stage strike-slip faults	• Northern flank of Bibliando Basement Dome • Proximal to a major thrust and late-stage strike-slip faults
Mineralisation	• Stratabound and locally stratiform • Typically, chalcocite dominated with zoned Bornite, and Chalcopyrite • Zoned: py-cpy-bn-cho-haem • Fine grained disseminations of copper (cements, replacement with minor veinlets)	• Stratabound and locally stratiform • Fine grained disseminations of chalcocite and copper carbonates with haematite alteration (weathered outcrop only)
Deposit Morphology	Sheet-like: Laterally extensive relative to deposit thickness (typically, 3-5km strike lengths & 3-30m thick)	Sheet-like: Laterally extensive relative to deposit thickness (3-7km strikelength & currenly mapped 1-10m thick)
Grade	Typically average ~2 to 2.6% Cu	Unknown but historic records indicate production of hand-picked high-grade oxide ores (~1,000t at 30% Cu)

[1] Source: Sediment-Hosted Stratabound Copper Deposit Model - USGS Scientific Investigation Report 2010 5070-J

Exploration Activities

During the December quarter, the Company announced results of its advanced geophysical reprocessing that has generated discrete targets for follow-up in the Bibliando Diapir to the south of its Baratta Copper Project in South Australia (Figure 1)[1].

Extending for 7.5 kilometres in the structurally complex Bibliando Thrust, the Bibliando Diapir has been interpreted by previous explorers as a crushed carbonatite with potential for rare earth minerals as well as being a contributor to the Baratta sediment-hosted copper mineralising system.

Surface sampling and detailed geological mapping commenced over the Bibliando Diapir.

The Baratta Project is considered highly prospective for Sediment-hosted Stratabound Copper (SSC) mineralisation and is analogous to the Central African Copper Belt (CACB) (Table 1). Salt diapirs and structural complexity are considered important for focusing fluid flow during mineralising processes. The Bibliando Diapir and associated thrust faulting is potentially tapping into basement mineralisation deeper in the Bibliando Dome.

Geophysical Reprocessing and Targets

Stelar's consultant geophysicist applied advanced processing and 3D modelling techniques to generate a number of ranked targets for follow-up (Table 2 and Figure 3) based on Panda Mining's historic datasets.

Table 2: *Geophysical targets identified within the Bibliando Diapir*

Target	Description
DRC1	Strong chargeable resistor in NW structural zone.
DC1	Intense chargeable anomaly on the main Bibliando Thrust Fault and NE trending structures. Coincident with contact with upper cycles of the Lower Wilyerpa Formation (same stratigraphic position as the Baratta Copper Mines).
DCRU1	Overlapping moderate chargeable anomaly with highly resistive rocks, within potassium-uranium radiometric anomaly. Panda mapped intensely brecciated silicified cores with kaolinized rims on surface at this anomaly with anomalous copper in random grab rock chips.
DRC2	Discrete coincident strong chargeable anomaly within a highly resistive rock associated with main Bibliando Thrust.
DCRU2	Small resistive zone in chargeable trend and within the potassium-uranium radiometric anomaly. Flanked by magnetic highs to the west. Flow banding in brecciated carbonates mapped by Panda.
DC2	Large strong to intense chargeable anomaly adjacent to southern end of magnetic linear (demagnetised?) with a small northern resistive zone. Peak chargeable anomaly coincident with embayment within the potassium radiometric anomaly but northern associated with large uranium anomaly. Coincident with pronounced WNW structure.
DC3	Discrete intensely chargeable anomaly within the radiometric anomaly at contact with Bibliando Thrust and a pronounced WNW structure.

[1] ASX Announcement 10 October 2024 – New Geophysical Targets Identified at Baratta

High-resolution airborne magnetic and 256-channel radiometric datasets over the Bibliando Dome were previously acquired in 2010. Gradient Array Induced Polarisation (GAIP) was acquired over the central section of the Bibliando Diapir in 2015.

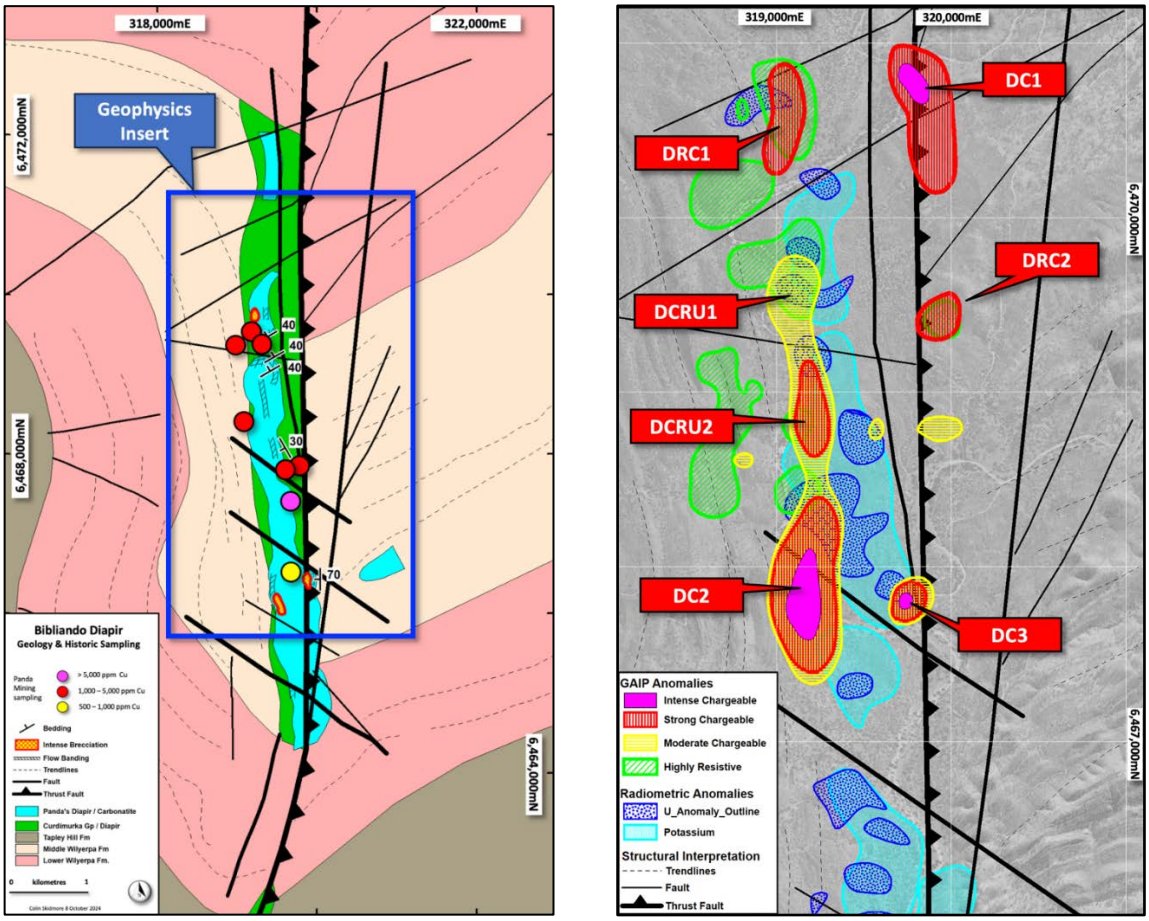

Figure 2: *Bibliando Diapir geology and geophysical anomalies*

Left image: *shows simplified geology and Panda Mining's rock chip sampling.*

Right image: *shows geophysical anomalies within the insert box from recently reprocessed historical datasets.*

Bibliando Diapir Geology

The elongate Bibliando Diapir extends north-south for ~7.5 kilometres but is only ~500-700 metres wide in a structurally complex zone associated with the regional-scale Bibliando Thrust (Figure 2).

Historical mineral occurrences are located at Baratta Springs Silver mine at the southern extent of the diapir and the Old Perseverance copper occurrence at the northern extent.

Reconnaissance mapping and rock-chip sampling by previous explorers recognised at least three phases of intrusion with a central core of massive silicification surrounded by kaolinised polymictic brecciation interpreted as an evolved carbonatite intrusive.

Several large in situ gossans after sulphides were identified in the diapir, which were anomalous in copper and phosphorous, leading to the conclusion that this diapir was prospective for copper and REE mineralisation.

Stelar collected orthoimagery and a digital terrain model and commenced systematic surface sampling over the entire diapiric system.

Business Development

During the quarter, Stelar continued to actively hunt for potential business development opportunities to expand its portfolio of projects in Tier 1 jurisdictions, including Western Australia and South Australia. The commodities being assessed include gold, copper, rare earths, uranium and mineral sands. The Company will maintain these acquisition efforts until suitable additional projects are identified.

Stelar remains dedicated to ensuring maximum value for its shareholders by strategically targeting these regions known for their rich mineral deposits.

ELA 2024/00077 (Woodeford)

During the quarter, Stelar relinquished its application to the South Australian Department of Energy and Mines for new exploration licence ELA 2024/00077 (Woodeford)[2].

EL 8778 (Perseus)

The Company has entered into a Sale Agreement with Red Hill Minerals Limited (ASX:RHI) for the sale of the Perseus Project in NSW for net proceeds of $230,000. The Agreement is subject to a transfer by NSW Resources, which was received in late January 2025.

Corporate

Cash

As at 31 December 2024, Stelar Metals had a cash balance of $2.791 million.

ASX Additional Information

The Company provides the following information according to the ASX Listing Rule requirements:

[2] ASX Announcement 28 October 2024 – New Tenement Application in Premier Copper Mining Region

1. ASX Listing Rule 5.3.1:

Exploration and Evaluation Expenditure spent during the quarter was $214,629 with a significant part of this relating to costs associated with the Baratta Copper Project and project generation.

2. ASX Listing Rule 5.3.2:

The Company confirms that there were no mine production and development activities for the quarter.

3. ASX Listing Rule 5.3.5:

Payment to related parties of the Company and their associates during the quarter was $64,227 in cash. The Company advises that this relates to the remuneration of Directors only. Please see the Remuneration Report in the 2024 Annual Report for further details on Directors' Remuneration.

Tenements

Under Listing Rule 5.3.3, Stelar Metals provides the following information concerning its mining tenements. The following table lists the Company's mining tenements held at the end of the Quarter and their location:

Holder	SLB Holding	Project	Lease	Lease Location	Lease Status
Stelar Metals	100%	Evelyn Dam	EL 5792	Eastern Gawler Craton	Granted
Stelar Metals	100%	Linda	EL 6263	Adelaide Fold Belt	Granted
Stelar Metals	100%	Baratta	EL 6803 & EL 6863	Adelaide Fold Belt	Granted
Stelar Metals	100%	Gunson	EL 6812 & EL 6824	Eastern Gawler Craton	Granted
SLB|EMC JV	90%	Trident	EL 8736	Broken Hill Block	Granted
SLB|EMC JV	90%	Midas	EL 8732 & EL 8904	Broken Hill Block	Granted
SLB|EMC JV	90%	Perseus*	EL 8778	Broken Hill Block	Granted

** Stelar has entered into a Sale Agreement with Red Hill Minerals Limited for the Perseus Project. Conditions precedent for the transaction are yet to be completed.*

ASX Announcements

This Quarterly Activities Report contains information reported in accordance with JORC 2012 in the following announcements released during the December quarter.

Full details of the exploration results referred to herein including relevant JORC information can be accessed in the following announcements released by the Company to the ASX during the December quarter:

10 October 2024	New Geophysical Targets Identified at Baratta
29 October 2024	New Tenement Application in Premier Copper Mining Area

THIS ANNOUNCEMENT HAS BEEN APPROVED FOR RELEASE BY THE BOARD OF STELAR METALS LIMITED

FOR MORE INFORMATION:

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ABOUT STELAR METALS

Stelar Metals' experienced and successful exploration and development team is targeting the discovery and production of critical minerals, with increasing global demand to enable the world to achieve net zero emissions.

Stelar's Baratta Copper Project, located in South Australia, is hosted within the Adelaidean rocks of the Flinders Ranges. The Project is considered highly prospective for sediment-hosted copper mineralisation, akin to the Central African Copper belt. The historic Baratta Copper Mine produced copper ore between 1896 and 1904 from a 1.5 km-long zone of strata bound workings in a structure splaying off the Bibliando Thrust. Stelar is conducting exploration activities a 7-kilometre corridor of copper mineralisation and geophysical targets that have been overlooked by previous explorers.

Stelar's Trident Lithium Project is located near mining, industrial, transport and green power infrastructure at Broken Hill in NSW. The Trident Lithium Project extends over the 20km strike length of the Euriowie Tin Pegmatite Field and is highly prospective for hard rock lithium mineralisation. Mapped LCT-type pegmatites vary in size but can be up to 100 metres wide and extend in outcrop for over 1 kilometre in length. Trident was one of Australia's first lithium and tin mining provinces, highlighting both the fertility and large scale of Stelar's lithium-rich pegmatite system.

EXPLORATION RESULTS

The information in this announcement related to Exploration Results is based on information compiled by Mr Colin Skidmore, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Skidmore is a full-time employee of Stelar Metals Ltd. Mr. Skidmore has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code (2012)). Mr. Skidmore consents to including matters in this announcement based on his information in the form and context in which it appears.

This announcement includes information related to Exploration Results prepared and first disclosed under the JORC Code (2012) and extracted from the Company's initial public offering prospectus, which was released on the ASX on 16 March 2022. A copy of this prospectus is available from the ASX Announcements page of the Company's website: https://stelarmetals.com.au/.

The Company confirms that it is unaware of any new information or data that materially affects the information in the relevant market announcement. Where the information relates to Exploration Results, the Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

STELAR METALS LIMITED

ABN	Quarter ended ("current quarter")
43 651 636 065	31 DECEMBER 2024

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs*	(113)	(203)
	(e) administration and corporate costs	(183)	(416)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	33	72
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(263)**	**(547)**

* net salaries after recharge to exploration and inclusive of director fees paid

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(1)
	(d) exploration & evaluation (if capitalised)	(134)	(339)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) (investments)/divestments of shares	-	-
	(e) other non-current assets	-	-
2.3	Cash flows-406- from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(134)**	**(340)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,188	3,678
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(263)	(547)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(134)	(340)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,791**	**2,791**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	291	688
5.2	Call deposits	2,500	2,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,791**	**3,188**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	64
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(263)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(134)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(397)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	2,791
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	2,791
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	7.03

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:
N/A – item 8.7 not less than 2 quarters

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:
N/A – item 8.7 not less than 2 quarters

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:
N/A – item 8.7 not less than 2 quarters

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 January 2025

Authorised by: The Board of Stelar Metals Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.