18 October 2023

Carr Boyd Lithium Update

HIGHLIGHTS

- Unsolicited approach from a leading global mining group prompted an initial review of Lithium prospectivity at Carr Boyd
- Historical pegmatite drill intersections indicate extensive and thick pegmatites exist, with a new pegmatite field located east of our Carr Boyd Ni/Cu exploration area
- Historical drilling and mapping define a 9km x 14km area of pegmatite sub-crop and float under shallow cover (Figure 1)
- Soil geochemistry work by Estrella highlights the Carr Boyd Rocks monzogranite's LCT potential with mid-level Cs-Ta anomalism co-incident with potassium radiometrics and distal Li anomalism
- Historical lithium work has been reviewed with no REE work conducted on the Carr Boyd monzogranite prior to Estrella's ownership
- A previous 7km x 3km geochemical survey by Estrella over T5 shows Cs-Ta anomalism associated with the newly identified pegmatite field
- Estrella has commenced initial exploration work to identify the lithium potential of the tenure

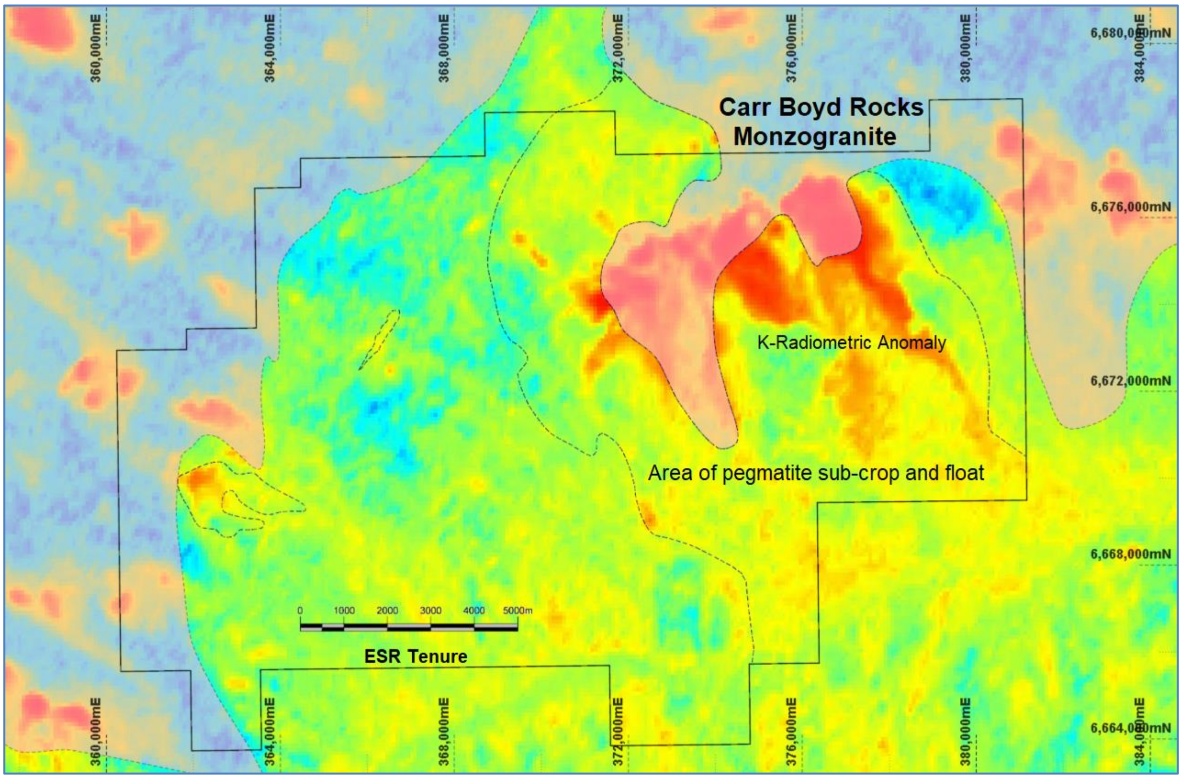

***Figure 1:** Location and extent of pegmatite subcrop and float material from the Carr Boyd Rocks Monzogranite with associated potassium radiometric anomalism indicating pegmatite development to the south and west*

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Estrella Resources Limited (ASX: ESR) (Estrella or the Company) is pleased to announce positive results of an ongoing lithium review at the Carr Boyd Nickel Project located 80km north-northeast of Kalgoorlie in Western Australia, the first work program Estrella has undertaken to target pegmatite hosted lithium potential within the 228 square kilometre land holding.

The review was undertaken due to unsolicited approaches from third parties to evaluate the potential of Carr Boyd tenure hosting LCT-type pegmatites.

The Carr Boyd Rocks Monzogranite partially intrudes the northern section of the Carr Boyd layered mafic intrusion. Monzogranites are associated with other Western Australian lithium deposits and this precedence is an important factor in assessing the positive potential of Estrella's tenure.

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

"While it is only early days in our understanding of what could be a significant pegmatite field located on our Carr Boyd Ni/Cu mine exploration area, we are nonetheless pleased with the modelling of soil geochemistry work which highlights the project's LCT potential.

The Estrella team is at the initial phase of a staged work program to evaluate the lithium prospectivity on our 100% owned tenure. With further work, we hope to ascertain a strong understanding of this possibility which may eventually lead to generation of lithium targets for drilling.

Importantly, this work does not detract from our efforts at Carr Boyd to find a significant nickel sulphide deposit but certainly adds upside to our exploration program and I look forward to updating the market on our progress on both nickel and lithium exploration fronts."

Associated with the monzogranite is a 9km wide by 14km long area of surficial quartz and pegmatite float material within alluvial and colluvial sediments (Figure 2). The magnetics and historic drilling within this area reveal it to be underlain by the Carr Boyd mafic intrusion with pegmatite development within.

A 7km by 3km auger geochemical program conducted by Estrella over the T5-Broonhill contact and Colreavy Komatiite exploring for nickel partially overlaps the mapped area of sub-crop and float. Modelling of the lithium, caesium and tantalum results identified mid-level anomalism occurring away from the monzogranite and into the surrounding pegmatite field. This is seen as a positive indication that the fractionating pegmatites could produce REE's within Estrella's tenure.

Historical drilling is particularly sparce over the eastern gabbroic section of the intrusion. While pegmatites have been logged - numerous shallow wide-spaced RAB drillholes and shallow costeans which were subsequently rehabilitated - no relevant assay data is available. A number of consecutive RAB drillholes by Australian Nickel Mines in 2003 on northing 6,674,960 intersected pegmatite from near surface to end of hole (see "RAB Section A" included in Figure 2). The holes were not assayed for any REE's or related elements. The program was nickel-focussed and no other geological or assay information pertaining to lithium mineralisation is available. The historic drill chips are no longer visible at surface for re-assay and holes will require redrilling.

It should be noted that this information simply proves extensive and thick pegmatites exist, however there is no information as to their prospectivity for LCT minerals at this stage and is not a proxy for laboratory assay. The rock photographed and shown in Figure 2 represents pegmatite material recovered from old surface diggings. The megacrystic textured rock is not mineralised, however it shows the system is fractionating as it moves south and away from the monzogranite. Fractionation is crucial for any LTC model and the rock shows this to be occurring at Carr Boyd.

Next Steps

A staged approach will be taken firstly to ascertain the LCT potential of the "source granite" and the geochemistry of the resulting pegmatites along with more detailed field and geochemical investigations. A second stage of wide spaced geochemistry will be undertaken to determine fractionation patterns and for broad anomaly generation.

Should these two stages be successful, more closely spaced geochemistry will be undertaken to vector into areas of lithium anomalism for drilling.

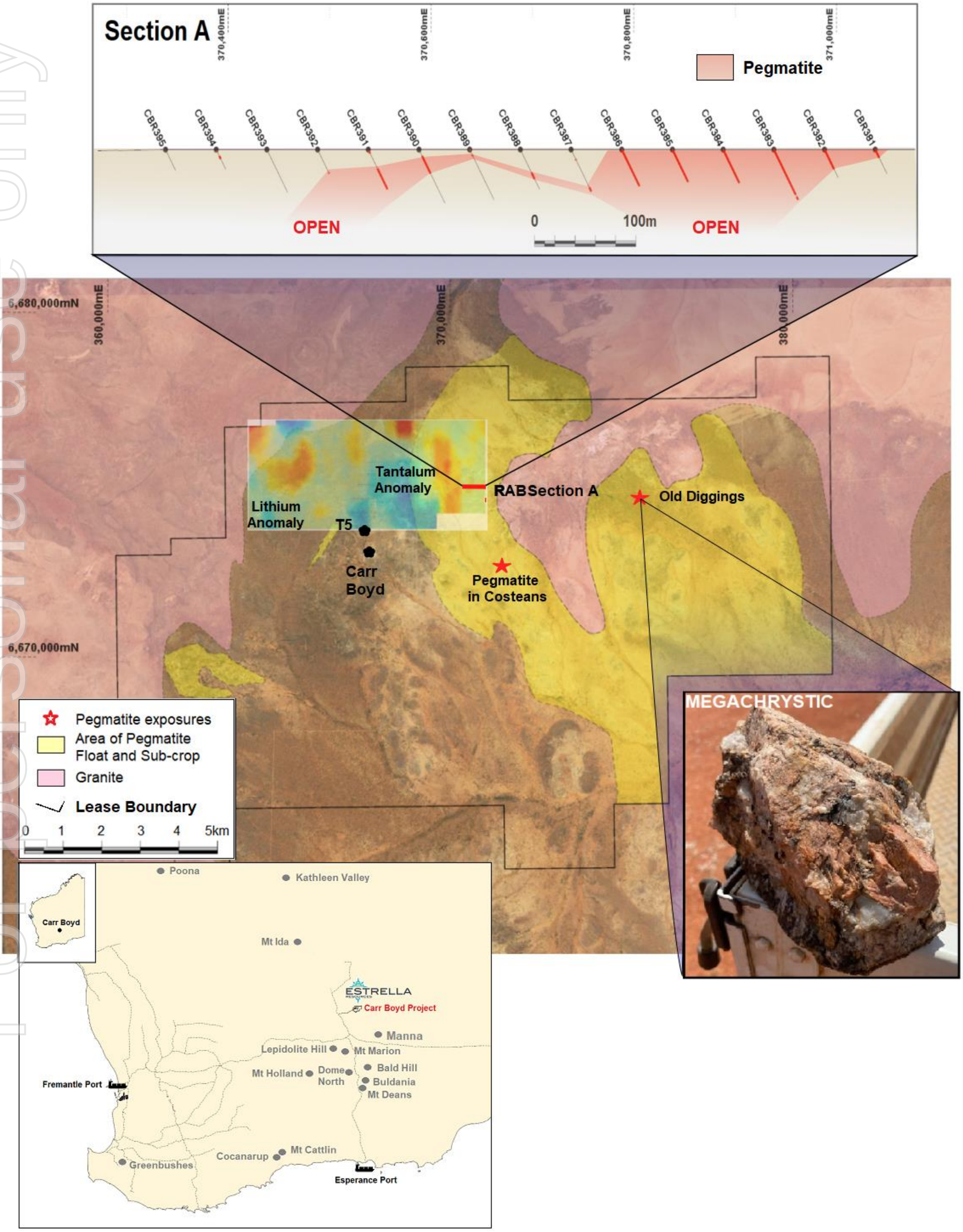

Figure 2: Location of the ESR soil geochemistry survey and lithium-caesium-tantalum anomalism, pegmatites exposed in historical costeans and drilling, and megachrystic textured pegmatite float material recovered from old diggings

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

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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.

Competent Person Statement

The information in this announcement relating to Exploration Results is based on information compiled by Steve Warriner, who is the Exploration Manager of Estrella Resources, and a member of The Australasian Institute of Geoscientists. Mr. Warriner 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 Warriner consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

ESTRELLA RESOURCES

APPENDIX 1 JORC TABLE 1 - JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• 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.	• Sampling was completed using a 100mm wide auger drill bit mounted on a Toyota Landcruiser 4WD. • Samples were collected from 0.5-1.5m deep auger holes. • Spoil from the drill hole was collected and sieved to -2mm and placed in Kraft paper Geochem bags then placed in carboard Geochem boxes for transport and lab submission. • No XRF or measurement instruments were used
	• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	• Alternating Duplicate, Blank or Standard reference samples were collected at every 20th sample, inserted into the sample sequence and submitted to the labs to ensure QAQC and sample representivity.
	• Aspects of the determination of mineralisation that are material to the Public Report.	• Samples were dispatched for laboratory analysis. • Determination of element is based on four acid digest laboratory assay results, with samples showing elevated near neighbour anomalous associations being reported.
	• 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 30g 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	• Sampling was completed using a 100mm wide auger drill bit mounted on a Toyota Landcruiser 4WD. • Samples were collected from 0.5-1.5m deep auger holes. • Spoil from the drill hole was collected and sieved to -2mm. • 150g-600g sample (ave. 270g) was collected, placed in Kraft paper Geochem bags then placed in carboard Geochem boxes for transport and lab submission. • Samples were dispatched to a commercial laboratory in Perth for analysis. • Samples were analysed using a 4-acid digest with ICP-AES and ICP-MS finish for 49 multi-elements.

Criteria	JORC Code explanation	Commentary
Drilling techniques	• 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).	• Soil sampling was completed by commercial drilling contractor Gyro Australia using a 100mm wide auger drill bit mounted on a custom-built Toyota Landcruiser 4WD auger rig.
Drill sample recovery	• 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.	• Auger soil samples were ground dumped and intervals were tested with acid to ensure a consistent and favourable soil medium was sampled in each hole. • Sample number, GPS location, colour, acid reaction score, sample depth and surface material type were digitally recorded at each site. • No bias appears to have occurred as all samples were sieved to -2mm to keep consistency.
Logging	• 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.	• Sample number, GPS location, colour, acid reaction score, sample depth and surface material type were digitally recorded at each site. • This work is a grass roots exploration method and is not suitable to be used for metallurgical or resource estimation works.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• 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 sub-sampling stages to maximise representivity of samples. • 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.	• The sample spoil is collected using a rotary auger drill bit with the spoils being ground dumped prior to scoop collection of sufficient material to be sized. • Spoil from the drill hole was collected and sieved to -2mm with 150g-600g sample weight (ave. 270g) collected from each sample site. • Alternating Duplicate, Blank or Standard reference samples were collected at every 20th sample, inserted into the sample sequence and submitted to the labs to ensure QAQC and sample representivity. • Sample sizes are appropriate to the grain size of the mineralisation.
Quality of assay data and laboratory tests	• 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.	• No results from geophysical tools are being reported. • Samples were dispatched to a commercial laboratory in Perth for analysis. • Samples were analysed using a 4-acid digest with ICP-AES and ICP-MS finish for 49 multi-elements. • Alternating Duplicate, Blank or Standard reference samples were collected at every 20th sample, inserted into the sample sequence and submitted to the labs to ensure QAQC and sample representivity. • QAQC results are within expected ranges for this style of sampling
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel.	• Results are within expected ranges for this style of sampling

Criteria	JORC Code explanation	Commentary
	• The use of twinned holes.	• Duplicate holes were drilled at every 60th sample location.
	• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	• The data was collected and digitally logged into a data logger. The data was delivered and checked in Excel Spread sheets. Data was validated, merged and processed using Micromine software.
	• Discuss any adjustment to assay data.	• No adjustments have been made to the assay data.
Location of data points	• 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.	• The holes were located and recorded by the auger rig operator using a vehicle mounted GPS unit to + 3m. • The rig was setup over or as close as possible to the nominated hole position and final GPS pickup occurred at the completion of the hole.
	• Specification of the grid system used.	• MGA94_51
	• Quality and adequacy of topographic control.	• Topographic control is well within expected ranges for this style of sampling.
Data spacing and distribution	• Data spacing for reporting of Exploration Results.	• Drilling was completed on 100x 200m over known mineralisation and 200x400m spacings for the remainder
	• 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.	• Not applicable, no Mineral Resource is being stated.
	• Whether sample compositing has been applied	• No compositing has been applied. Only one sample per hole was collected.
Orientation of data in relation to geological structure	• 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.	• All holes were shallow and drilled vertical looking only at the near surface anomalism.
Sample security	• The measures taken to ensure sample security.	• Samples were collected by Gyro Australia and transported directly to SGS labs in Kalgoorlie which were then transported via courier to SGS in Perth

Criteria	JORC Code explanation	Commentary
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits or reviews have been conducted for this release given the grass roots nature of the sampling technique.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• 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 licence to operate in the area.	• Estrella Resources through it 100% owned subsidiary Carr Boyd Nickel Pty Ltd, holds a 100% interest in the project. • There are no known impediments to operate in the area.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• The Carr Boyd Rocks deposit was discovered by Great Boulder Mines, in a joint venture with North Kalgurli Ltd in 1968. The deposit was mined between 1972 and 1975, during which time they explored for additional breccia pipe occurrences near the mine. • WMC acquired Great Boulder Mines Ltd in 1975, briefly reopening the mine in 1977 before closing it permanently shortly thereafter due to a collapse in the nickel price. The mine had produced 210,000t at 1.44% Ni and 0.46% Cu before its closure. • From 1968 Pacminex Pty Ltd held most of the ground over the CBLC outside of the immediate mine area. Between 1968 and 1971 they conducted extensive exploration programs searching for large basal contact and/or strata bound Ni-Cu deposits. It was during this time that most of the disseminated and cloud sulphide occurrences such as those at Tregurtha, West Tregurtha and Gossan Hill were discovered. • Defiance Mining acquired the regional tenements from Pacminex in 1987 and focused on exploration for PGE deposits between 1987 and 1990. In 1990 Defiance purchased the Carr Boyd Rocks mine from WMC and switched focus to the mine area between 1990 and 2001, leaving many PGE targets untested. • From 1990 Defiance dewatered the mine to conduct test work and feasibility studies on the remnant mineralisation. Metallurgical test work, Mineral Resource estimations, and scoping studies were completed. Around 1996 the focus shifted again to regional exploration for large tonnage basal contact deposits.

Criteria	JORC Code explanation	Commentary
		• In 2001 Titan Resources Ltd (Titan) acquired the project and recommenced economic evaluations of the remnant material at Carr Boyd Rocks before embarking on another regional exploration program focusing on the basal contact. An aeromagnetic survey, airborne EM reprocessing, and several programs of RAB and RC drilling were completed. • From 2005 Yilgarn Mining entered a JV with Titan and continued with some regional exploration but focused most attention in and around the Carr Boyd Rocks mine. • In 2007 Titan was acquired by Consolidated Minerals Ltd (Consmin). Consmin conducted IP surveys and detailed gravity surveys but did not drill any targets before selling the project to Salt Lake Mining (SLM) in 2013. SLM completed limited drilling to meet expenditure commitments, before selling the project to Apollo Phoenix Resources in 2016.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Carr Boyd project lies within the Achaean Yilgarn Craton in a 700km belt of elongate deformed and folded mafic, ultramafic rocks and volcanic sediments intruded by granitoids which is referred to as the Norseman-Wiluna Belt. The belt has been divided into several geological distinct terranes, with the project area lying at the northern end of the Gindalbie terrane (Swager, 1996). • The geology of the Carr Boyd area is dominated by the Carr Boyd layered mafic-ultramafic intrusive complex (CBLC). This layered intrusive covers an area of 17 km by 7km and has intruded into an Achaean Greenstone/Granite succession. The CBLC is comprised of a basal sequence of dunite's, which are overlain by peridotites / pyroxenites and above that by gabbro's. The intrusion has been interpreted to have been tilted to the east with the geometry of the intrusive further complicated by regional deformation and folding. The sequence has been metamorphosed to upper greenschist to lower amphibolite facies. • Several distinctive styles of Ni and Ni-Cu mineralisation have been identified within the CBLC. At the Carr Boyd Rocks Nickel Mine Ni-Cu mineralisation is hosted within several 20 - 60m diameter brecciated pipe-like bodies that appear to be discordant to the magmatic stratigraphy. Mineralisation is hosted by a matrix of sulphides (pyrrhotite, pentlandite, pyrite and chalcopyrite) within brecciated Bronzite and altered

Criteria	JORC Code explanation	Commentary
		country rock clasts. • Stratiform Ni-Cu-PGE mineralisation has been identified within the basal parts and at shallower stratigraphic levels of the complex. The presence of Ni-Cu-PGE mineralisation within multiple stratigraphic positions and of several unique styles of mineralisation highlights the potential of the CBLC for hosting a substantial Ni-Cu deposit.
Drill hole Information	• 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: ○ 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.	• 536 shallow (0.5-1.5m) auger drill samples were collected and are plotted on Fig 1. • This produced an extensive sample location table which is not practical to publish. • The information is not material and does not detract from the details presented in the attached report due to the low-level geochemical nature of the auger soil sampling program. • The generated results are for targeting purposes and are not indicative that ore grade mineralisation exists within/below the generated geochemical target zones.
Data aggregation methods	• 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.	• Pathfinder vector maps were generated using Inverse Distance gridding function in Micromine Software. The gridding method assessed a maximum of 100 points within a 400 search radius window. • No cutting of grades was applied.
	• The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No metal equivalents are used in this announcement however vector formulas are shown on the provided images.
Relationship between mineralisation	• These relationships are particularly important in the reporting of Exploration Results.	• The generated results are for targeting purposes and are not indicative that ore grade mineralisation exists within/below

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	• 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').	the generated geochemical target zones. • Widths and lengths of potential underlying intercepts cannot be determined at this early stage.
Diagrams	• 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.	• Appropriate maps and photos are included in the body of the Report.
Balanced reporting	• 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.	• 536 auger samples plus 28 QAQC samples were collected and each analysed for 49 elements. • This produced an extensive spread sheet which is not practical to publish. • The results are low-level pathfinder geochemical assays and not ore grades. • The low-level nature of the results and in the manner they have been presented is deemed adequate and is not deemed misleading if not reported in their entirety.
Other substantive exploration data	• 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.	• Everything meaningful and material is disclosed in the body of the report. • Geochemical observations are included in the report. • No bulk samples, metallurgical, bulk density, groundwater, geotechnical and/or rock characteristics test were carried out. • There are no known potential deleterious or contaminating substances.
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Additional geochemical auger sampling over the tenure is warranted.