

4 April 2025

Timor-Leste to Welcome RC/Diamond Rig Ahead of Maiden Minerals Drilling Program

HIGHLIGHTS

- ➔ **Estrella has signed a drilling contract and working partnership with Dili-based CoreSearch Minerals and Mining Services LDA to establish mineral drilling capability in Timor-Leste**
 - CoreSearch is a division of the H2O group which has 25 years' experience in Timor-Leste, drilling over 500 production water bores across the country
 - Estrella is assisting CoreSearch with capital to bring a custom rig and carriers from Darwin, with additional RC equipment sourced in Vietnam, into Timor-Leste
 - The minerals drilling packages put together by CoreSearch are the very first to enter Timor-Leste to kick-start the next phase of the country's nascent Minerals Exploration and Mining Industry
 - The first of the equipment will leave Darwin shortly and is expected to arrive in mid-April
- ➔ **Initial drilling will concentrate on the Ira Miri, Sica and Lalena manganese prospects**
 - Environmental approvals in final stages of assessment with ongoing community engagement activities encountering positive local support
 - Drilling is expected to commence in May once all equipment has been assembled and all formal approvals are in place



Figure 1: CoreSearch Rig 1 - SP6500 SA-RC-MP capable of both diamond and reverse circulation drilling along with one of two carriers containing two full rod strings and additional downhole equipment.

Estrella Resources Limited (ASX: ESR) (Estrella or the Company) is pleased to announce a drilling contract and working partnership with Core Search Minerals and Mining Services LDA (CoreSearch). CoreSearch is a Dili-based company currently being incorporated by H2O Pump and Power which has been drilling water bores across Timor-Leste for the past 25 years and have extensive experience operating in the country.

Estrella has assisted CoreSearch with capital to put together and import to Timor-Leste a complete RC and diamond capable package to service the nascent Exploration and Mining Industry. The US\$200,000 capital inserted into the venture by Estrella will be treated as an unsecured loan and repaid in lieu of exploration services rendered at US\$10 per metre drilled over the first 20,000 metres. Estrella retains exclusive rights to use of the equipment until the debt owed, and mobilisation costs have been fully recouped.

Under the agreement, CoreSearch has been contracted to complete an initial round of exploration consisting of 10,000m of RC drilling and 3,000m of diamond drilling. A secondary round of drilling is also under contract, consisting of a further 10,000m of RC drilling to be conducted after geological review.

The drill rig is owned by H2O and was based in Darwin. CoreSearch is bringing over a track carrier to hold the rod string, spare rod string and additional RC and diamond equipment. An additional carrier for the bulk fuel and compressor was sourced from Vietnam along with the cyclone and splitter. The cyclone and splitter will be mounted to the drill rig once in Dili. While much of Estrella's Timor-Leste licenses cover very accessible region, the track-mounted drill rig and carriers increase mobility across rolling hills and also permit unhindered travel in wet weather.

Both the carriers and the drill rig are self-loading onto the back of a flatbed truck which enables fast mobilisation between drill lines and across the program in general. The front and rear jacks enable the gear to be stable when drilling in hilly terrain and also enable quick loading onto the back of a flatbed truck (pictured in Figure 1)



Figure 2: The Ingersoll Rand 1070/350 compressor mounted on the additional track carrier.

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Figure 3: Rod slew carrier being loaded into one of four 40 foot sea containers ready to transport by ANL to the Dili Port

Commenting on recent activities, Estrella Managing Director Chris Daws said:

“The partnership between Estrella and CoreSearch is poised to make history, representing the first group to break ground in Timor-Leste following its adoption of a modern mining code.

I would particularly like to thank CoreSearch Minerals and Mining LDA for the incredible effort to mobilise the full RC and Diamond Drill packages over the last 3 months, bringing together gear sourced across Asia and Northern Australia destined for shipping to Timor-Leste. Their utmost professionalism is greatly appreciated and we look forward to strengthening this cooperation as we begin to test this unexplored geology.

I would also like to thank our joint-venture partner Murak Rai Timor for their ongoing support as we finalise our program of works and community consultation. Operating with respect for the local environment and culture, as well as building economic strength for the community are key pillars of our approach in Timor-Leste.

With completely undrilled targets that are prospective for high grade manganese, it is a very exciting time for Estrella Resources shareholders and management.”

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Figure 4: CoreSearch Managing Director Leon Merrington and Timor-Leste Operations Manager Natalino Mendes preparing the drill rig and ancillary equipment for shipping in Darwin

CoreSearch Managing Director Leon Merrington and Timor-Leste Operations Manager Natalino Mendes have worked together in Timor-Leste for the last 25 years, drilling production water bores and conducting humanitarian aid. Leon founded H2O Pump and Power LDA in Timor-Leste in 1999 and has worked side by side with Mendes to build a highly successful business employing many local staff. The CoreSearch team is joined by Dave Birkett, a highly regarded and experienced Australian exploration driller who will assist the partnership with his decades of knowledge from multiple countries.

Estrella intends to drill a series of holes at its Ira Miri, Sica and Lalena manganese prospects to test outcropping supergene manganese horizons as well as testing its exploration model. Up to 90 RC holes are currently being assessed for approval by the country's Minerals Authority (ANM) and the Company is busy communicating this information to the local communities within the region.

The drilling will primarily target manganese mineralisation however the holes will also provide confirmation of the geology encountered in the recent IP trials. Comparison of the geology with interpreted geophysical responses will assist the Company to develop in-country IP capability to more accurately target further buried manganese deposits ahead of drilling. Further IP trials with a more powerful system have been planned so as to open up more targets areas for future drill testing.

The local communities have been very welcoming and engaged in Estrella's plans to explore in the area. Estrella along with CoreSearch intend to employ as much local labour as necessary to fill the various roles required, so that the exploration efforts are of direct benefit to the communities whilst the program is in full swing.

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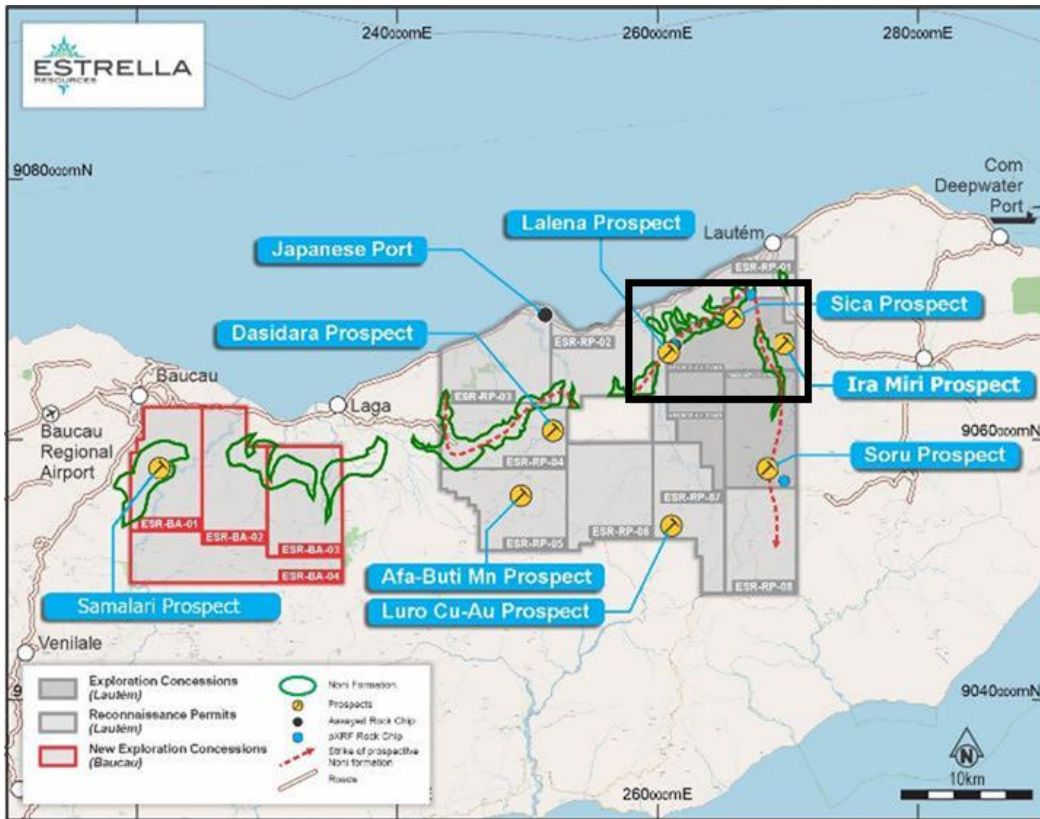


Figure 5: The Ira Miri, Sica and Lalena Prospects straddle the border between ESR-RP-01 and MEL2023-CA-ZA001. The black box shows the location of the inaugural RC drill program.

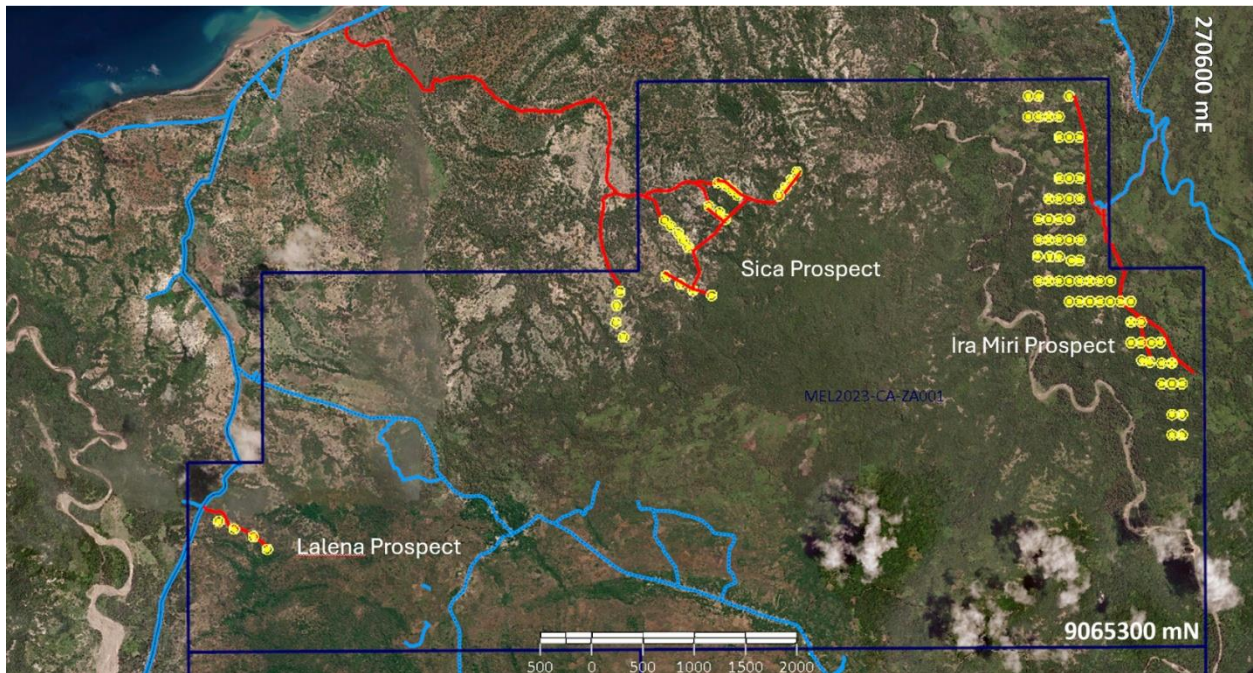


Figure 6: Planned drill targets showing access roads to be developed in red and RC drill sites in yellow, targeting manganese horizons within the Noni Formation.

The Company is in the final stages of gaining environmental approvals to commence ground works ahead of drilling. The Category B environmental license has been conditionally granted by the ANM and the Environmental Impact Statement and Environmental Management Plan have been submitted to round out the environmental permitting process.

As a part of the closing stages of approvals from the ANM, community education and consultation is well underway with final meetings with stakeholders to be completed in early May. The affected communities will register cultural sites and other areas of significance with Estrella's team that will be safeguarded during the program. Both Estrella and CoreSearch will source additional workers from the local worker pool along with other concessions to assist these communities.

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Next Steps

The end of the wet season in mid-April should coincide with the arrival of full RC and diamond drill capability in Timor-Leste. By that stage, all community consultations should be nearing completion along with finalisation of workers accommodation and lay-down and equipment storage areas within the closest local communities.

In addition, all environmental approvals are expected to have been granted by that stage, paving the way for work to commence.

The Company will update shareholders as the approvals process is completed and further equipment arrives into the port of Dili.

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

FURTHER INFORMATION CONTACT

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Forward Looking Statements

This announcement contains certain forward-looking statements which have not been based solely on historical facts but, rather, on ESR's current expectations about future events and on a number of assumptions which are subject to significant uncertainties and contingencies many of which are outside the control of ESR and its directors, officers and advisers.

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