

ASX ANNOUNCEMENT

27 OCTOBER 2022

Quarterly Activities Report for Period Ending 30 September 2022

HIGHLIGHTS

Tumblegum South Gold Project

- Acquisition of option over “Star of the East” historical gold project¹
- Results received for the 2,699m Reverse Circulation (RC) drilling program completed at Tumblegum South gold project.
- Tumblegum Phase 3 diamond drilling completed, assays pending
- Star of the East first reconnaissance RC drilling completed

West Bryah Copper-Gold Project

- Public data analysis underway
- Soil sampling, ground magnetic survey and drilling program completed

Star Minerals Limited (ASX: SMS, “the Company” or “Star Minerals”) is pleased to provide its Quarterly Activities Report for the period ending 30 September 2022.

The Company has two main projects, a gold Resource at Tumblegum South, 40km south of Meekatharra, and the West Bryah copper-gold project, 120km northwest of Meekatharra.

During the quarter, Star Minerals progressed a number of its stated goals, completing work programs that aim to advance its goal of bringing the Tumblegum South gold project into production.

In addition, the Company has completed an option agreement to acquire the “Star of the East” project, a nearby historical gold mine that complements the Company’s Tumblegum Project, only 2km to the east.

Work has also been completed on tenements in the West Bryah project area.

CEO Greg Almond comments: “Following the successful completion of two phases of RC drilling and our latest round of diamond core at Tumblegum South, we are encouraged by the results so far, and look forward to working through the rest of our work program to update the resource

¹ See Star Minerals Limited (ASX: SMS) ASX announcement dated 28 July 2022 “Star of the East gold project - Acquisition agreement”

model and progress through to a scoping study. Our second phase of drilling leveraged off our initial success, and we are very happy the assay results confirmed our model of the geology and grade.

As was previously stated, we are looking at potential acquisitions to help expand our resource base and give us further options and flexibility. We are pleased to have completed the option agreement on the 'Star of the East' project. We consider Star of the East a very promising prospect, and logical fit from the point of view of location, size, and potential."

Tumblegum South Project

Tumblegum South has an existing Inferred Resource estimate which totals 600kt, at a grade of 2.2 g/t Au². This work was undertaken by Bryah Resources Limited in January 2020.

Tumblegum South is located approximately 40km south of the town of Meekatharra in Western Australia (see Figure 1). The existing mining lease ML51/888 is directly along strike from the Tumblegum Pit which was mined by Dominion during the 1987–1992 Gabanintha Gold Mine Joint Venture. The Company's current focus is on gold, but there is also significant copper potential on the lease.

² See Star Minerals Limited (ASX: SMS) ASX announcement dated 1 November 2021 "Tumblegum South Gold Project Drilling Underway

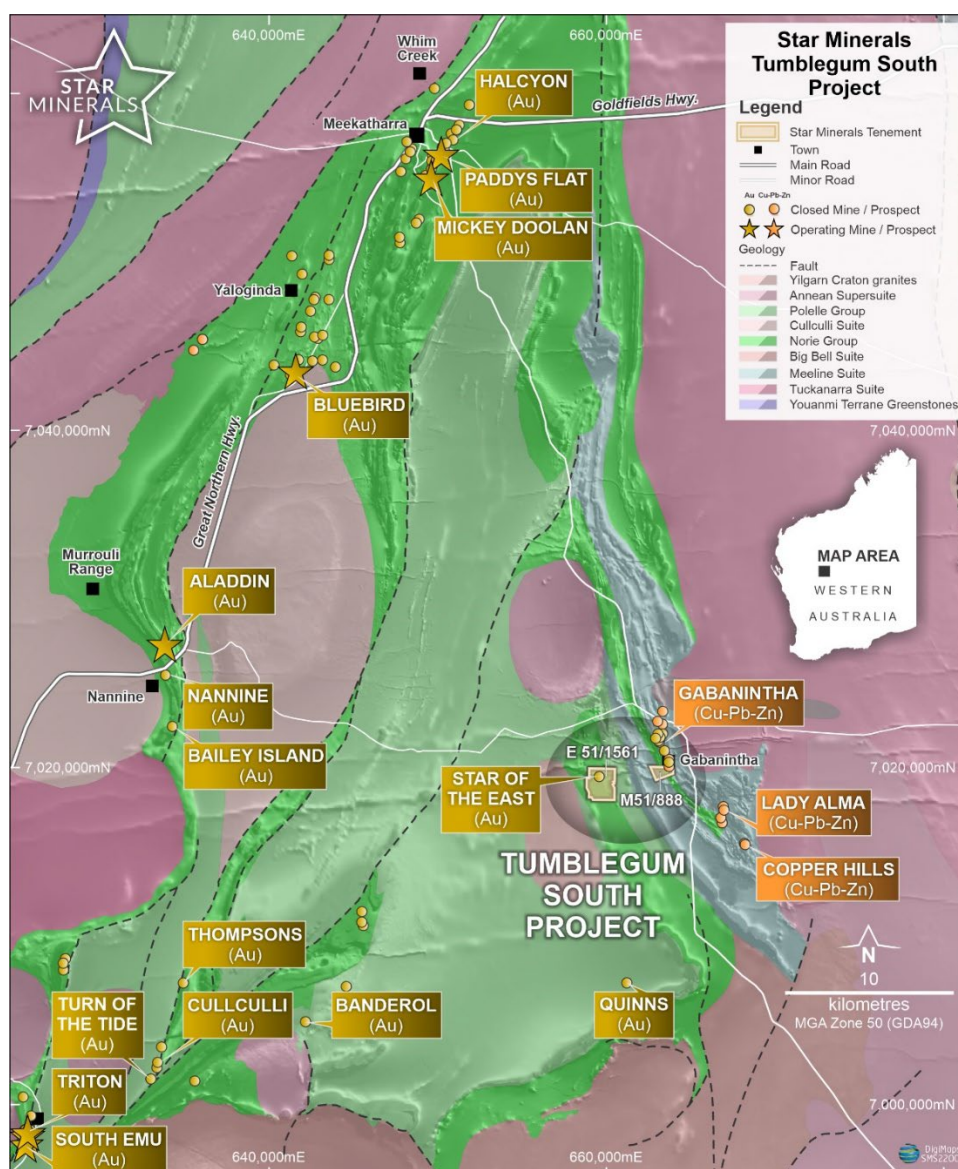


Figure 1 - Tumblegum South Project area – Tumblegum South and Star of the East

Concluding in June 2022 (during the last quarter), the Phase 2 RC drilling program was undertaken, comprising 46 holes for a total of 2,669 metres. Results from this drilling were received during the quarter, with highlighted downhole results in the table below.

Table 1 – Down Hole Results from RC drilling program³

TGRC042	4m @ 16.8 g/t Au from 155m
TGRC026	3m @ 14.74 g/t Au from 141m
TGRC028	4m @ 8.23 g/t Au from 73m
TGRC031	6m @ 3.03 g/t Au from 98m
TGRC032	5m @ 2.12 g/t Au from 57m

These Phase 2 assays confirm the presence of strong gold mineralisation throughout the system and confirm the interpretation and modelling work that the Star Minerals' team has completed.

³ See Star Minerals Limited (ASX: SMS) ASX announcement dated 3 August 2022 " High-grade gold assay results of Phase 2 Resource definition drilling - Tumblegum South



Figure 2 - Phase 2 Drilling at Tumblegum South

The next stages of drilling were two separate programs.

First was a planned 340m diamond core program at Tumblegum South, designed to provide further structural information to confirm the well-advanced geology model of the mineralised system.

This program was completed successfully. Core has been transported to Perth for full photography, logging, cutting and assay.

The second program was a first stage reconnaissance drilling campaign at the newly-optioned “Star of the East” project. The drilling team completed 276m, as planned. Samples from this drilling are currently pending. This program was intended to immediately test some targets identified from our review of the historical data. It was drilled opportunistically as one of our contractors moved past the location, so the Company took the opportunity to quickly gain some further information on our newly acquired ground.

Resource work continued, with the support of mining consultants Entech, to review and update the resource model. This work is ongoing, and when complete this will provide a foundation for a scoping study to define the potential size and scope for mining of the deposit. The completion of Phase 2 was a significant aid to this, and the results from this and the diamond program allow this work to be completed.

Further work has begun in the quarter with the first submission of samples to provide information for mining approvals work. These samples will provide information on the mineralisation style and waste composition, both studies needed for environmental assessment. Further samples from Phase 2 will be prepared and sent once they are returned from the assay lab.

West Bryah Project

Work at the West Bryah project has been focused on further review of public data, and the planning of a soil sampling, magnetic survey and drilling program to commence in 2022.

CEO Greg Almond commented:

“Work at the West Bryah copper-gold project is being planned and further expansion of the area is under review, with a number of options being examined.

We continue to work with the technical team we share with Bryah Resources Limited (ASX: BYH) and Australian Vanadium Limited (ASX: AVL) geology teams to map the best exploration pathway for the West Bryah.”

The soil sampling, mapping and ground magnetic survey work were commenced during the quarter with drilling to follow once planning and permits are in place.

In addition, a number of opportunities to expand the Company’s tenements have been examined, building on its knowledge of the West Bryah region (See Figure 3 below).

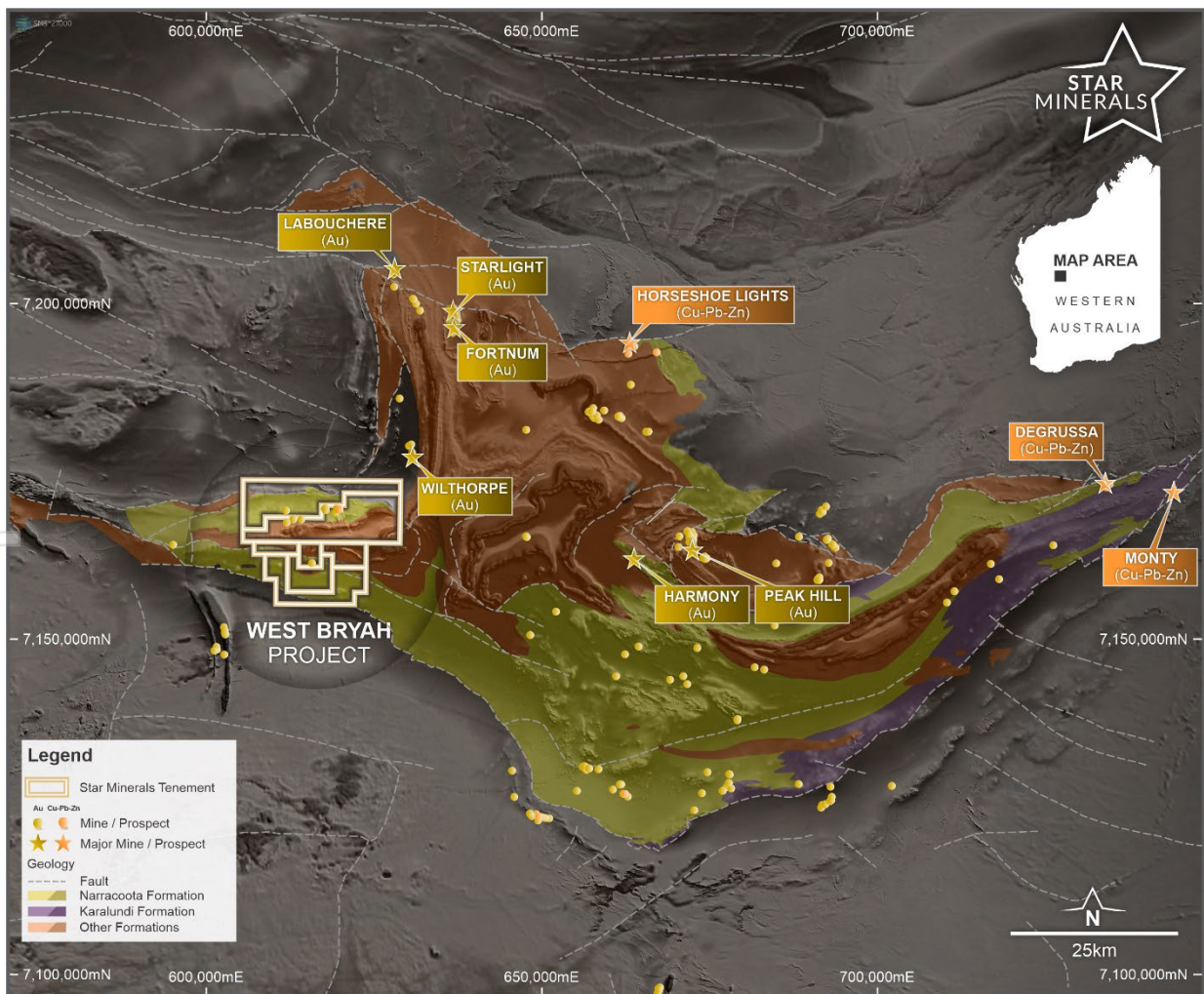


Figure 3 - West Bryah location plan

Marketing

CEO Greg Almond has presented at and attended several conferences during the quarter. Conferences included:

- Spark Plus Metals & Mining Day, online (presented)
- Spark Plus Investors presentation, Singapore (presented)

With removal of many Covid-19 restrictions, it is planned to organise more investor meetings and to attend conferences.

CEO Greg Almond comments:

“Despite increased volatility in gold and copper markets these commodities remain strong in historical terms, and we are confident that they will see strong recovery, which Star Minerals is working hard to prepare for. We will continue to use online and in-person tools to explain the Company and its efforts to existing and potential investors.”

Star Minerals Limited has an active social media presence across LinkedIn, Facebook and Twitter, sharing information about the Company and its commodities.

Reporting Confirmation

The information in this report that relates to current resource estimates is extracted from the Company’s following ASX announcement:

- 1 November 2021 Tumblegum South Gold Project Drilling Underway

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

The information in this report that relates to current exploration results is extracted from the Company’s following ASX announcement:

- 8 August 2022 High-grade gold assay results of Phase 2 Resource definition drilling - Tumblegum South

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

IPO and ASX Listing Compliance

SMS raised \$5,000,000 pursuant to the offer under its replacement prospectus dated 9 August 2021 as varied by the supplementary prospectus dated 1 September 2021 and the second supplementary prospectus dated 23 September 2021 by the issue of 25,000,000 shares at an issue price of \$0.20 per share and 12,500,000 quoted options exercisable at \$0.30 per option expiring on 15 October 2024.

In accordance with ASX listing rule 5.3.1, details of the Company's group exploration activities for the quarter, including any material developments or material changes in those activities, and a summary of the expenditure incurred on those activities is detailed in the preceding sections and in Table 1 below.

With respect to listing rule 5.3.2, the Company confirms that there were no mine production and development activities for the quarter

For the purposes of listing rule 5.3.4, the Company provides the following comparison of actual expenditure during the quarter against the Statement of Capital Structure following the issue of securities pursuant to the Replacement Prospectus and Second Supplementary Prospectus, both announced on 25 October 2021 together with comments.

Table 2 - Comparison of actual expenditure versus estimated expenditure

Use of funds	First 2 Years Expenditure Post Listing	Aggregate Spent as at 4th Quarter	Balance Remaining
<u>Tumblegum South</u>	\$	\$	\$
Exploration & evaluation	2,178,000	677,709	1,440,291
Star of the East project	-	60,000	-
<u>West Bryah</u>			
Exploration & evaluation	880,000	83,336	796,664
Costs of the Offer	517,500	449,000	68,500
Stamp Duty on Tenement			
Acquisitions (estimated)	174,422	-	174,422
Tenement Acquisition	505,000	505,000	-
Administration costs	816,000	789,955	26,095
Total	\$5,070,922	\$2,565,000	\$2,505,922

As noted, Star Minerals listed on the ASX on 25 October 2021 and as such is still in the first of the 2 years of expenditure commitment referred to in the above table.

The cash position of Star at 30 September 2022 was approximately \$2.49 million.

The aggregate amount of payments to related parties and their associates included in the current quarter cash flows from operating activities were approximately \$40,000.

During the quarter approximately \$182,000 of exploration and evaluation expenditure was capitalised, comprising amounts relating to geological consultants, tenement costs and general exploration expenditure.

No production and development activities were undertaken during the quarter.

Activities and spend were broadly in line with the proposed use of funds set out in the prospectus, with variations due to a number of factors including: time spent on drill planning, lack of staff capacity pushing back the start of activities in the West Bryah, and delays in assay results pushing back drill program commencement in the Tumblegum South project. Minor delays with permitting and approvals have also affected start date for works programs.

Tenements

According to Listing Rule 5.3.3, the Company provides the following information in relation to its mining tenements.

The Tenements detailed below in Table 2 were acquired by the company as part of the IPO and listing process. There were no other tenements acquired or disposed of during the quarter, however the company has an option agreement over an additional tenement.

Table 3 Tenements held during the quarter and their area

Project	Tenement	Registered Holder	Beneficial Interest	Location	Status
Tumblegum South Project	M51/888	Australian Vanadium Ltd	100%	Western Australia	Pending*
	L51/112	Bryah Resources Ltd	100%	Western Australia	Pending*
Star of the East	E51/1561	Williams and Lockyer	Exclusive Option	Western Australia	Optioned
West Bryah Project	E52/3553	Pet FC Pty Ltd	100%	Western Australia	Pending*
	E52/3737	Pinny Pty Ltd	100%	Western Australia	Pending*
	E52/3739	Bryah Resources Ltd	100%	Western Australia	Pending*
	E52/3802	ELBAJA Trust (Jalein)	100%	Western Australia	Pending*
	E52/3803	Pinny Pty Ltd	100%	Western Australia	Pending*
	E52/3804	Pinny Pty Ltd	100%	Western Australia	Pending*
	E52/3809	ELBAJA Trust (Jalein)	100%	Western Australia	Pending*

**denotes tenement transfer is in progress*

The Company is still awaiting confirmation of stamp duty assessment for completion of the tenement and tenements and the mining license. Also of note is the option agreement the company has exercised over E51/1561, the tenement that holds the historical “Star of the East” project. The Company has the right to perform work on this ground, such as drilling and sampling, and the right to acquire the tenement if the relevant conditions are met and the Company exercises its rights.

For further information, please contact:

Greg Almond, CEO +61 8 9226 1860

This announcement has been produced in accordance with the Company's published continuous disclosure policy and has been approved by the Board.

ABOUT STAR MINERALS LIMITED

SMS is focused on development and exploration of its copper and gold projects. The Company will be using the data gathered to complete the required works to bring the Tumblegum South project up to the necessary level for a decision to mine to be made. In addition, it will use the latest exploration techniques as well as results of previous exploration work undertaken by Bryah Resources and other explorers to investigate the potential of both the Tumblegum South and West Bryah projects.

The Board’s strategy is to advance the exploration and development of its deposits wherever possible, utilising established mining operations and infrastructure to achieve low risk early production outcomes.

In addition, the Company intends to continue to investigate ways to grow its business by:

- acquisition, application, or joint venturing into areas surrounding and adjacent to the Projects; and
- acquisition, application, or joint venturing into other, unrelated but economically attractive projects compatible with the Company’s goals and capabilities if, and when opportunities of this type come available.