

29 May 2020

Company Announcements
ASX Limited

CARR BOYD NICKEL-COPPER PROJECT OVERVIEW

HIGHLIGHTS

- **Interest in magmatic nickel-copper deposits have had a major resurgence with the recent discoveries of magmatic hosted sulphide mineralisation at Legend Mining's Rockford Project and Chalice Golds Julimar Projects.**
- **Estrella owns 100% of the Carr Boyd Nickel Project which is a magmatic hosted Ni-Cu sulphide system comprising the Carr Boyd Layered Complex**
- **The Project hosts the historic Carr Boyd Rocks nickel mine which was the first magmatic hosted style of nickel deposit discovered and mined in WA**
- **It was discovered in the late 1960's and produced 202,110t of ore at an average grade of 1.43% Ni and 0.46% Cu between 1973-1977**
- **Estrella holds 259km² of contiguous tenure over the entire magmatic mafic-ultramafic layered complex**

Estrella Resources Limited (ASX: ESR) (Estrella or the Company) is pleased to provide the market with the attached Company Presentation outlining the Carr Boyd Ni-Cu Project which is located ~80km north-northeast of Kalgoorlie.

Interest in magmatic nickel-copper deposits have had a major resurgence with the recent discoveries of magmatic hosted sulphide mineralisation at Legend Mining's (ASX:LEG) Rockford Project and Chalice Golds (ASX:CHN) Julimar Projects.

There are 2 main types of nickel sulphide deposit models which exist in WA;

- Komatiite hosted (Kambalda Style) extrusive lava flows
- Magmatic hosted mafic-ultramafic intrusions

The Carr Boyd Nickel Project (CBNP) is one of just a handful of mineralised magmatic hosted nickel sulphide systems located in Western Australia. The host intrusion is the Carr Boyd Layered Complex (CBLC or the Complex) that has a surface extent of over 75km². The CBLC hosts the historic Carr Boyd Rocks nickel mine which was the first magmatic hosted style of nickel deposit discovered and mined in WA. It was discovered in the late 1960's and produced 202,110t of ore at an average grade of 1.43% Ni and 0.46% Cu between 1973-1977.

Komatiite flows have been the main source of developed nickel sulphide mines in WA and have been explored extensively since the late 1960's. Due to their well understood geochemistry, formation, and high-grade sulphide enrichment process within defined channels, most of the studies and exploration programs in WA have focused on discovering this style of mineralisation. The Kambalda-Kalgoorlie-Leinster-Laverton Goldfields Region has been the main focus for komatiite exploration, with limited potential existing outside this region. Greenfields discoveries of komatiite nickel have all but dried up in the Goldfields Region and its only deep brownfields exploration that is delivering new nickel deposits.

Elsewhere around the world, large scale magmatic nickel deposits are the norm, producing world-class deposits with long productive mine lives. In WA, magmatic nickel deposits occur scattered throughout the state, however, they have had a long and slow history of discovery, development and understanding. It's only in recent years, since the discovery of the Nova-Bollinger deposit (2012) in the Fraser Range (which had been historically explored for over 40yrs), that a string of magmatic nickel deposits have suddenly been discovered. As komatiite sources dry up, focus and

understanding around magmatic nickel deposits is starting to gain momentum, resulting in exploration companies looking at various mafic-ultramafic bodies which have had limited to no exploration completed over them to date. This is resulting in a new level of understanding in WA on the formation/deposition of nickel-copper sulphides within magmatic rocks, leading to a wave of new discoveries.

Estrella's CEO Chris Daws comments "*I am pleased to provide the attached Overview of the Carr Boyd Nickel Project which details the history, recent successes and planned works at Carr Boyd. I look forward to engaging with our shareholders and investors as we progress this exciting exploration project to unlock its full potential*".

Competent Person Statement

The information in this announcement relating to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Neil Hutchison of Geolithic Geological Services, who is a consultant to Estrella Resources, and a member of The Australasian Institute of Geoscientists. Mr Hutchison 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 Hutchison consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Board of Estrella Resources Limited has authorised for this announcement to be released to ASX.

FURTHER INFORMATION CONTACT

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CARR BOYD NICKEL PROJECT OVERVIEW

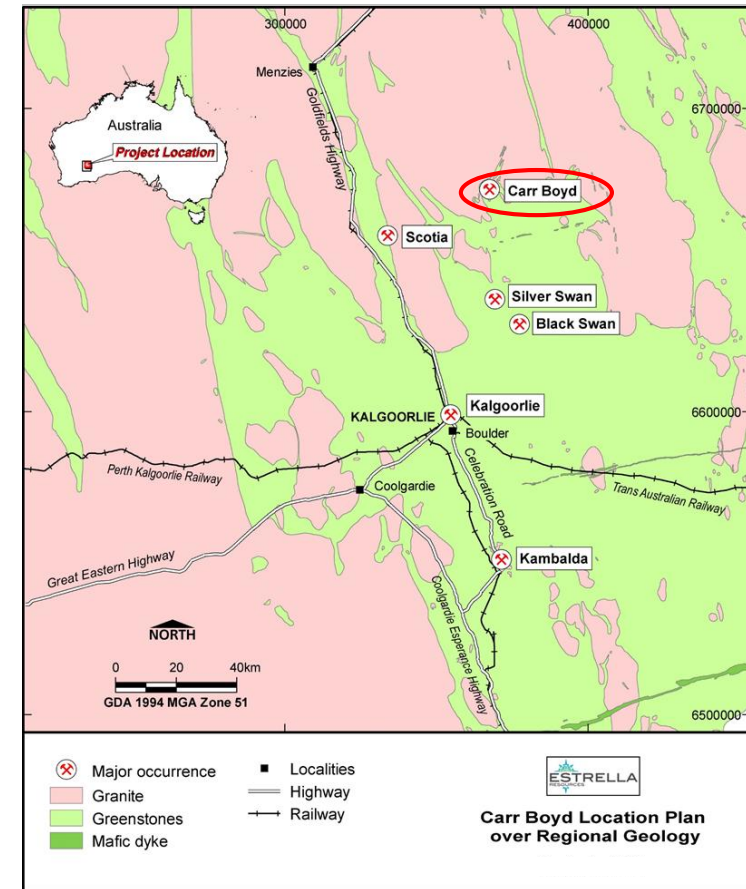


2019 RC drilling operations at Carr Boyd Nickel Project

MAY 2020

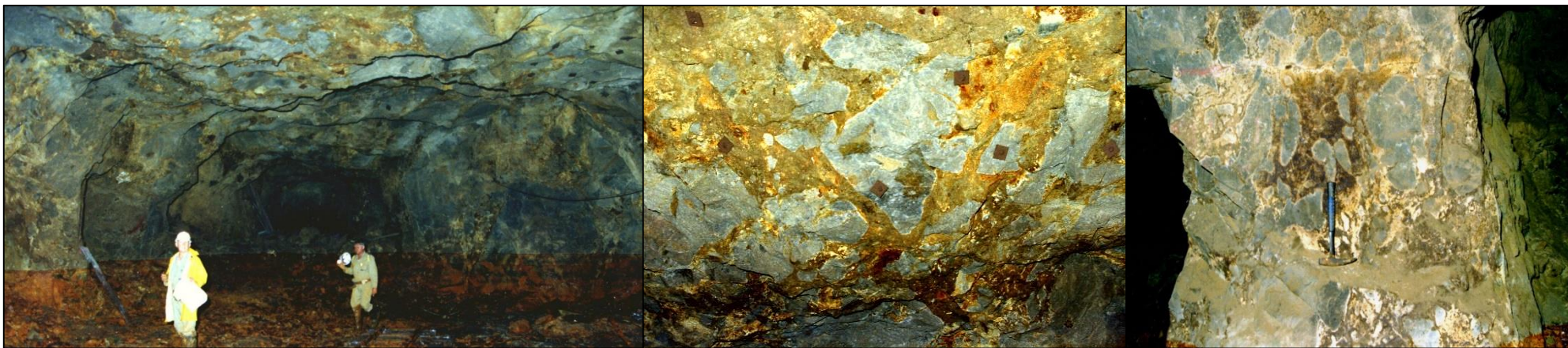
Carr Boyd Nickel Project (CBNP)

- Located **80km NNE of Kalgoorlie**; 20km from Black Swan complex.
- 100% owned Ni/Cu Project.
- Discovered by Great Boulder Mines Ltd and North Kalgurli JV between 1969 – 1972.
- Acquired by WMC and mined from 1973 to 1977.
- Total production: 202 Kt at 1.43% Ni and 0.46% Cu.
- **Highly differentiated layered igneous complex with breccia hosted Ni/Cu mineralisation high up in the complex, inferred basal contact/feeder source.**
- Recent RC drill assay results highlight presence of a new Nickel Sulphide system...



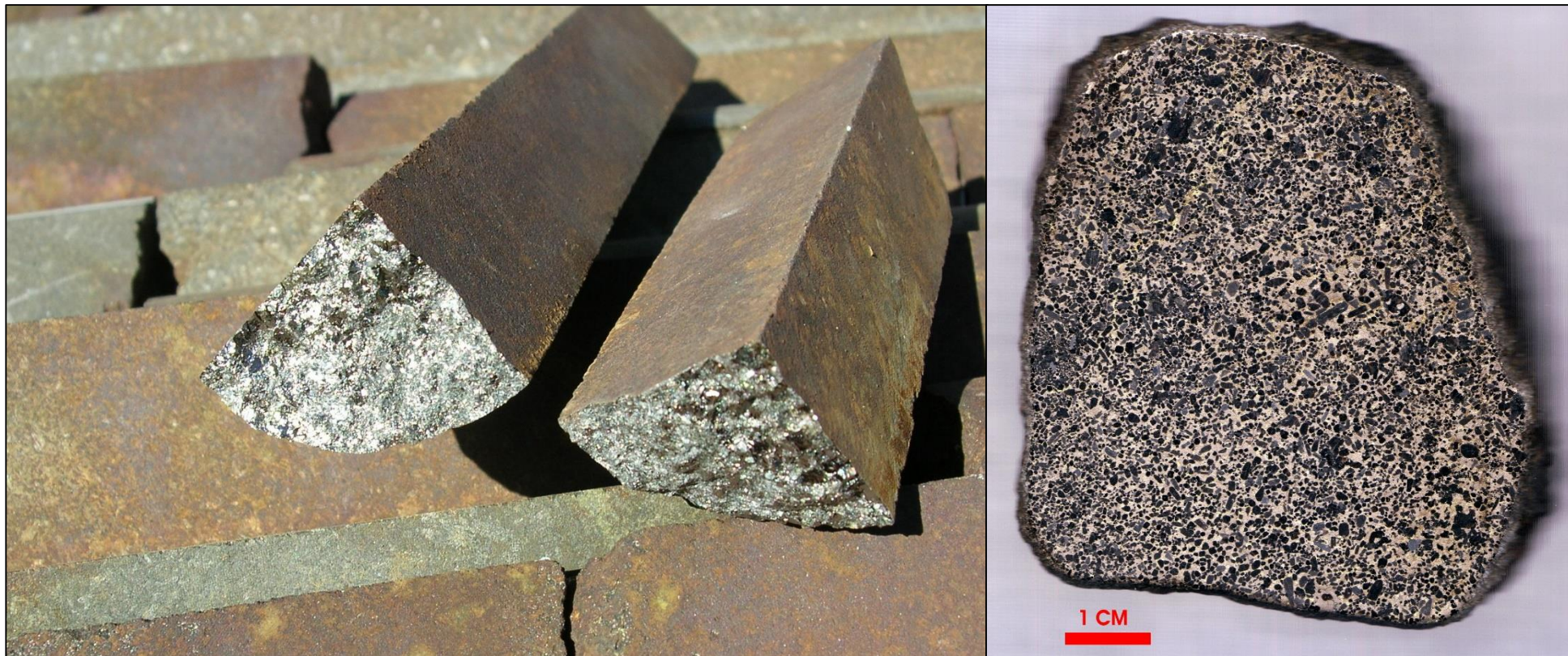
Where there is smoke.....

Carr Boyd underground mine with brecciated Ni-Cu sulphide ore in roof and pillar



Mined from 1973 to 1977 by WMC

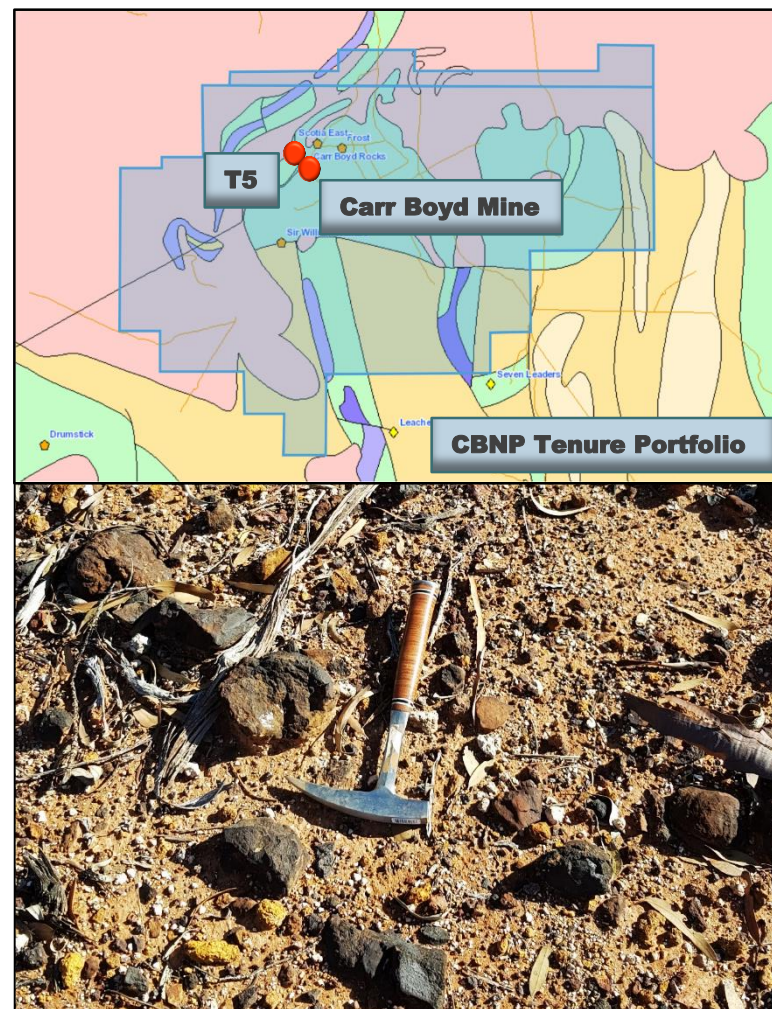
- Total production: 202,100t at 1.43% Ni and 0.46% Cu producing a 9.7% Ni concentrate.
- Nickel mineralisation is confined to coarse grained, bronzite pyroxene rich rocks with sulphide minerals forming a matrix around brecciated xenoliths of unmineralized country rocks.
- Three ore pipes occur containing a central zone of brecciated and stringer sulphides surrounded by broader zones of strongly disseminated sulphide mineralisation.
- Development was completed on 3 levels with partial stoping completed on all levels, including a glory hole through to the surface.



- Pyrrhotite is the dominant sulphide phase with pentlandite (Ni), chalcopyrite (Cu) and pyrite (Fe).
- Carr Boyd massive sulphide typically grades 6% nickel and 2% Copper (*before mining dilution*).
- Nickel tenor in a similar range to Nova-Bollinger, but has a higher copper ratio.
- **Brownfields exploration has a much higher chance of success.....**

100% Ownership: Contiguous tenure covering 259km²

- Project comprises 3 Mining Licences, 6 Exploration Licences & 1 Miscellaneous Licence.
- Previous explorers only tested the obvious targets.
- Modern exploration techniques have been employed looking for deeper targets.
- Confirmed new Ni-Cu sulphide discovery at T5.
- Diamond drilling is planned to further test the T5 discovery.
- Auger drilling has generated new Ni & Au Targets.
- Field investigation, target validation and aircore drilling of the targets is planned for the 2020 field season.



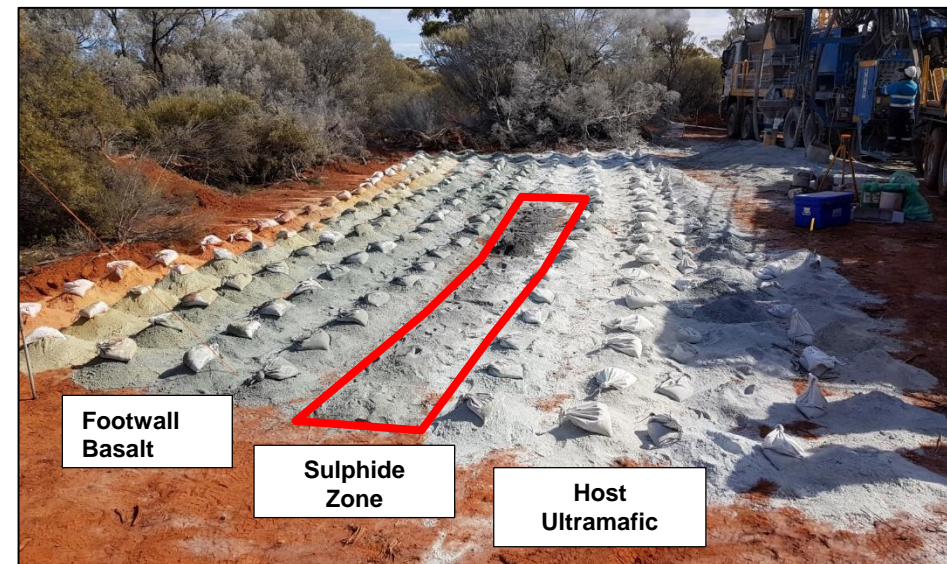
ESR Tenure with simplified geology and T5 discovery location. Sulphide bearing ultramafic rocks at T5 discovery.

Carr Boyd- T5 Target Zone

- Assay results returned from RC drilling at T5 include:
 - 8m @ 1.11% Ni & 0.36% Cu** from drill hole CBP042*.
 - Includes 4m @ 1.60% Ni & 0.31% Cu** from matrix sulphide zone.
 - 1m @ 0.61% Ni & 0.57% Cu** from drill hole CBP043*.

*Refer to ASX release 8 July 2019 (ASX: ESR)

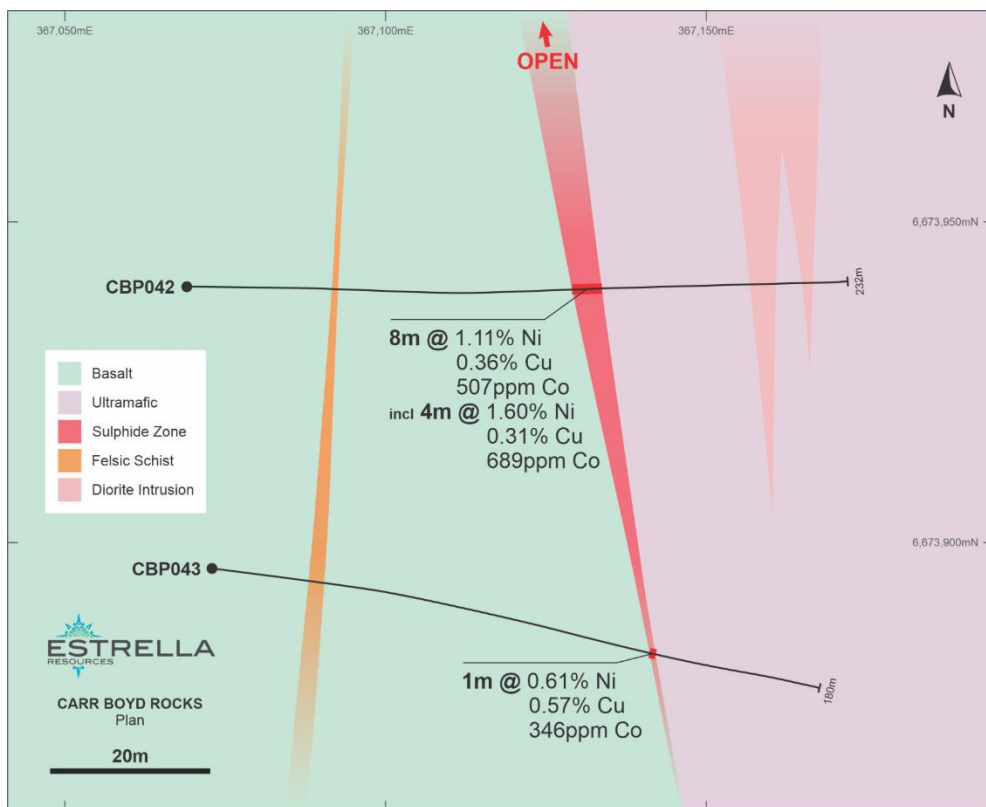
- Mineralisation extends over 400m strike** and open north, south and developing at depth.
- Carr Boyd has demonstrated the potential to host multiple fertile positions.



- Significant results as they represent discoveries outside the known Carr Boyd Nickel Mine area.
- Intersected sulphides are located on a stratigraphic primary basal contact position.
- DHTEM modelling confirms drilling has intersected the T5 MLEM conductor.
- Carr Boyd has the potential to host multiple fertile positions.

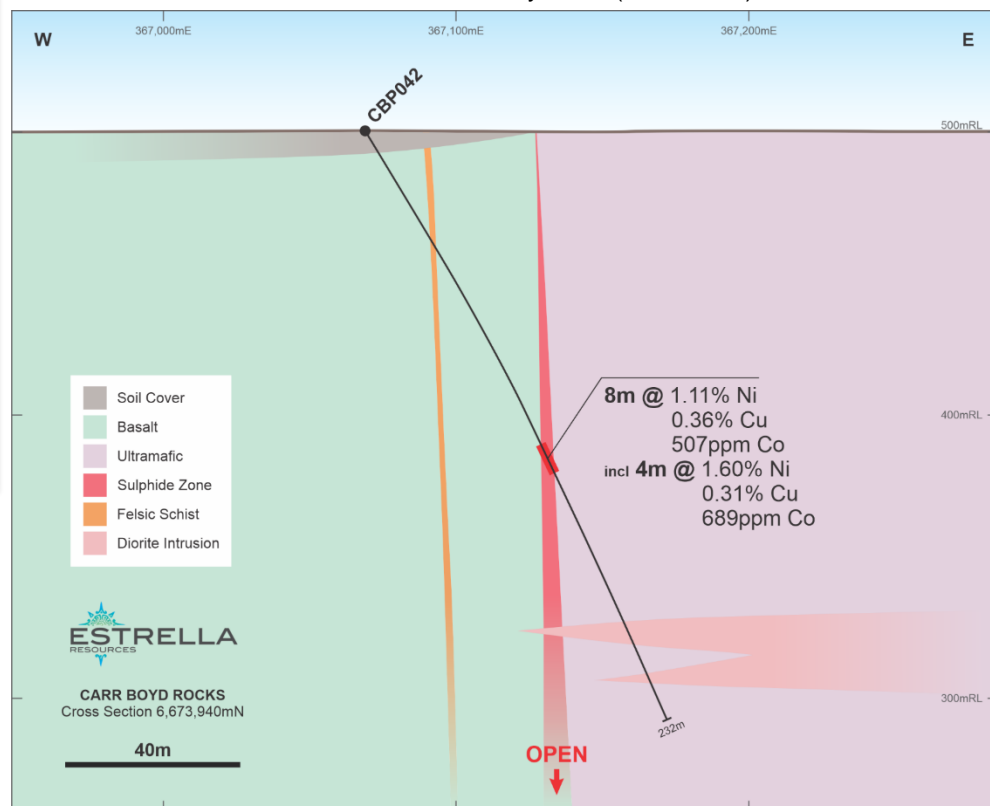


Carr Boyd- T5 Drilling



- Historic drilling ~400m further to the south, intersected sulphides on the basal contact in drill core hole GD124* from 100.89m, returning:
 - 3.35m @ 0.79% Ni & 0.35% Cu**
 - Includes **0.61m @ 2.12% Ni & 0.56% Cu** from matrix sulphides.

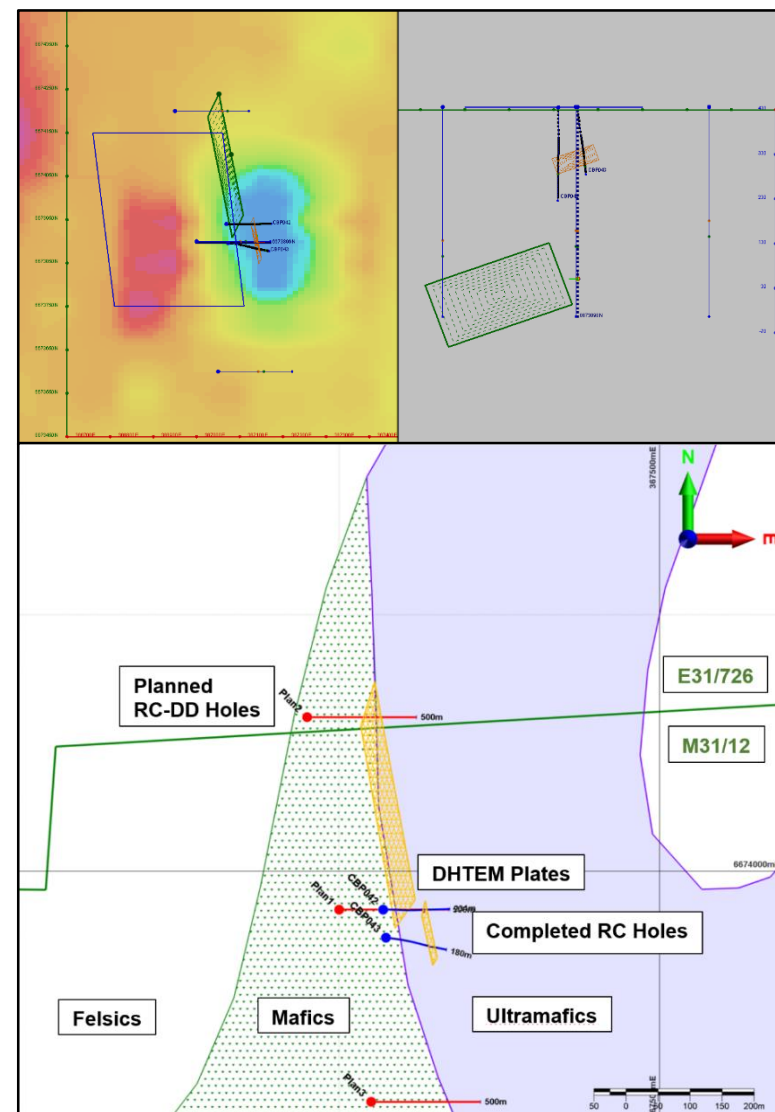
*Refer to ASX release 8 July 2019 (ASX: ESR)



- Most significant results to date outside of the known Carr Boyd Nickel Mine area.
- Sulphides are located on a stratigraphic primary basal contact position.
- Mineralisation opens to the north, as well as at depth below the drilling to the north & south.

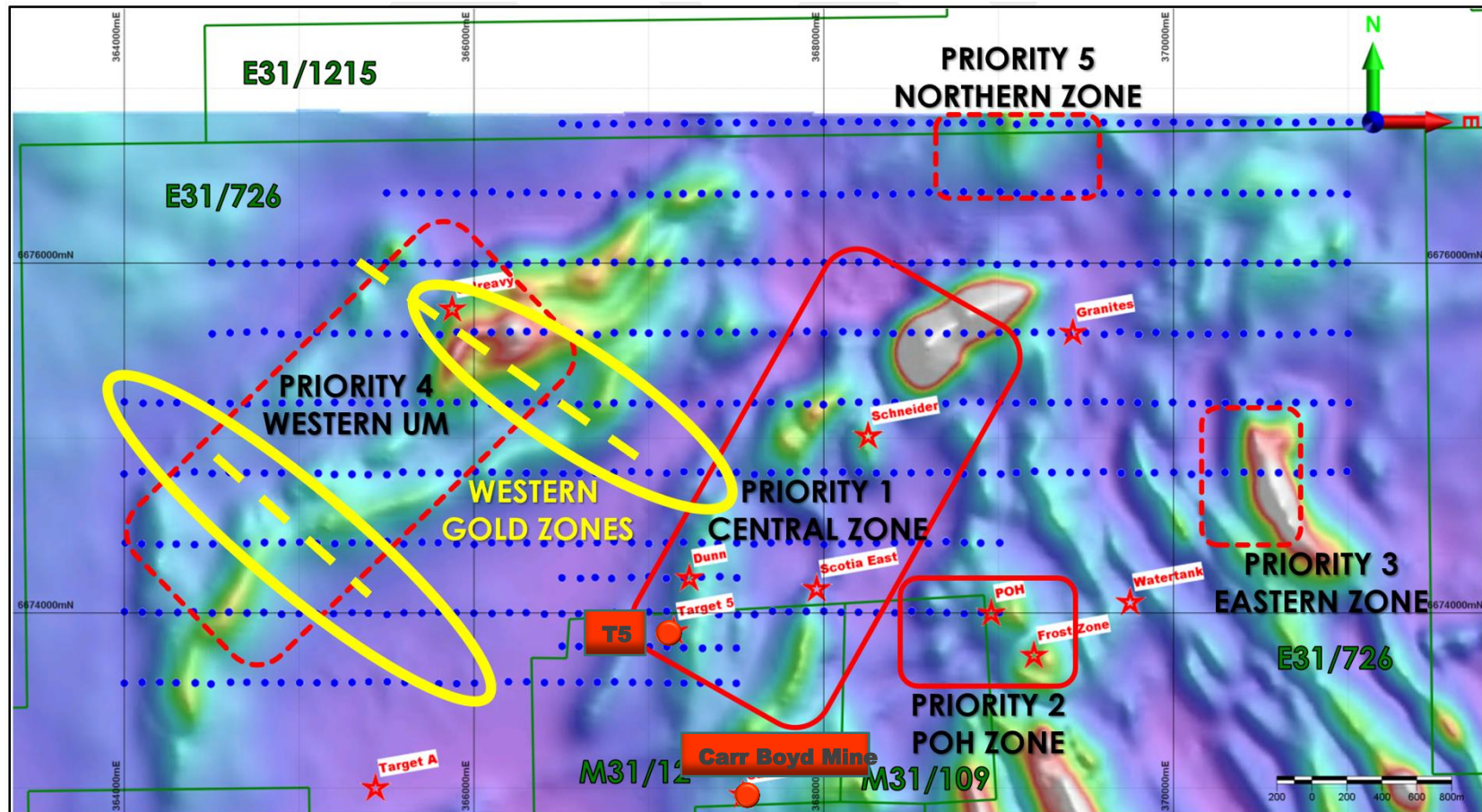
Carr Boyd- T5 Planned Drilling

- HPMLTEM survey completed in 2018-2019 identified the T5 anomaly ~1km NNW of the Carr Boyd Mine.
- RC drilling program (2 holes for 414m) was completed to test the T5 MLTEM anomaly.
- DHTeM was completed on both RC holes confirming the in-hole source of the intersected nickel sulphides.
- FLTEM was subsequently completed over the T5 area and along the contact to the north to forward model further drill targets.
- Modelling of all the data is supportive of mineralisation opening along the length of the basal contact to the north, as well as at depth to the north & south of the T5 discovery zone below the current and historic drilling.
- Deep diamond core drilling has been planned to target a zone 300m to the north and south of the current drilling as well as directly below T5 at a vertical target depth of 300-400m below surface.
- This drilling will test the basal contact over a greater strike length of ~700-800m, providing a platform for deep DHTeM geophysical testing as well as returning critical geological and geochemical vectoring data for Ni-Cu sulphides.



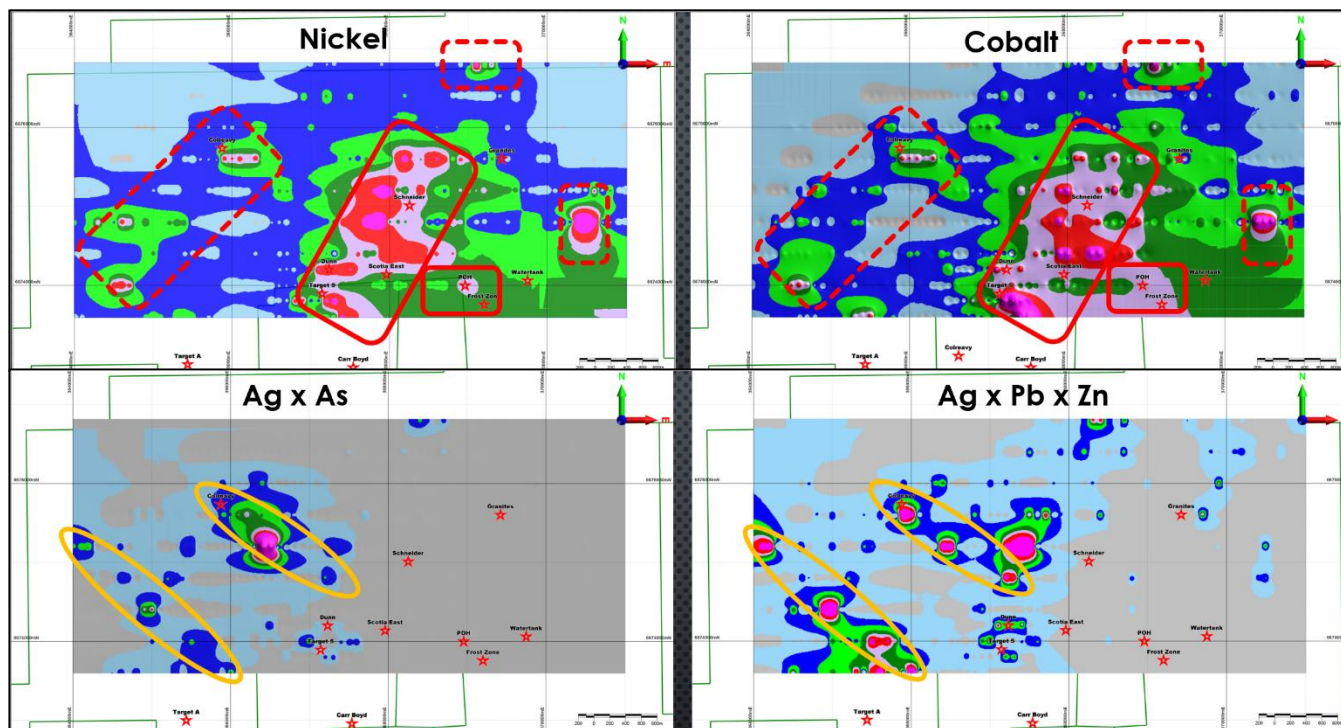
Carr Boyd- New Auger Target Zones

Auger soil sampling completed in 2020 across Estrella's tenure generated pathfinder Nickel (red) and Gold (yellow) vector target zones which are shown over an aeromagnetic image (TMI-RTP).



Carr Boyd- Auger Soil Drilling

The 2020 auger drill soil sampling identified Nickel-Cobalt associated target zones as well as Gold associated target zones using pathfinder vector elements (lower images).



Field investigation, target validation and aircore drilling of the targets is planned for the 2020 field season.



- **Confirmed new Ni-Cu sulphide discovery at T5**
- **DHTEM & FLTEM is supportive of additional mineralisation**
- **3 deep core holes for 1800m is planned to test T5 discovery**
- **Auger drilling has generated new Ni & Au Targets**



This presentation has been prepared by Estrella Resources Limited (“ESR”) as a summary of the company’s exploration and development activities, with particular reference to the Carr Boyd Ni/Cu Project near Kalgoorlie, WA.

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