

13 August 2020

ASX ANNOUNCEMENT

Drilling Carr Boyd Rocks Ni/Cu Project

HIGHLIGHTS

- **Diamond drilling commenced Wednesday 12 August at Carr Boyd Rocks Ni/Cu Project**
- **Target 5 to be drill tested at depth and along strike**

Estrella Resources Limited (ASX: ESR) (Estrella or the Company) is pleased to provide an update on the Carr Boyd Nickel Project (CBNP or the Project). The CBNP is comprised of the Carr Boyd Layered Complex (CBLC or the Complex).



Picture 1. Diamond drill rig located over the Target 5 Ni-Cu discovery zone.

The Company mobilized to site drilling and geological crews late last week which have now commenced diamond drilling at Target 5 for the first time at depth and along strike. The Company plans firstly to confirm the Target 5 discovery RC drill intersection and obtain contact dip angles by coring a shallower hole, this information will assist the Company in hitting the contact at greater target depths. At least three deep (+500m) holes will be drilled to explore the CBLC intrusion contact for economic nickel sulphide accumulations and gain valuable geological/geophysical information.

The deeper diamond drilling of Target 5 is essential from both a geophysical and geological perspective having a large relative mid-high conductivity EM response plunging away from initial discovery RC holes. Target 5 is less than 1.5 kilometres from the historic Carr Boyd mine which could itself represent remobilized high grade massive sulphide from a source in the immediate area. The grade of the massive sulphide at Carr Boyd is known to be around 6% nickel and 3% copper which provides a compelling target for exploration.

Chris Daws, CEO said *“It has been said over and over for good reason, the best place to find nickel is where it has already been found. Carr Boyd has always promised to deliver a major world class orebody due to the geological setting and highly mineralized nature of the CBLC but historically due to circumstances of the time, drill testing targets and locating a prized mineral deposit has eluded previous explorers. Estrella plans not to be sidetracked or lose focus; our plan is to deliver a world class exploration success story at Carr Boyd for our shareholders.”*

ABOUT THE PROJECT AND THE CBLC

The CBLC is a 75km² layered mafic igneous complex, which hosts several occurrences of nickel and copper sulphides. The most significant occurrence discovered to date is at the Carr Boyd Rocks mine, where mineralisation is hosted by bronzitite breccias (pyroxenites) emplaced within the gabbroic sequence of the Complex. The CBLC is in a Tier 1 jurisdiction approximately 80km north north-east of Kalgoorlie Western Australia. An all-weather haul road accessible by Estrella under a granted miscellaneous license connects the Project to the Goldfields Highway via Scotia.

A “Voisey Bay” style model has not been adequately explored within the CBLC. This represents a compelling exploration target opportunity which the Company will continue to aggressively pursue.



Picture 2. Ground surface at Target 5.

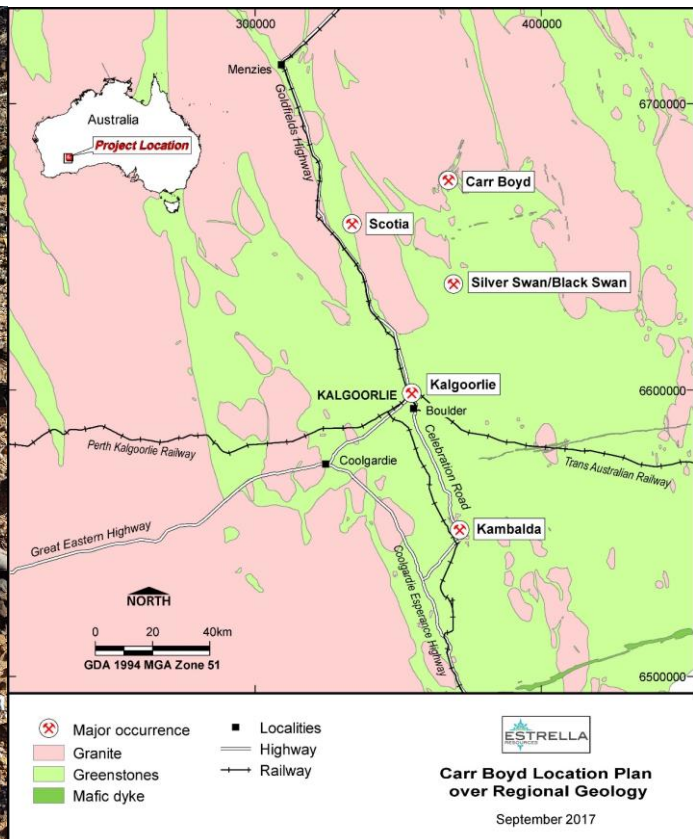


Figure 3. Location of Carr Boyd.

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, 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 has authorised for this announcement to be released to the ASX.

FURTHER INFORMATION CONTACT

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