CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

STELLAR ALPHA FUND LP

STELLAR ALPHA OFFSHORE FUND LTD.

Dated: February 1, 2025

STRICTLY CONFIDENTIAL

THIS MEMORANDUM CONTAINS PROPRIETARY AND CONFIDENTIAL INFORMATION

IMPORTANT NOTICES AND DISCLAIMERS

THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (THIS "MEMORANDUM") RELATES TO A PRIVATE OFFERING OF LIMITED PARTNERSHIP INTERESTS ("INTERESTS" OR "SHARES") IN STELLAR ALPHA FUND LP, A DELAWARE LIMITED PARTNERSHIP (THE "ONSHORE FUND"), AND SHARES IN STELLAR ALPHA OFFSHORE FUND LTD., AN EXEMPTED COMPANY INCORPORATED UNDER THE LAWS OF THE CAYMAN ISLANDS (THE "OFFSHORE FUND" AND, TOGETHER WITH THE ONSHORE FUND, THE "FEEDER FUNDS"), EACH OF WHICH WILL INVEST SUBSTANTIALLY ALL OF ITS ASSETS IN STELLAR ALPHA MASTER FUND LP, AN EXEMPTED LIMITED PARTNERSHIP FORMED UNDER THE LAWS OF THE CAYMAN ISLANDS (THE "MASTER FUND" AND, TOGETHER WITH THE FEEDER FUNDS, THE "FUND").

THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), THE SECURITIES LAWS OF ANY STATE OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, NOR IS SUCH REGISTRATION CONTEMPLATED. THE OFFERING IS BEING MADE IN RELIANCE ON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PURSUANT TO SECTION 4(A)(2) THEREOF AND REGULATION D PROMULGATED THEREUNDER AND OTHER EXEMPTIONS OF SIMILAR IMPORT UNDER THE LAWS OF STATES AND OTHER JURISDICTIONS WHERE THE OFFERING WILL BE MADE.

EXECUTIVE SUMMARY

Fund Structure and Domicile

The Fund operates through a master-feeder structure pursuant to Section 80a-3(c)(7) of the Investment Company Act of 1940, as amended (the "Investment Company

Act"). The Onshore Fund, organized as a Delaware limited partnership, shall serve as the domestic feeder vehicle for U.S. taxable investors. The Offshore Fund, incorporated as an exempted company with limited liability under the Companies Act (As Revised) of the Cayman Islands, shall serve as the offshore feeder vehicle for non-U.S. persons and U.S. tax-exempt investors.

Investment Objective and Strategy

The Master Fund's investment objective is to generate superior risk-adjusted returns through the implementation of a multi-strategy approach encompassing, without limitation:

(i) Long/short equity strategies with a focus on fundamental value and growth opportunities; (ii) Event-driven strategies including merger arbitrage, distressed securities, and special situations; (iii) Relative value strategies across asset classes; (iv) Systematic and quantitative trading strategies; (v) Opportunistic investments in private securities and structured products.

The Investment Manager shall have broad discretionary authority to allocate the Master Fund's assets among various strategies, instruments, and markets as it deems appropriate in its sole discretion, subject to the investment guidelines and restrictions set forth herein.

Key Terms and Economic Provisions

Capital Commitments and Subscriptions

Minimum Initial Subscription:

- Class A Interests: USD $1,000,000
- Class B Interests: USD $5,000,000
- Class I (Institutional) Interests: USD $10,000,000

The General Partner reserves the right, in its sole and absolute discretion, to accept subscriptions below the stated minimums or to reject any subscription in whole or in part.

Subscriptions shall be accepted as of the first business day of each calendar month (each, a "Subscription Date"), provided that the Administrator has received a fully executed Subscription Agreement and all requisite documentation pursuant to applicable anti-money laundering ("AML") and know-your-customer ("KYC")

requirements no later than 5:00 p.m. (Eastern Time) on the tenth (10th) business day prior to the applicable Subscription Date.

Management Fees

A management fee (the "Management Fee") shall be charged to each Limited Partner at the following annual rates, calculated and accrued monthly based on the Net Asset Value of such Limited Partner's capital account as of the last business day of each month:

- Class A: Two percent (2.00%) per annum
- Class B: One and one-half percent (1.50%) per annum
- Class I: One percent (1.00%) per annum

The Management Fee shall be calculated monthly in arrears and payable quarterly in advance on the first business day of each calendar quarter. For periods of less than a full month, the Management Fee shall be prorated based on the actual number of days in such period.

Performance Allocation/Incentive Fee

Subject to the provisions set forth in the Limited Partnership Agreement, the General Partner shall be entitled to receive a performance-based allocation (the "Performance Allocation") equal to:

- Class A: Twenty percent (20%) of Net New Profits
- Class B: Fifteen percent (15%) of Net New Profits
- Class I: Ten percent (10%) of Net New Profits

The Performance Allocation shall be subject to a perpetual "high water mark" provision, whereby no Performance Allocation shall be charged until all prior losses have been recouped and the Limited Partner's capital account exceeds its historical maximum value (adjusted for subscriptions and redemptions).

Redemption Provisions and Liquidity Terms

Lock-up Period

Each Limited Partner shall be subject to an initial lock-up period of twelve (12) months from the date of its initial subscription (the "Initial Lock-up Period"), during which no redemptions shall be permitted except in circumstances of extreme hardship as determined by the General Partner in its sole discretion.

Subsequent Redemptions

Following expiration of the Initial Lock-up Period, Limited Partners may redeem all or a portion of their Interests as of the last business day of each calendar quarter (each, a "Redemption Date"), subject to the following conditions:

(i) Written notice of redemption must be delivered to the Administrator not less than ninety (90) calendar days prior to the applicable Redemption Date; (ii) Redemptions shall be subject to an investor-level gate limiting redemptions to twenty-five percent (25%) of a Limited Partner's capital account balance per quarter; (iii) The General Partner reserves the right to suspend redemptions or impose additional gates in its discretion.

Redemption Proceeds and Holdback

Ninety percent (90%) of redemption proceeds shall be paid within thirty (30) business days following the applicable Redemption Date. The remaining ten percent (10%) shall be held back pending completion of the annual audit and shall be released within fifteen (15) business days following delivery of the audited financial statements.

Risk Factors and Conflicts of Interest

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE RISKS INVOLVED IN AN INVESTMENT IN THE FUND, INCLUDING BUT NOT LIMITED TO:

(i) The speculative nature of the Fund's investment strategies; (ii) The use of leverage and derivative instruments; (iii) Concentration risk and lack of diversification requirements; (iv) Counterparty and prime broker risks; (v) Regulatory and compliance risks; (vi) Potential conflicts of interest arising from the Investment Manager's management of multiple accounts; (vii) Valuation risks associated with illiquid and hard-to-value securities; (viii) Tax risks and potential changes in tax law or regulation.

Service Providers

Investment Manager: Stellar Capital Management LLC, a Delaware limited liability company registered as an investment adviser under the Investment Advisers Act of 1940, as amended

General Partner: Stellar GP LLC (Onshore Fund); Stellar Offshore GP Ltd. (Master Fund)

Administrator: [To be appointed]

Prime Brokers: Goldman Sachs & Co. LLC; Morgan Stanley & Co. LLC

Legal Counsel: [To be determined]

Auditor: Ernst & Young LLP

Depositary/Custodian: State Street Bank and Trust Company

REGULATORY MATTERS AND COMPLIANCE

ERISA Considerations

The Onshore Fund intends to operate as an entity whose underlying assets do not constitute "plan assets" within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The General Partner shall use commercially reasonable efforts to ensure that participation by "benefit plan investors" (as defined in Section 3(42) of ERISA) remains below twenty-five percent (25%) of each class of Interests.

Commodity Pool Operator Exemption

The Investment Manager intends to claim an exemption from registration as a commodity pool operator ("CPO") pursuant to CFTC Rule 4.13(a)(3) and shall operate the Fund in accordance with the trading limitations set forth therein.

Foreign Account Tax Compliance Act ("FATCA")

The Fund intends to comply with the requirements of FATCA and any applicable intergovernmental agreements. Investors may be required to provide certifications, tax forms, and other documentation as necessary for FATCA compliance.

This Memorandum is incomplete and subject to amendment. The information contained herein is qualified in its entirety by reference to the Fund's Limited Partnership Agreement and other governing documents.