ABN 39 155 151 207

18 July 2022

Company Announcements
ASX Limited

PLACEMENT INCREASED

Estrella Resources Ltd (ASX: **ESR**) (**Estrella** or **the Company**) announces that due to additional demand received following the announcement of its Placement on 11 July 2022 it has received and accepted additional applications from professional and sophisticated investors to raise an additional $134,342 (before costs) through a placement of 7,676,709 shares at an issue price of $0.0175 per share (**Placement Shares**), together with 1 free attaching option exercisable at $0.04 and expiring 30 October 2023 (**Placement Options**) for every 2 Placement Shares subscribed for and issued (**Placement**). This takes the total placement funds raised before costs of $2,218,717.

The Placement Shares will be issued without shareholder approval utilising the Company's existing placement capacity. The Placement Shares will rank equally with existing fully paid ordinary shares on issue in the Company and quotation of the Placement Shares is expected to occur on Monday, 18 July 2022.

The Placement Options will be issued subject to receipt of shareholder approval, which will be sought as soon as practicable and in any event no later than at its AGM in November. The Placement Options will be issued under a prospectus following shareholder approval and the Company intends to seek quotation of the Placement Options (subject to satisfaction of the quotation requirements of the ASX Listing Rules) shortly thereafter.

Indicative Use of Funds

The Company intends that the funds raised from the Placement will be primarily used to complete the Definitive Feasibility Study for the 5A nickel mine at Spargoville and diamond drilling activities at Carr Boyd Ni/Cu Project and Spargoville Nickel Right Project, as well as general working capital.

Details of the Placement

7,676,709 Placement Shares will be issued pursuant to the Company's placement capacity under Listing Rule 7.1.

The issue price of $0.0175 represents a 8% premium to the last trading price of $0.016 on 15 July 2022 and a discount of 8% to the 15-day volume weighted average price of the Company's shares traded on ASX of $0.019.

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The Placement was managed by LoftusLane Capital Partners Pty Limited (**LoftusLane**). LoftusLane will receive a fee of 6% of the gross proceeds raised under the Placement.

The Company will seek shareholder approval for the issue of the Placement Options. In the event that shareholders do not approve the issue of these securities, they will not be issued. A notice of meeting will be dispatched as soon as practicable.

ENDS

The Board of Directors of Estrella Resources Limited authorised this announcement to be given to ASX.

For Further Information Contact

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