



19 April 2024

New Sauro manganese prospect discovered and magnetic survey data secured

HIGHLIGHTS

- ➔ **New Sauro Mn prospect defined** during last week's reconnaissance mapping and sampling program. This Mn occurrence is ~ **12km southeast of the Lalena Mn prospect** and has returned **27.9% Mn** from pXRF.
- ➔ Countrywide **airborne Magnetics and Radiometric survey flown on 400m lines** has been secured by Estrella team and is currently being reviewed. The magnetics is seen as potentially **an excellent targeting tool for Mn** under surficial cover, as mineralisation noted to date in the field has iron associated with the Mn mineralisation.
- ➔ Preliminary geological reconnaissance work within the newly **granted 503.7km² tenure** (ASX release on 27th March 2024) is ongoing and has defined prospectivity for **Manganese (Mn) and Copper-Gold (Cu-Au)**.

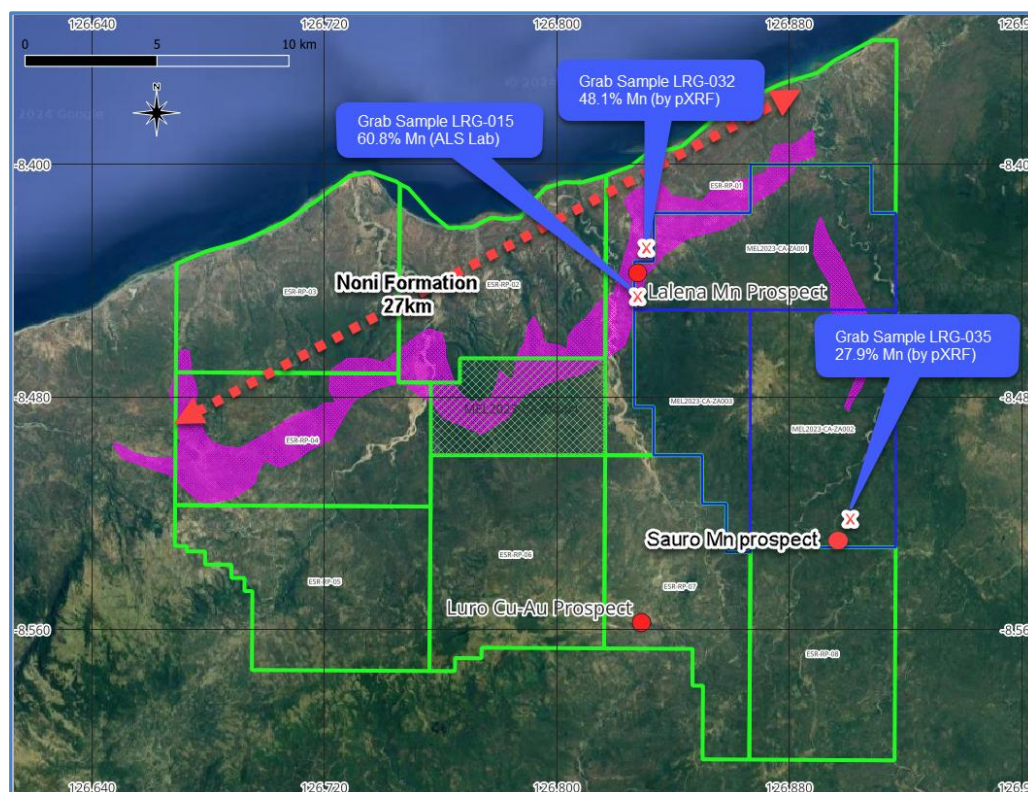


Figure 1: Lautem project with Noni Formation highlighted (in pink) and the three prospects defined to date

Estrella Resources Limited (**ASX: ESR**) (**Estrella** or the **Company**) is pleased to announce an update to exploration activities in the Lautém Municipality of Timor-Leste and the discovery of the new Sauro manganese prospect.

Commenting on the ongoing work program, Estrella Managing Director Chris Daws said:

It is exceptionally pleasing to encounter yet another manganese prospect at our emerging Lautem project in the virtually unexplored nation of Timor-Leste. Encouraging samples discovered through reconnaissance work greatly assist us in interpreting the most prospective areas within the geological setting and also hint at the possibility of further discoveries to come within our large exploration tenure.

The identification of the Sauro prospect is significant as it sits a great distance away from the manganese identified at Lalena and the source of this mineralisation is yet to be discovered. These prospects continue to affirm our belief the Timor-Leste is geologically fertile and that a first-mover advantage offers significant opportunities for further exploration success.

I would also like to note the Sauro discovery was made by local Timorese geologists with the aid and engagement of local Timorese people. We are continuing to work closely with government as well as the local community who are very supportive of our activities.

With new discoveries emerging as well as the recent acquisition of magnetic and radiometric data, I look forward to providing further updates as we continue to progress our exploration campaigns across our tenure.

Sauro Mn prospect

The Sauro Mn prospect is defined by Mn float material that has not had the in-situ source located at this stage. There is prospective Noni Formation identified in historical maps of the region and the Estrella field team will return to undertake more detailed mapping once initial reconnaissance is completed. The following table is a summary of all samples with a trigger value reported >1% Mn since the prior release.

Sample ID	Prospect	Description	Lat (WGS84)	Long (WGS84)	Ti (ppm)	V (ppm)	Mn %	Fe %	Co (ppm)
LRG_035	Sauro Mn	Mn float	126.8965	-8.5184	2328	65	27.9	5.6	792

Table 1: Results of samples taken with pXRF. Please see cautionary note on pXRF analysis below.

The Company is mobilising crushing and other laboratory equipment to Timor-Leste to test and report multi-element pXRF results from within the country, including the use of a portable parts-per-billion (ppb) gold detection system. Select samples will be returned to Australia for laboratory analysis as standard reference checks. This will alleviate sample bottlenecking and vastly improve analysis times to accelerate exploration progress.

Airborne Magnetics and Radiometrics

A helicopter-borne high resolution magnetic and radiometric survey was completed over the Timor-Leste mainland, the island of Atauro and the enclave of Oeussi. The work was completed by Airborne Petroleum Geophysics (APG) from Canada in 2019 under contract to Autoridade Nacional do Petroleo e Minerais (ANPM)

A total of 45,298 line-km of data were acquired over the commission area. The survey was flown at a nominal mean terrain clearance of 80 metres for both the magnetometer and the gamma-ray spectrometer, primary flight lines were flown at 400m separation and tie lines at 4000m of line separation.

Estrella have undertaken preliminary review of the available data and have identified the magnetics data to be a useful tool for defining potential ferro manganese mineralisation below surficial cover. There is a late

flat lying limestone unit that has been identified in the field and overlays the prospective Mn bearing Noni Formation.

Estrella is looking at increasing the line density (currently 400m) to refine the anomalies and the team is currently assessing options to undertake this infill work. High-definition magnetic anomalies combined with Mn bearing Noni Formation will present highly prospective drill targets for Estrella.

The figure below shows the Magnetic image with First Vertical Derivative, and shows clear features associated with the defined Mn prospects.

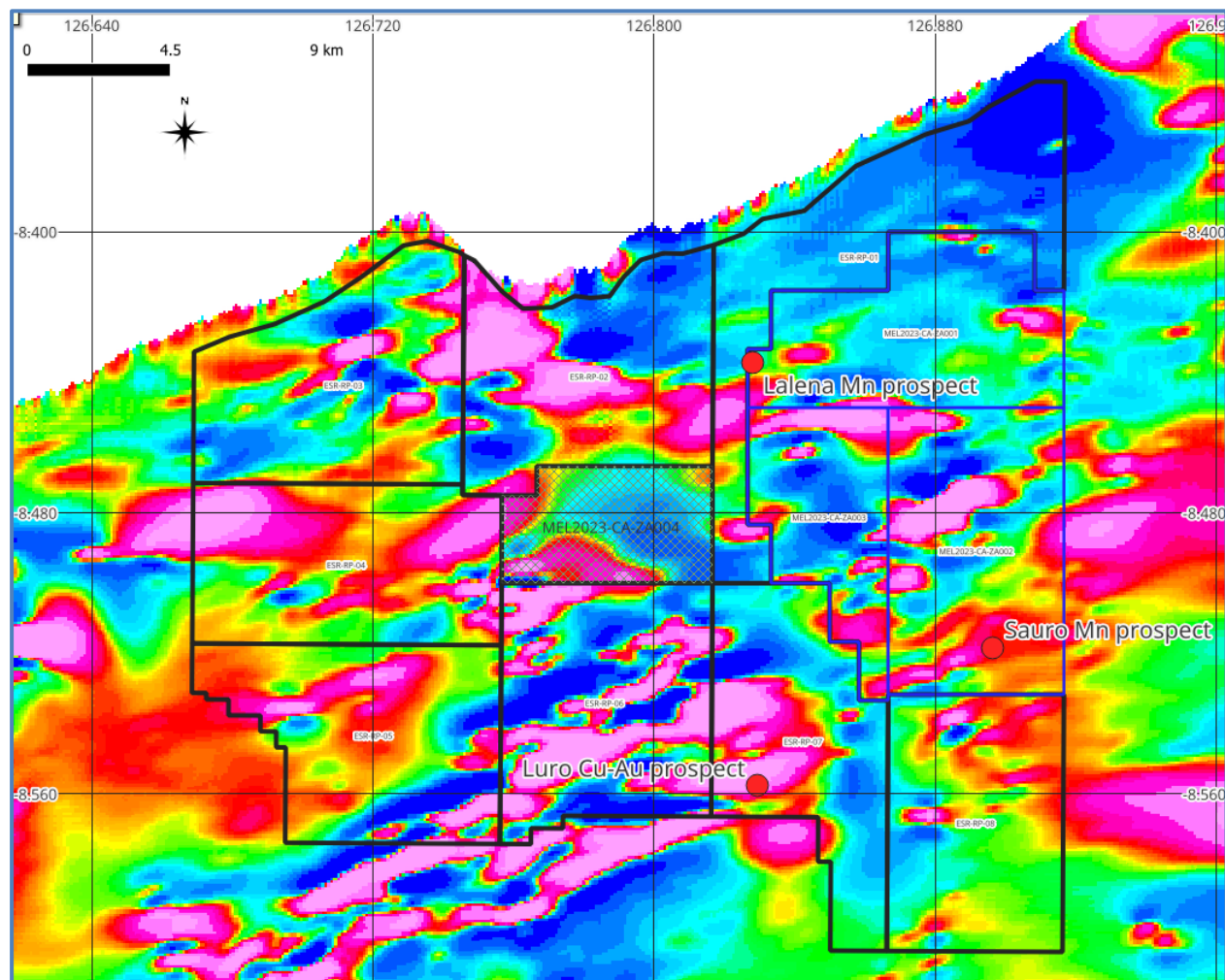


Figure 2: Lautem Airborne Magnetics (1st Vertical Derivative 1VD)

Geology

The Island of Timor is part of the Outer Non-Volcanic Banda Arc that was formed from the collision between the Volcanic Banda Arc and the Australian Continental Crust, which occurred in Late Miocene. Consequently, the Island of Timor has a complex geological setting.

The geology of the island is grouped into three distinct units:

- Allochthon/Banda Terrane (pre-collision Banda Forearc/Asian affinity);
- Para-autochthones (Gondwana Megasequence and Australian Margin Megasequence); and
- Autochthon (Syn-Orogenic Megasequence).

Estrella's in country team is undergoing systematic geological mapping and sampling and has identified the Noni Formation as the host to the extensive manganese mineralisation identified across the project.

The Noni Formation occurs as part of the Banda Terrane and has been mapped across Estrella's project for over 27km (Figure 1). It is described as a Middle Jurassic to Cretaceous bedded unit of over 100m thickness comprising arenites and chert beds within there has been found massive manganese and ferro manganese bands and nodules.

The Board has authorised for this announcement to be released to the ASX.

FURTHER INFORMATION CONTACT

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Cautionary Statement of pXRF

PXRF results that are announced in this report are preliminary only. The use of the PXRF is an indication only of the order of magnitude of expected final assay results. The samples that are the subject of this report will be submitted for laboratory assay and some variation from the results presented herein should be expected.

Competent Person Statement

The information in this announcement relating to Exploration Results is based on information compiled by Beau Nicholls, who is the Exploration Manager for Estrella Timor-Leste, and a fellow of The Australasian Institute of Geoscientists. Mr. Nicholls has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity 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 Resource and Ore Reserves". Mr Nicholls consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

APPENDIX 1 JORC TABLE 1 – TIMOR-LESTE EXPLORATION

Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Determination of mineralisation has been based on geological mapping, visual mineral estimates and confirmation of metallic concentration using a Bruker S1 Titan Portable XRF instrument. Initial rock-chip samples were taken and dispatched through customs and quarantine to ALS in Malaga for multi-element analysis. Samples were analysed using a 4-acid digest, ME-MS for 61 elements and Pt, Pd and Au by fire assay and ICP-MS finish on a 50g sub-sample.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> No drilling has been undertaken to date.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> No drilling has been undertaken to date.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Rock-chip samples were geologically logged for mineral content prior to sending for assay or screening by pXRF.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all 	<ul style="list-style-type: none"> Sample sizes are appropriate to the grain size of the mineralisation. The exploration program is in its very early stages and initial sample sizes were kept small due to freight and customs / quarantine restrictions. They are not considered representative of the bulk of mineralisation.

Criteria	JORC Code explanation	Commentary
	<p>sub-sampling stages to maximise representivity of samples.</p> <ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Samples are selected based on geological logging. Samples have been dispatched to an accredited commercial laboratory in Perth for analysis. Preliminary samples are being analysed at ALS in Malaga using a 4-acid digest, ME-ICP for 61 elements and all samples are also being tested for Pt, Pd and Au by fire assay and ICP-MS finish on a 50g sub-sample. Standards and blanks have not been included in this early phase of the program. Current field samples are being analysed by pXRF. The Cautionary statement is included when assessing pXRF.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No prior modern exploration has been conducted in the area. No adjustments to assay data were undertaken.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> GPS equipment using MGA94, Zone 52 coordinate system with an accuracy of +/- 5m. Topographic control using 30m spaced satellite point data.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> No systematic sampling has been conducted at this early stage.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> No orientation-based sampling bias has been identified.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Exported samples are in the possession of ESR personnel from field collection to customs submission in Dili. Non-exported samples remain with ESR personnel.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No independent audit or review has been undertaken.

Section 2 - Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	<ul style="list-style-type: none"> Exploration and Evaluation Concessions MEL2023-CA-ZA001, MEL2023-CA-ZA002 and MEL2023-CA-ZA003 are awarded to Estrella Murak Rai, forming the joint-venture between Estrella Resources Representante Permanente (70%) and Murak Rai Timor (30%). Reconnaissance Permits ESR-RP-01, ESR-RP-02, ESR-RP-03, ESR-RP-04, ESR-RP-05, ESR-RP-06, ESR-RP-07 and ESR-RP-08 are awarded to Estrella Resources Limited Representante Permanente (100%) Estrella Resources Limited Representante Permanente is registered in Timor-Leste and is a wholly-owned subsidiary of Estrella Resources Limited (Australia). All of the Concessions and Permits are current and in good standing.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The first exploration was conducted by Allied Mining Corporation in 1937 during which mineral potential was discovered. Very small scale mining of manganese, gold and construction material was conducted. The exploration was not systematic and hampered by difficult access. Other work in the early 2000's has been conducted by the Pacific Economic Cooperation Council -PECC Minerals Network to assist Timor-Leste to understand and develop its minerals potential. Other local geologists and companies have sporadically explored the area however there has been no documentation collected nor systematic exploration to quantify mineral occurrences. No minerals drilling has taken place. No close-spaced geophysics has taken place. No systematic, modern exploration has taken place. The Geological Institute of Timor-Leste (IGTL) has recently (and still is) conducting stratigraphic analysis and fossil dating to reconstruct the geological history of Timor-Leste.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The current Permits host three main forms of manganese mineralisation. Primary mineralisation can be found in stratigraphic banded cherts and banded irons formed from direct precipitation of manganese onto the sea floor. Evidence for both microbial and inorganic processes exist. Additional primary mineralisation exists as pisolithic concretions and direct precipitates within deep-sea limestones. Secondary mineralisation exists in the form of small to extremely large clasts of manganese mineralisation associated with the Bobonaro Formation, a melange that is a lithotectonic unit composed mostly of broken, clay-rich layers that are mixed to varying degrees with structurally

Criteria	JORC Code explanation	Commentary
		<p>and stratigraphically overlying units. This unit represents an under-sea collapse zone containing multiple manganese clasts over a very large area.</p> <ul style="list-style-type: none"> • Tertiary mineralisation exists where high rainfall and erosion has sorted and concentrated detrital manganese into river paleo-channels. • Alluvial gold mineralisation has been reported in the area however no exploration has been undertaken. • Estrella will use and expand upon the current known stratigraphy to evaluate and document mineralisation styles and relate them back to the tectono-stratigraphic genesis of the area.
Drill hole information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> • No drilling has been undertaken in the area.
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • Exploration results with all relevant drillhole information are reported in the body of the text. • No aggregation methods have been used. • Metal equivalent values have not been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • Any relationships have been discussed within the body of the text.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • Relevant diagrams have been included within the main body of text.
Balanced Reporting	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and 	<ul style="list-style-type: none"> • No new information has been withheld.

Criteria	JORC Code explanation	Commentary
	<p><i>other locations used in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> No other substantive data exists as the program is in its early stages. All observations are discussed within the body of the text.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large- scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Further work by ESR will include systematic mapping and sampling along with stratigraphic and structural classification.