

## RESOURCES

Project title:	Heemskirk Tin Project
Location:	Zeehan, Tasmania, Australia
Region:	West Tasmania
Tenement ref no.:	RL 5/1997, ML 2M/2014
Project proponent:	Stellar Resources
Current status:	Prefeasibility study completed
Operating structure:	ASX publically listed company (SRZ)
Project size:	AUD\$110 million
Supporting documents:	Prefeasibility Study
Website:	<a href="http://www.stellarresources.com.au">www.stellarresources.com.au</a>



Heemskirk Tin Project

### PROJECT DESCRIPTION

Stellar Resources flagship project, Heemskirk Tin, is the highest grade undeveloped tin project in Australia, with excellent potential for resource expansion. Heemskirk comprises three tin deposits - Queen Hill, Montana and Severn, which will be mined from underground.

Stellar Resources' objective is to establish Heemskirk as Australia's second largest tin producer by 2019. Located at the historic mining town of Zeehan in western Tasmania, 18 km from the famous and long-producing Renison Bell tin mine, Heemskirk benefits from ready access to power, water, transport, mining and other infrastructure.

### UNIQUE SELLING PROPOSITION

In November 2016 Stellar Resources released a JORC 2012 compliant inferred and indicated mineral resource for the three deposits of 6.35 million tonnes with an average grade of 1.13% tin or 72 000 tonnes of contained tin.

This is the highest grade of any undeveloped tin deposit identified to date in Australia. The resource estimate was prepared by independent consultancy Resource & Exploration Geology, using an historical diamond drill hole database of 100 holes (25 538 m) plus 45 holes (13 720 m) drilled by Stellar Resources.

All three deposits are open at depth with drilling by Stellar showing potential for significant resource expansion below all deposits. The 2013 drilling confirms major exploration targets and supports potential extension of the seven year mine life identified in the recently completed pre-feasibility study.



Heemskirk Core: Part of high grade tin zone (7m @ 1.67% Sn average, incl 1m @ 5.55%)



Drilling rig at Heemskirk

# TASMANIAN INVESTMENT OPPORTUNITY



## PROJECT DETAILS

Stellar completed a prefeasibility study in mid-2013, optimized (OPFS) the results in mid-2015 and considered a lower capital faster start option in 2016. The OPFS study demonstrated technical and financial viability for the project using tin price and exchange rate assumptions below.

Key results from the OPFS include:

- Mining head grade of 1.06% tin and an increase in recovery from 70% to 73%.
- Annual production increase of 4.6% to 4,527 tonnes of tin in concentrate,
- Initial mine life of seven years, with potential to expand once additional drilling of the Severn resource is complete.
- Capital cost of A\$110 million (low capex case A\$48 million) benefiting from the availability of existing infrastructure.
- Base case pre-tax NPV of A\$99 million at a consensus long-term London Metal Exchange tin price of US\$22,000/t and AU\$0.75.

## TASMANIA PROFILE

As one of the most mineralised places on the planet, Tasmania has a remarkable geological diversity and abundance of rich and high-grade mineral deposits that are easily accessible, close to transport and infrastructure.

With supportive legislation for exploration and development, there remain many untapped opportunities for exploration, extraction and downstream processing of our mineral resources.

Through its mining regulation and exploration division, Mineral Resources Tasmania, the Tasmanian Government is proactively encouraging investment from companies who recognise the importance of sustainable, wealth generating opportunities in mining and mineral processing.

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For general information on Tasmanian mining and mineral processing investment opportunities visit [www.cg.tas.gov.au](http://www.cg.tas.gov.au) or contact the Office of the Coordinator-General on +61 3 6777 2786 or email: [cg@cg.tas.gov.au](mailto:cg@cg.tas.gov.au)

For technical information visit Mineral Resources Tasmania at [www.mrt.tas.gov.au](http://www.mrt.tas.gov.au)

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Zeehan Town & Queen Hill: Heemskirk Project

