

ESTRELLA RESOURCES

UNLOCKING CARR BOYD'S MASSIVE NICKEL SULPHIDE POTENTIAL

NEW WORLD METALS PRESENTATION | DECEMBER 2020 | ASX:ESR

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Competent Person Declaration

The information in this announcement relating to Exploration Results 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.

Investment Opportunity

- ✓ Diverse WA-based company focused on exploration & development of nickel projects in a Tier-1 mining jurisdiction
- ✓ 100% owned Carr Boyd project – close to major infrastructure and only 80km NNE of Kalgoorlie
- ✓ T5 prospect – initial drilling programs have discovered **Massive Nickel Sulphide**
- ✓ Significant exploration program underway to unlock nickel sulphide potential and build shareholder value
- ✓ Highly experienced board and management in exploration with innovative approach to mining and development of metal deposits



Capital Structure (as at 7 December 2020)

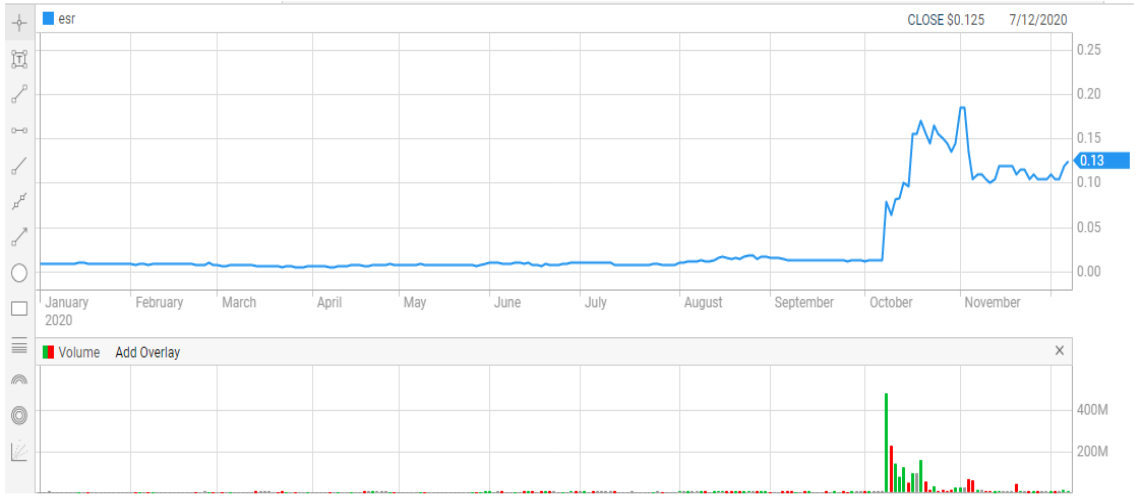
FPOS	**- 884,276,314**
Options	- 11,500,000 3c exercise Nov 2022
	- 5,500,000 5c exercise May 2021
	- 4,850,000 20c exercise Nov 2023
	- 230,790,662 5c exercise June 2021 (ASX:ESRO)
	- 274,144,985 2c exercise July 2023 (ASX:ESROA)
Convertible Notes	- $390,000 1c conversion, expiry Feb 2022 12%PA

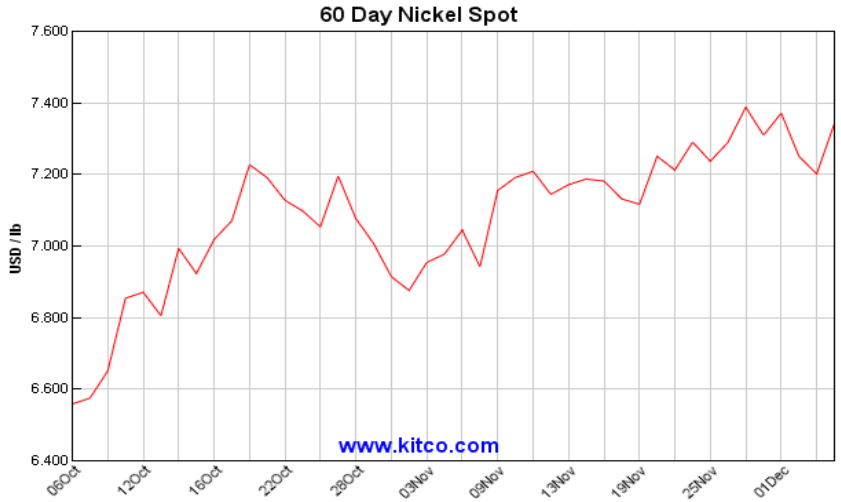
Major Shareholders

- Directors / Management 12%

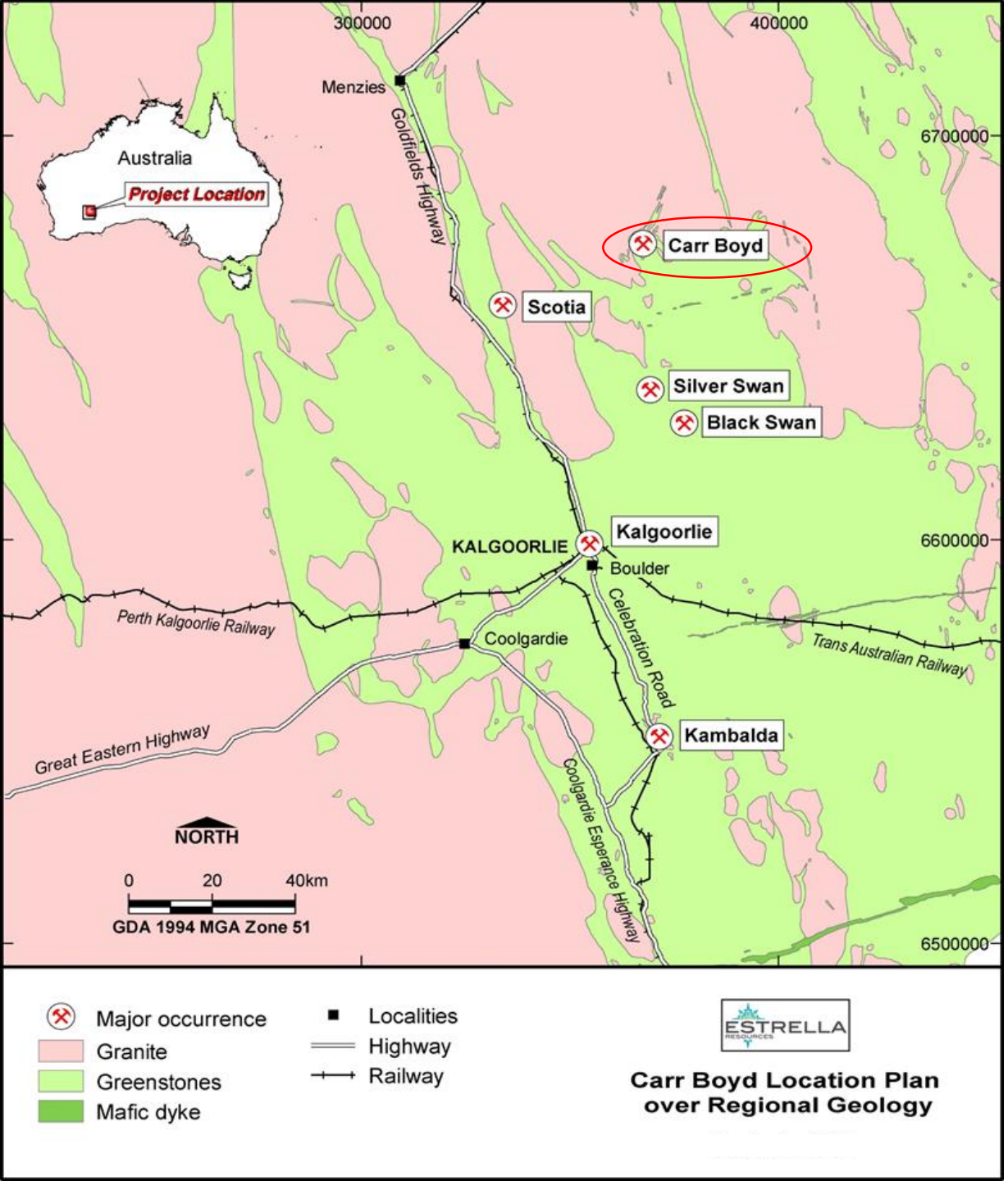
CASH ~ A$3.8M^

^ As at 30th November 2020 with ~A$17.6M worth of options currently "in-the-money"





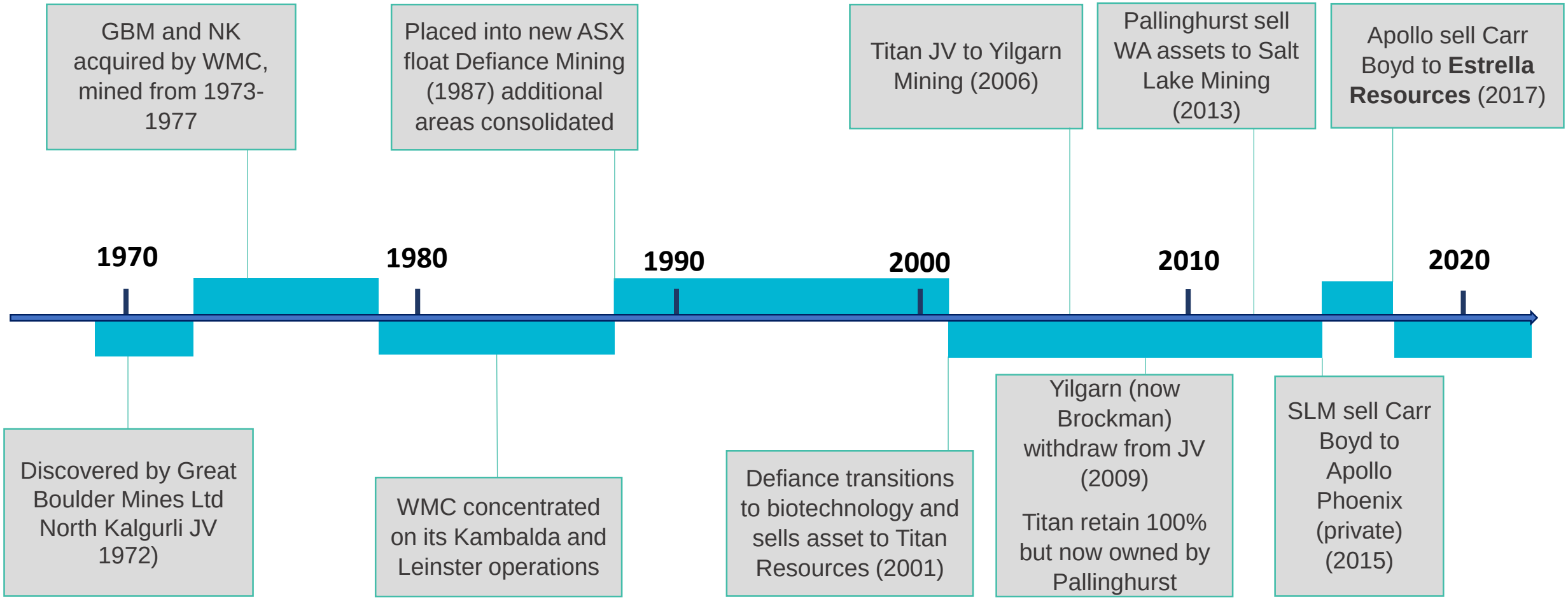
Source: ASX



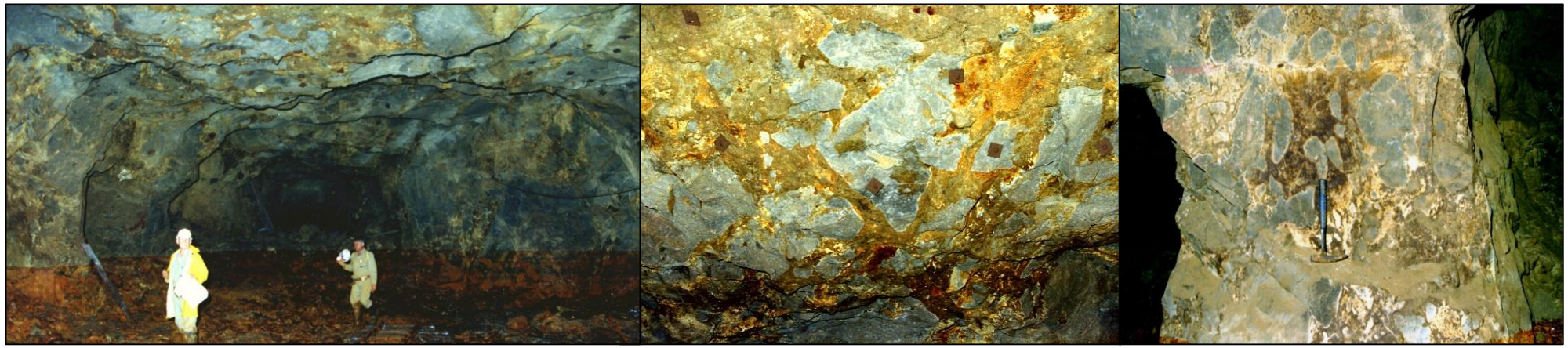
Carr Boyd - Overview

- 100% owned Ni/Cu Project
- Continuous tenure covering 259 sq.km
- Close to infrastructure & only 80km NNE of Kalgoorlie
- Project comprises 3 Mining Licences, 6 Exploration Licences & 1 Miscellaneous Licence
- Covers Carr Boyd Layered Complex – a 75 sq.km mafic igneous complex hosting several nickel and copper sulphide occurrences – most significant being the Carr Boyd Rocks mine

Carr Boyd - History



Carr Boyd – Mine Source?



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
- High tenor nickel mineralisation is confined to coarse grained, bronzite pyroxene rich rocks with sulphide minerals forming a matrix around brecciated xenoliths of unmineralised country rocks
- Four 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
- Where did all this high-grade massive nickel sulphide come from?

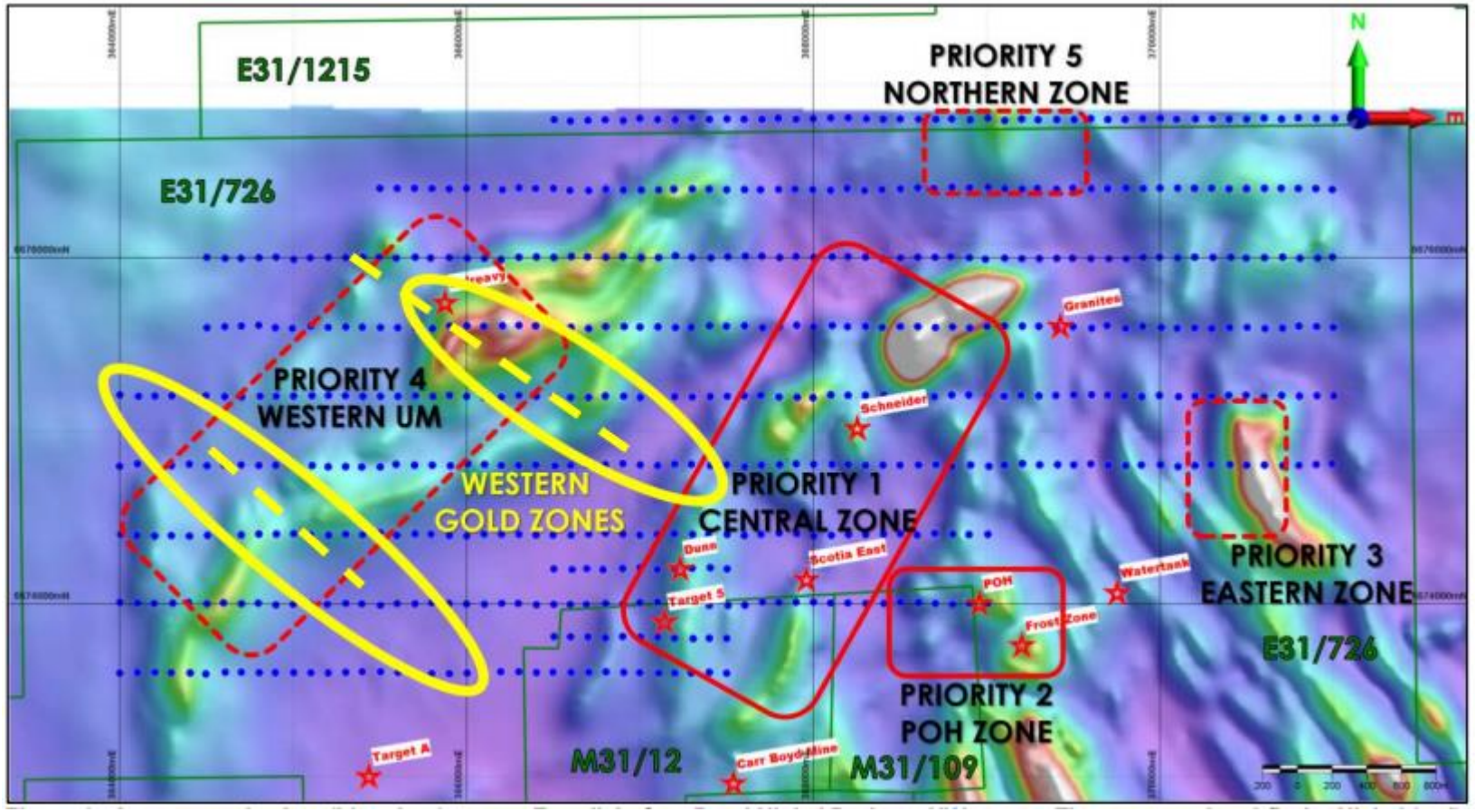
Carr Boyd Layered Complex



- Strike extents at Carr Boyd have been under-explored due to historically fractured ownership and unique geology
- The Carr Boyd Layered Complex was the first magmatic hosted nickel sulphide deposit discovered and mined in WA
- Historically the region has been renowned for komatiite flow nickel sulphides with komatiite nickel discoveries throughout the Kambalda-Kalgoorlie-Leinster-Laverton goldfields region
- Estrella is applying modern systematic exploration at Carr Boyd to better understand the magmatic geology
- Magmatic nickel is of increasing focus following a number of significant discoveries in WA, including:
  - IGO's (ASX:IGO) Nova-Bollinger Mine
  - Legend Mining's (ASX:LEG) Rockford Project
  - Chalice Gold Mines' (ASX:CHN) Julimar Projects
  - Panoramic Resources (ASX:PAN) Savanah North Deposit

Carr Boyd – New Targets

- Previous explorers only tested the obvious targets at shallow depths
- Modern exploration techniques have been employed looking for deeper targets
- High Powered Moving Loop Transient Electro-Magnetic surveying and extensive geochemical auger drilling is defining areas of interest
- Among the targets, Target 5 (T5) prospect has emerged as a high-priority area



Auger sample sites (blue dots) across Estrella's Carr Boyd Nickel Projects NW tenure. The generated pathfinder Nickel (red) and Gold (yellow) vector target zones are shown over aeromagnetic image (TMI-RTP) along with previously identified prospects.

Carr Boyd – Target 5 (T5)

- HPMLTEM survey completed in 2018-2019 identified the T5 anomaly
- RC drilling program (2 holes for 414m) was completed to test T5
- DHTEM completed on both holes confirming in-hole source of the intersected nickel sulphides
- FLTEM completed over T5 area and along the contact to the north to forward model further drill targets
- Modelling of all the data is supportive of mineralisation open along the length of the basal contact to the north, at depth to the north & south of T5 discovery zone below the current and historic drilling
- Deep diamond core drilling is targeting a zone 300m to the north and south of the current drilling as well as directly below T5 at a vertical target depth of 400-500m below surface
- Drilling to 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



T5 – RC Drilling

RC Drilling consisted of 2 holes for 414m (2019) [1]

- Intersected 1st nickel mineralisation at T5
  - 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**
- Mineralisation extends over 400m strike and open north, south and developing at depth
- First significant results 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



1. See ASX Announcement dated: 8/7/2019



T5 – Diamond Drilling

Diamond Drilling consists of 4 holes (2020) [2]

- Conducted at T5 for first time at depth and along strike

- **CBDD028** tested the Carr Boyd layered mafic-ultramafic intrusions contact zone ~25m down dip of CBP042
- Drilled to depth of 251m and successfully intersected the contact at 165.2m downhole depth
  - 3.8m @ 0.48% Ni & 0.31% Cu from 165.2m including 0.4m @ 1.12% Ni & 1.07% Cu from 165.2m
  - 0.4m @ 0.33 Ni & 0.28% Cu from 173.6m

- **CBDD029 -** a deep high-powered DHTEM platform hole - tested the length of the intrusions contact for the presence of sulphide mineralisation

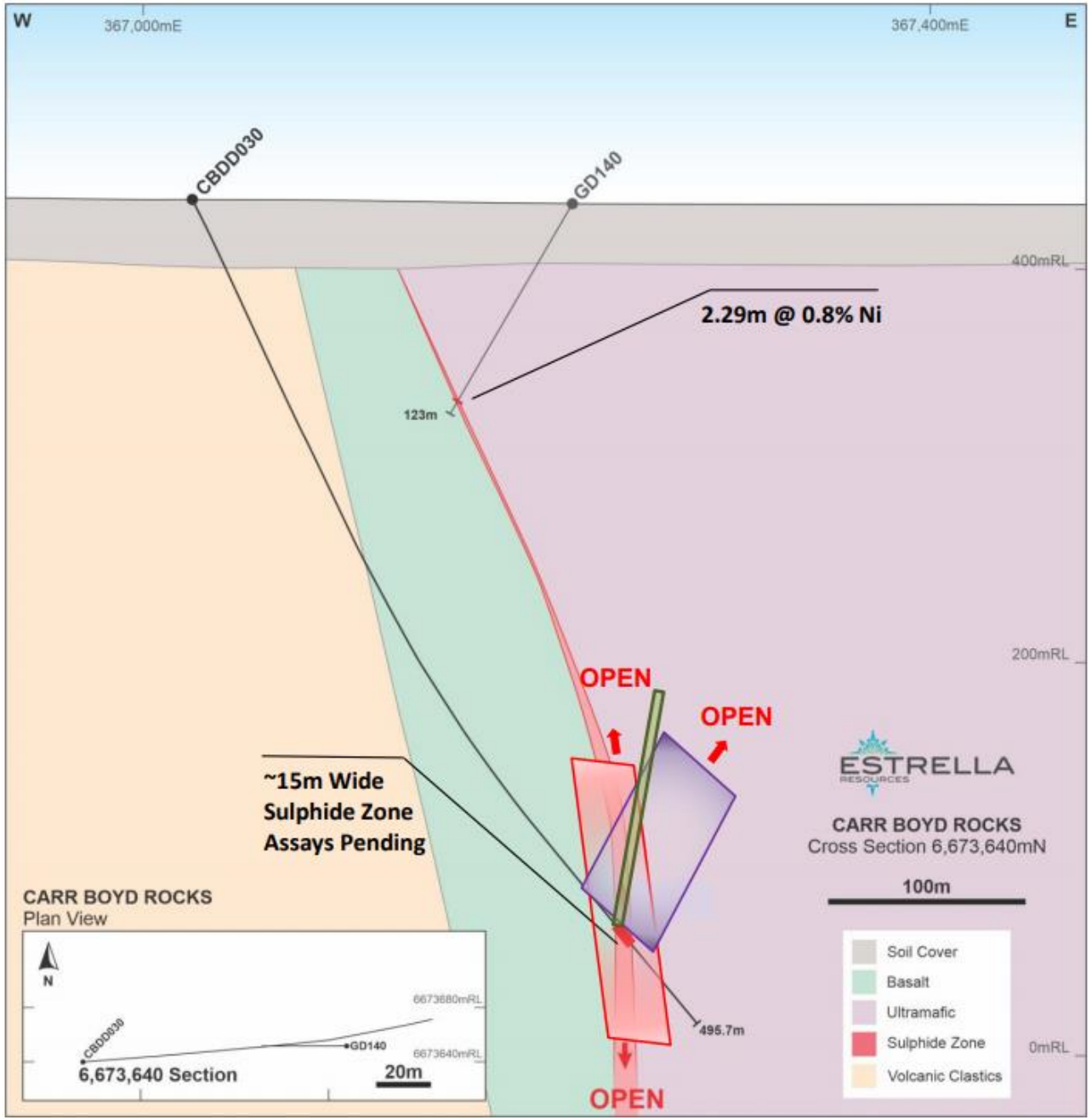
2. See ASX Announcement dated: 8/10/2020

T5 Massive Nickel Discovery

- **CBDD030**[3] tested the intrusions contact 300m to the southern end of the T5 Prospect between recent drilling and anomalous historical drilling.
- **Significant drill intersection of massive Ni-Cu (+ PGE) bearing sulphides were returned**
  - 2.9m intersected from 435.9m to 438.8m depth
- Massive sulphide zone surrounded by a broader ~15m wide zone of vein, stringer, matrix and disseminated Ni-Cu sulphide mineralisation from 430.55m, with additional minor blebs and disseminated sulphides further downhole
- CBDD030 intersected the contact at a depth of 368m, was completely blind and is open in all directions providing a massive opportunity to drill out and expand this zone of mineralization
- **CBDD031** is currently testing the basal contact 600m north of CBDD030 and 300m north of the 2019 RC drill holes



3. See ASX Announcement dated: 8/10/2020



Cross Section showing CBDD030 and modelled DHTEM plates

Large Conductive Body Defined at T5

- Down-Hole Transient Electro-Magnetic (DHTEM) surveyed CBDD030 to define the extent of the massive nickel sulphide mineralisation
- DHTEM data defined a clear massive sulphide signature/conductor associated with the nickel mineralisation
- Conductor is unconstrained at depth and may be open in all directions

Work Programme



- T5 - Area surrounding CBDD030 requires immediate follow up drilling
- Stage 2 drilling will comprise 8-10 holes for ~5,000m of RC/DD drilling on 40 x 40m pattern
  - Surrounding CBDD030
  - A hole below CBDD028, and
  - Untested contact near CBDD029
- Topdrive Drillers (TDA) diamond drill rig has been retained
- Local station owner assisting upgrade of site support infrastructure
- Number of drilling rigs, personnel and support will be increased so Estrella can quickly determine extent of the discovery



Investment Opportunity

- ✓ **Active nickel explorer in a tier-1 mining jurisdiction**
- ✓ **Target 5 massive nickel sulphide discovery – a game-changer!**
- ✓ **Focused on drilling to unlock T5 potential and build shareholder value**
- ✓ **Experienced board and management in exploration with innovative approach to mining and development of metal deposits**
- ✓ **Well funded to progress drilling campaigns**
- ✓ **Highly leveraged to success**



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