

TASMANIAN INVESTMENT OPPORTUNITY

RESOURCES

Project title:	Heemskirk Tin Project
Location:	Zeehan, Tasmania, Australia
Region:	West Tasmania
Tenement ref no.:	ML2023P/M, ML 2M/2014, ERA1062
Project proponent:	Stellar Resources
Current status:	Prefeasibility study completed
Operating structure:	ASX publically listed company (SRZ)
Project size:	AUD\$48 million
Supporting documents:	Prefeasibility Study, Fast Start Study
Website:	www.stellarresources.com.au



Heemskirk Tin Project Mining Leases

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 a significant Australian tin producer by 2019. Located near 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.

In February 2017, the Tasmanian Minister for Resources granted a 12 year Mining Lease (2023P/M) over the Heemskirk tin deposits. Stellar also holds a 12 year Mining Lease over its preferred tailings dam site and recently applied for a Mining Lease over the tailings pipeline route (ERA1062). The company is progressing work to gain environmental clearance for mining.

In May 2017, Stellar commenced a 9,000m diamond drilling program aimed at upgrading Inferred Resources to Indicated in support of a Definitive Feasibility Study. The company plans to complete the study in mid-2018. Financing and construction over the following 12 months should see tin production by mid-2019.



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



Drilling rig at Heemskirk

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PROJECT DETAILS

Stellar completed a prefeasibility study in mid-2013, optimized (OPFS) the results in mid-2015 and completed a lower capital fast start version in 2016. The studies demonstrated technical and financial viability of the project using tin price of US\$22,000/t and exchange rates of \$0.75 AUD/USD.

Key results from the Fast Start Study include:

- Mining head grade of 1.06% tin and average recovery of 73%.
- Annual production of 1,500 tonnes of tin in concentrate expandable on an increase in resource life.
- Initial mine life of twenty years following drilling to upgrade the Severn Resource to Indicated status.
- Capital cost of A\$48 million benefiting from modular construction and the availability of existing infrastructure.
- Base case pre-tax NPV of A\$75 million and 36% IRR.

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 the Office of the Coordinator-General and the 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 or contact the Office of the Coordinator-General on +61 3 6777 2786 or email: cg@cg.tas.gov.au

For technical information visit Mineral Resources Tasmania at www.mrt.tas.gov.au

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Zeehan Town & Queen Hill: Heemskirk Project



Heemskirk Tin Project location

