

STAR MINERALS SIGNS MOU WITH MINING CONTRACTOR TO ADVANCE TUMBLEGUM SOUTH GOLD PROJECT

Highlights

- Memorandum of Understanding (MOU) for mine development and mining signed with MEGA Resources
- Star Minerals has commenced the environmental and approvals process
- Q1 CY 2026 mining commencement being targeted
- Key aim of the MOU is for Star Minerals and MEGA to work collaboratively together and move to establish a mutually beneficial profit share or joint venture
- MEGA Resources has recently entered into agreements with other parties that it could replicate with Star Minerals, potentially minimising future shareholder dilution
- Gold price provides potential opportunity for significant upside to the Project. Current prices are now over \$1,000/oz higher than scoping study which yielded ~\$20m in free cash flow¹

Star Minerals Limited (ASX: SMS, “the Company” or “Star Minerals”) is pleased to advise that it has entered into an MOU with the Bain Group and its mining entity MEGA Resources (“MEGA”), a subsidiary of the large Indian mining contractor BGR Mining & Infra Limited (“BGR”). The MOU covers collaboration on the mining approvals process and feasibility study inputs, as Star Minerals progresses the studies for the approvals process. The MOU also covers discussions on working capital inputs and profit share. See Annexure 1 for key terms of the agreement.

MEGA has rapidly entered into a number of mining collaborations in Western Australia and was attracted to Tumblegum South for its near-term cash generation and the substantial potential opportunity in exploration and project fundamentals given the increase in gold price since 2023, particularly in Australian dollar terms. Star Minerals is progressing all environmental approvals to facilitate mining at the Tumblegum South Gold Project.

Star Minerals’ Managing Director, Ashley Jones commented:

“Star Minerals is delighted to commence a relationship with one of the largest mining contractors in India. Through MEGA, BGR has rapidly developed an interest in a suite of projects in Australia and this provides a crucial step in the process to bring the Tumblegum South Gold Project to production. BGR also participated in the latest capital raise completed by Star Minerals to progress toward mining approvals.

BGR was attracted to the economics of the project as outlined in the recent Updated Scoping Study released in May 2024 and is interested in the exploration and project economic opportunity given the

¹ See ASX Announcement dated 20 May 2024 ‘Positive Updated Scoping Study for Tumblegum South’

sustained surge in the Australian gold price. We look forward to working closely with BGR and MEGA on this and other projects that may be of interest."

About MEGA Resources

MEGA is an Australian-based mining company, founded in Western Australia as a subsidiary of BGR. While the name "MEGA" may evoke images of size and scale, it represents the collective expertise and industry experience of the company's team in Mining, Engineering and Geology, across Australia.

MEGA is focused on the development of its own mining projects, supported by an in-house mining service team. In addition to internal projects, MEGA actively partners with key clients to provide vital services such as funding solutions, mining expertise and technical knowledge. The goal is to support clients like Star Minerals in monetising their projects and achieving long-term success.

MEGA is committed to delivering value through a combination of hands-on mining experience and strategic partnerships that create meaningful, sustainable outcomes for all stakeholders.

About BGR Mining and Infra Limited

BGR is headquartered in Hyderabad, India and was founded in 1988 as an engineering contractor (see <https://www.bgrmining.com>). Today, BGR is a major player in the Indian mining industry. It has executed more than 50 projects and currently has an order book of close to US\$14 billion.

BGR has consolidated its services as one of the leading mining developers and operators (MDO) in India. BGR integrates design, planning and modern operation technologies for safer and more productive mines. From open cast coal mining contracts to MDO projects in India and in Mozambique, BGR is committed to serving every region in the world. Having achieved steady growth over the years since its inception, BGR has now set its eyes on the global stage to deliver mission-critical projects in a timely manner.

Tumblegum South Gold Project

The Company's Tumblegum South Project consists of tenement M51/888. A granted mining lease, M51/888 is located approximately 40km south of Meekatharra and hosts a gold Mineral Resource of 616,000 tonnes @ 2.28g/t Au for a total of 45,000 ounces of contained gold and includes an Indicated Mineral Resource of 337,000 tonnes @ 2.52 g/t Au for 27,000 Oz gold.²

Tenement M51/888 has been the focus of activities, with a Scoping Study completed in December 2023 and subsequently updated in May 2024 to reflect the sustained increase in the gold price (Updated Scoping Study). The positive results of this Updated Scoping Study provide a basis to refine material inputs and enhance project economics for the Tumblegum South gold deposit.

The sustained increase in the gold price, which is now over A\$4,900/oz,³ is A\$1,100 above the figures used in Star Mineral's Updated Scoping Study.¹ Star Minerals has recently commenced the environmental and other approval processes which are key to a clear pathway to commence mining.

² See ASX announcement dated 29 May 2023 'Tumblegum South Mineral Resource Update'

³ Refer <https://www.abcbullion.com.au/products-pricing/gold> as at 31 March 2025

As this is the longest lead item, Star Minerals is progressing these approvals while negotiating mining and processing solutions.⁴

Star Minerals' Updated Scoping Study generated **A\$19.6m** free cash flow at the top end of the range of \$A3,800/oz. Using the current A\$ gold price which is approximately \$1,100 above the top end of the scoping study, provides opportunity for significant potential upside for the project.

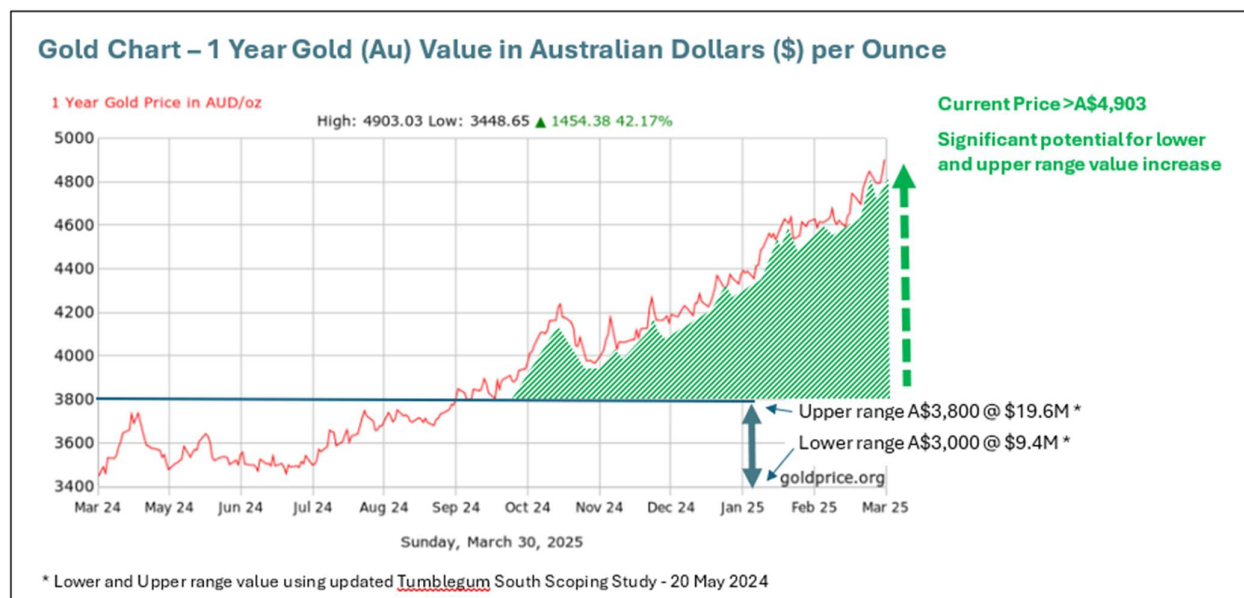


Figure 1: Gold Chart - 1 Year Gold (Au) Value in Australian Dollars (\$) per Ounce⁵

All Price information in the above graphic should be read in conjunction with the Company's ASX announcements 'Tumblegum South Mineral Resource Update' dated 29 May 2023 and 'Positive Updated Scoping Study for Tumblegum South' dated 20 May 2024.

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For further information contact:

Ashley Jones, Managing Director

This announcement has been approved for release by the Board.

⁴ See ASX Announcement dated 10 February 2024 'Star to Accelerate Tumblegum South Gold Project'

⁵ Reference: <https://goldprice.org/gold-price-australia.html> <https://goldprice.org/gold-price-australia.html>

Annexure 1

Key terms of the MOU are as follows

Parties	Bain Global Resources Pty Ltd (Bain), a company associated with the Indian mining contractor BGR Mining and Infra Limited Star Minerals Limited, a company listed on the Australian Securities Exchange (Code: ASX SMS)
Agreement Date	31 March 2025
Term	6 months from the date of the Agreement
Nature of the Agreement	Non-binding MOU until such time as it is replaced by a joint venture agreement that is consistent with the terms of the MOU, together with such other provisions as are normally found in a formal joint venture agreement
Termination	One month's written notice by either Party as mutually agreed
Financial Arrangements	Each Party will bear its own costs (labour costs)
Warranties	Standard warranties and undertakings
Confidentiality	The Parties agree to keep the terms of this MOU confidential or as otherwise mutually agreed

About Star Minerals

Star Minerals is primarily focused on the development of the Tumblegum South gold project.

Star Minerals will use the results of its recently completed Updated Scoping Study at the Tumblegum South gold project to progress to the necessary level for a decision to mine or other alternatives, including a joint venture. 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 further potential of both the Tumblegum South and West Bryah projects.

The Board's strategy is to advance the exploration and development of deposits located within the projects' locations, wherever possible utilising established mining operations and infrastructure to achieve low risk early development or production outcomes.

In addition, Star Minerals 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 Star Minerals' goals and capabilities.

Compliance Statements

The information in this announcement that relates to exploration results is based on information compiled by Mr Ashley Jones, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Director of Star Minerals Limited. Mr Jones has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Jones consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement relating to the current resource estimate for the Tumblegum South gold deposit is extracted from the Company's announcement 'Tumblegum South Mineral Resource Update' dated 29 May 2023 and is available to view on the Star website, www.starminerals.com.au.

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 estimated mineral resources underpinning the Production Target have been prepared by the Competent Person in accordance with the requirements of the JORC Code (2012).

The information in this report that relates to the Open Pit Mining Scoping Study for Tumblegum South and to the Production Target derived from the Scoping Study is based on information compiled by Mr Jake Fitzsimons, a Competent Person who is a Member or Fellow of The Australian Institute of Mining and Metallurgy and a full time employee of Orelogy Pty Ltd. Mr Fitzsimons has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Fitzsimons consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'should', 'believes', 'estimates', 'targets', 'expected', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are considered reasonable. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. The Directors cannot and do not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this announce will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.