



**Estrella Resources Limited and its controlled entities**

**ABN 39 151 155 207**

**Interim Financial Report**

**For the half-year ended 31 December 2024**

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The Directors present their report together with the financial report of Estrella Resources Limited ("the Company") and its wholly owned subsidiaries (together referred hereafter as "the Group" or "the consolidated entity") for the half-year ended 31 December 2024 and the independent auditors' review report thereon.

The Directors of the Company at any time during or since the end of the half-year are:

Leslie Pereira	- Non-executive Chairman
Christopher Daws	- Managing Director
John Kingswood	- Non-executive Director

## PRINCIPAL ACTIVITIES

The principal activities of the Group during the reporting period were to explore resource projects in Timor-Leste and lessor extent our Western Australia projects.

## REVIEW OF OPERATIONS

### Work Summary

Estrella Resources is an innovative resource exploration company which is among a handful of organisations to be a first-mover in the virtually unexplored region of Timor-Leste. While the Company's focus is firmly on its Timor-Leste assets it also possesses a number of Western Australian based metals projects which have development potential.

### TIMOR-LESTE EXPLORATION OPPORTUNITY

Throughout the half-year period, Estrella Resources continued to make exceptional exploration and development progress in Timor-Leste.

#### **Expanding Timor-Leste Operations**

On the concession and licensing front, the Company successfully applied for additional highly prospective exploration concessions in Baucau Municipality, Timor-Leste (See Figure 1)<sup>1</sup>.

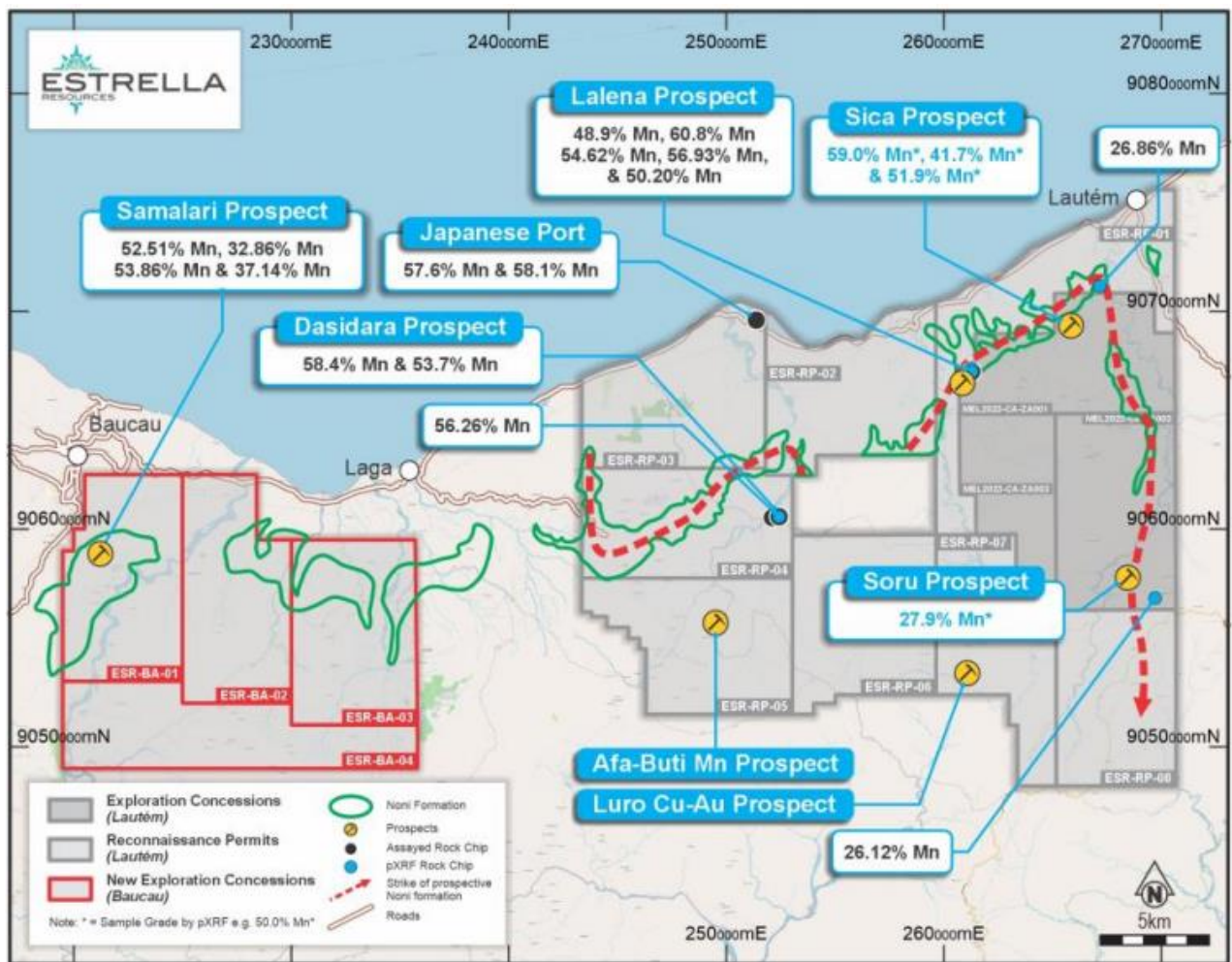
Under Timor-Leste mining law, the Exploration and Evaluation Licenses entitle the holder to conduct mapping and sampling within the granted area for 48 months with additional 2-year extensions for up to 6 years if required.

The holder of the license has a pre-emptive right in the grant of a Mining License up to the expiry date of the Tenement.

In September, Estrella was successful in its application, making the Company the first foreign entity to be given concessions via the direct grant process under the new Timor-Leste 2021 Mining Code.

The new concessions cover a total area of 194.4 km<sup>2</sup> and see the Company possess the largest concession holding in the nation of Timor-Leste.

<sup>1</sup> Refer to ASX Announcement dated: 27 September 2024 "ESR adds highly prospective tenements in Timor-Leste"



**Figure 1: Estrella's Timor-Leste concessions, including four additional Exploration and Evaluation Licenses (ESR-BA-01 to ESR-BA-04) under application in the Baucau Municipality<sup>2</sup>**

### Manganese Discoveries

Estrella Resources has continued to make a series of highly encouraging discoveries across its concessions and permits.

In August, Estrella provided an update to its exploration activities that included a series of highly prospective discoveries made in the Lautém Municipality of Timor-Leste<sup>3</sup>.

The update included the discovery of the Sica prospect from mapping the prospective geology of the Lalena Prospect towards the northeast.

Mineralisation at Sica consists of surface concentrations of manganese-rich cobblestones that are derived from weathering of the Noni Formation and erosion of the resulting supergene enrichment. The remnant supergene material can be found over a distance of several hundred metres and has been derived from in-situ material that is now mostly covered in scree from the overlying limestones.

<sup>2</sup> Refer to ASX Announcement dated 29 October 2024 "Quarterly Activities and Appendix 5B Cashflow Report"

<sup>3</sup> Refer to ASX Announcement dated 1 August 2024 "New Supergene Manganese Discovery and Exceptional Assays"



Surface samples of the concentrated manganese cobblestones were collected and exported to Australia for laboratory analysis, with results continuing to deliver high-grade manganese assays.

In September, Estrella announced that following the award of the Baucau concessions the Company immediately identified a high-grade manganese discovery named the Samalari manganese prospect<sup>4</sup>.

Samalari is located just 5km from Baucau, the third largest city in Timor-Leste and grid power is available within the Exploration License.

Mineralisation at the Samalari Prospect has been mapped on surface over 1.7km and is open along strike where the Noni Formation heads under cover. Within this is a 600m zone of continuously outcropping manganese supergene and chert beds with supergene enrichment. The Manganese ranges from 2m to 5m in width and is exposed along the Seical River valley.

In October, the Company has continued to experience success at the Baucau Licenses, reporting the discovery of a significant new supergene manganese exposure, 500m south of the Samalari prospect within concession MEL2024-DA-ZB-001<sup>5</sup> (Figure 2).



**Figure 2: Estrella Geologist Kharol Varela mapping and sampling chert bedding below supergene development in an exposed outcrop. The scree from this exposure exhibited >70% manganese-iron-oxide minerals.**

<sup>4</sup> Refer to ASX Announcement dated 30 September 2024 *"High-Grade Manganese Discovery in Timor"*

<sup>5</sup> Refer to ASX Announcement dated 16 October 2024 *"Samalari Exploration Update"*

In November, Estrella made two new in-situ supergene manganese discoveries located within granted exploration licenses at the Lautém Manganese Project in Timor-Leste<sup>6</sup>.

The discovery of Ira Miri and Sica supergene zones were made through developments in Estrella's exploration model which proved increasingly successful. The model blends stratigraphy with the differing mineralisation forms identified within the tenure.

In-situ secondary supergene manganese outcrops at the Ira Miri and Sica prospects are around 4.5km apart with the Ira Miri Prospect in an area predicted to have occurrences of Noni Formation that have not historically been mapped.

The predictive capacity of the model is opening up new areas of prospectivity which the Company is investigating further. Both new discoveries consist of secondary supergene enrichment obscured by scree from overlying limestones. The discoveries were made by predicting the location of prospective contacts and then deploying geological personnel to those areas for in-depth mapping.

The outcrop at Ira Miri consists of the top three metres of an in-situ, secondary supergene blanket formed within the Noni Formation. The mineralisation is covered by scree from the overlying limestones and so its true thickness cannot yet be ascertained.

The Sica Prospect was first discovered in August last year, consisting of a layer of concentrated high-grade tertiary manganese supergene rubble at surface. Additional work on the exploration model allowed the Company's geologists to predict the possible location of the source cherts and associated secondary enrichment in the hills above the Sica valley.

Further field investigations at the initial Sica discovery revealed geology consistent with the model so that the correct stratigraphic position could be followed and mapped. This process led to the discovery of the outcropping supergene manganese in the hills surrounding the Sica valley.

#### **Prospect Development**

In addition to accelerating discoveries of significant manganese mineralisation across the Company's concessions, Estrella has also commenced the trial of induced polarisation (IP) surveying to assist in defining further manganese extensions below surface.

In November, the Company announced positive initial results from IP trials conducted over the outcropping manganese oxide<sup>7</sup>. Figure 3 shows Line 1 over the southern side of the Samalari Prospect where supergene manganese mineralisation was found outcropping in the creek wall some 450m south of the main deposit.

This outcrop was chosen for testing as the mineralisation is located below the hill with some certainty, thus an IP line over the top should give a positive anomalous response.

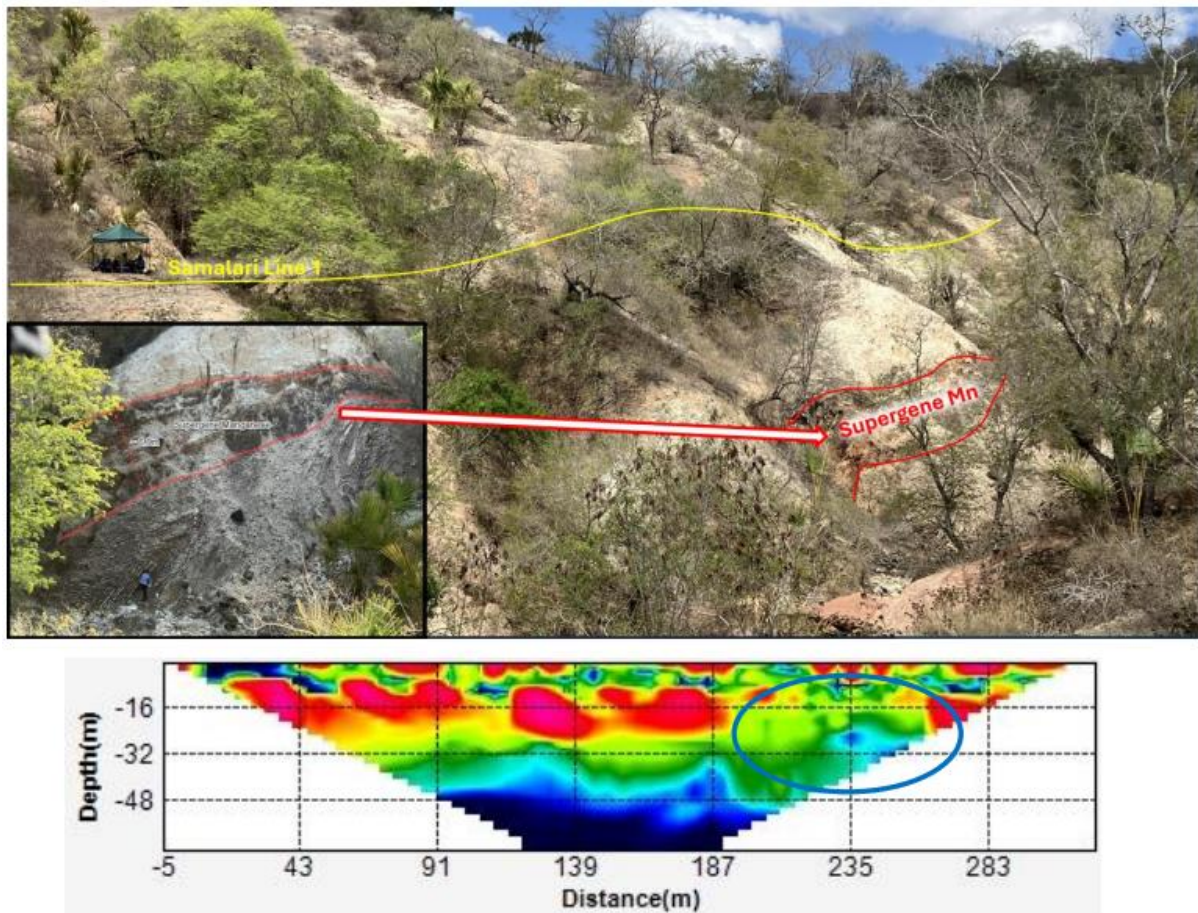
A low resistive response 70m west of the line centre point was returned which correlates well with the outcropping manganese mineralisation.

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<sup>6</sup> Refer to ASX announcement dated 18 November 2024 *"New Supergene Manganese Discovery"*

<sup>7</sup> Refer to ASX Announcement dated: 9 December 2024 *"Induced Polarisation Trial Successful – Update"*





**Figure 3: IP Surveying underway at the western end of Salamari Line 1 over the supergene manganese zone with preliminary resistivity inversion results showing a low-resistivity anomaly 70m west of the line centre point.**

IP trials were also conducted at the Sica Prospect (where supergene mineralisation was found outcropping in the hills above a valley floor littered with high-grade supergene fragments) as well as Ira Miri (where partially outcropping supergene manganese has been located).

In both instances a low-resistivity anomaly has been detected, and while the results are preliminary and may also be a response from perched water tables or clay zones, the finding is highly encouraging.

Estrella is progressing a work program across its seven Exploration and Evaluation Licenses that should see the Company drilling in the second quarter of 2025, targeting its Salamari, Ira Miri, Sica and Lalena Prospects. These prospects have all been the subject of the recent IP trial.

The IP data is undergoing final modelling and correlation with the geological sections. The resulting targets are being finalised ahead of drill and road access planning, environmental surveys, cultural surveys and government environmental approvals.

#### **WESTERN AUSTRALIAN ASSETS**

The Company continues to maintain its Carr Boyd Ni/Cu Project with a full-time caretaker on-site allowing for a quick resumption of exploration activities if/when warranted.

Discussions around potential future work at the site includes the drilling of high-priority nickel targets defined by the 2023 TargetEm and AFMAG programs.

This work may be undertaken in tandem with training for our Timorese partners utilising modern diamond drilling equipment and techniques.

### **Compliance Statement**

*With reference to previously reported Exploration Results and Mineral Resources, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

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## RESULTS

The loss for the half-year ended 31 December 2024 attributable to the Group was \$721,599 (2023: loss \$664,741).

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## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the financial half-year.

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## CORPORATE

As at 31 December 2024 the Group had \$728,465 in cash and the Company had the following securities on issue:

- 1,901,038,535 fully paid ordinary shares;
- 6,000,000 Class A performance rights expiring on 5 December 2026;
- 12,000,000 Class B performance rights expiring on 5 December 2026;
- 18,000,000 Class C performance rights expiring on 5 December 2026;
- 6,000,000 Class D performance rights expiring on 25 March 2027;
- 12,000,000 Class E performance rights expiring on 25 March 2027;
- 60,000,000 New Class performance rights expiring on 6 December 2027;
- 25,750,000 unlisted options exercisable at \$0.06 on or before 21 January 2025;
- 20,000,000 unlisted options exercisable at \$0.06 on or before 13 April 2025;
- 25,000,000 unlisted options exercisable at \$0.03 on or before 1 December 2025;
- 561,403,854 listed options exercisable at \$0.018 on or before 13 December 2026.



## EVENTS SUBSEQUENT TO REPORTING DATE

On 22 January 2025, the Company announced the expiry of 25,750,000 unlisted options exercisable at \$0.06 on or before 21 January 2025. The options were expired without exercise or conversion.

On 7 February 2025, the Company issued 125,000,000 fully paid ordinary shares at an issue price of \$0.03 per share to raise \$3,750,000 under the Company's existing placement capacity. On the same day, the Company issued 6,000,000 ordinary shares to directors for the share performance rights vesting on a market cap of \$20m, as approved by shareholders at 2023 AGM.

On 19 February 2025, the Company issued 18,298,333 fully paid ordinary shares, of which 18,000,000 shares to directors and employees for vesting of performance rights on a market cap of \$50m, as approved by shareholders at 2023 AGM, 48,333 shares issued at \$0.018 per share for exercising of the listed options (ASX: ESROB), and 250,000 shares issued at \$0.03 per share for exercising of the unlisted options ESRAAF.

On 19 February 2025, the Company issued 1,500,000 fully paid ordinary shares as non-cash consideration to employees under ESIP.

On 19 February 2025, the Company issued 12,252,000 shares of performance rights Class J, K, L, M under the ESIP approved at shareholder AGM ON 28 November 2022. The 2,500,000 Class K Share Performance Rights vest on a market cap of \$120m, the 2,500,000 Class J Share Performance Rights vest on 12 month period of no ASX imposed suspensions from failure to comply with reporting or regulatory deadlines, the 2,250,000 Class L Share Performance Rights to the exploration manager vest on various non-market performance metrics in Timor and Australia, and the 5,000,000 Class M Share Performance Rights to Timor staff/employees on various non-market performance metric in Timor. All the performance rights shares are expiring 31 December 2026.

Other than the above, no matters or circumstances since the end of the year have occurred that have significantly affected or may significantly affect the operations, the results of the operations or the state of affairs of the Group in subsequent financial years.

## AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 forms part of the directors' report for the half-year ended 31 December 2024.

Signed in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.



Christopher Daws  
**Managing Director**  
13 March 2025

**RSM Australia Partners**

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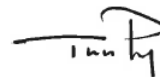
**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Estrella Resources Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA



TUTU PHONG  
Partner

Perth, WA  
Dated: 13 March 2025

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	31 December 2024	31 December 2023
	\$	\$
	<u>                    </u>	<u>                    </u>
Interest Income	2,450	4,940
Unrealised movement in fair value of investments	-	68,312
Other income	36,124	-
Personnel costs and director fees	(256,102)	(254,816)
Legal fees	(49,698)	(33,882)
Exploration costs written off	(1,997)	(1,903)
Consulting fees	(153,627)	(123,270)
Share based payments	(65,487)	(22,467)
Depreciation	(55,843)	(85,067)
Finance costs	(4)	(83,690)
Other expenses	(177,415)	(132,898)
	<u>                    </u>	<u>                    </u>
<b>LOSS BEFORE INCOME TAX</b>	(721,599)	(664,741)
Income tax expense	-	-
	<u>                    </u>	<u>                    </u>
<b>LOSS FOR THE PERIOD</b>	(721,599)	(664,741)
	<u>                    </u>	<u>                    </u>
<b>Other Comprehensive Income</b>	42,299	-
	<u>                    </u>	<u>                    </u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	(679,300)	(664,741)
	<u>                    </u>	<u>                    </u>
Basic (loss) per share (cents)	(0.04)	(0.04)
Diluted (loss) per share (cents)	(0.04)	(0.04)

*The consolidated statement of profit or loss and other comprehensive Income should be read in conjunction with the attached notes to the financial statements.*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2024**

	Note	31 December 2024 \$	30 June 2024 \$
<b>Current Assets</b>			
Cash and cash equivalents		728,465	196,891
Trade and other receivables		169,407	113,537
Financial assets at fair value through profit or loss		-	162,716
<b>Total Current Assets</b>		<b>897,872</b>	<b>473,144</b>
<b>Non-Current Assets</b>			
Plant and equipment		376,828	334,555
Exploration and evaluation expenditure	2	20,779,712	20,301,133
<b>Total Non-Current Assets</b>		<b>21,156,540</b>	<b>20,635,688</b>
<b>Total Assets</b>		<b>22,054,412</b>	<b>21,108,832</b>
<b>Current Liabilities</b>			
Trade and other payables		249,451	241,794
Provisions		175,688	148,444
<b>Total Current Liabilities</b>		<b>425,139</b>	<b>390,238</b>
<b>Total Liabilities</b>		<b>425,139</b>	<b>390,238</b>
<b>Net Assets</b>		<b>21,629,273</b>	<b>20,718,594</b>
<b>Equity</b>			
Share capital	3	40,964,420	39,470,928
Reserves	3	1,306,201	1,167,415
Accumulated losses		(20,641,348)	(19,919,749)
<b>Total Equity</b>		<b>21,629,273</b>	<b>20,718,594</b>

*The consolidated statement of financial position should be read in conjunction with the attached notes to the financial statements.*



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Issued Capital	Accumulated Losses	Option Reserve	Foreign Currency Reserve	Total Equity
	\$	\$	\$		\$
<b>Balance at 1 July 2023</b>	38,188,925	(17,985,599)	1,827,785	-	22,031,111
<b>Comprehensive loss</b>					
Profit for the period	-	(664,741)	-	-	(664,741)
<b>Total comprehensive loss for the period</b>	-	(664,741)	-	-	(664,741)
<b>Transactions with owners, in their capacity as owners</b>					
Shares issued	1,655,300	-	-	-	1,655,300
Options issued	-	-	190,967	-	190,967
Share based payment	-	1,056,990	(1,056,990)	-	-
Share issue costs	(300,351)	-	-	-	(300,351)
<b>Total transactions with owners, in their capacity as owners</b>	1,354,949	1,056,990	(866,023)	-	1,545,916
<b>Balance at 31 December 2023</b>	39,543,874	(17,593,350)	961,762	-	22,912,286
<b>Balance at 1 July 2024</b>	39,470,928	(19,919,749)	1,167,415	-	20,718,594
<b>Comprehensive loss</b>					
Loss for the period	-	(721,599)	-	-	(721,599)
Other comprehensive income	-	-	-	42,299	42,299
<b>Total comprehensive loss for the period</b>	-	(721,599)	-	42,299	(679,300)
<b>Transactions with owners, in their capacity as owners</b>					
Shares issued	1,600,000	-	-	-	1,600,000
Share based payment	-	-	96,487	-	96,487
Options expired during the period	-	-	-	-	-
Share issue costs	(106,508)	-	-	-	(106,508)
<b>Total transactions with owners, in their capacity as owners</b>	1,493,492	-	96,487	-	1,589,979
<b>Balance at 31 December 2024</b>	40,964,420	(20,641,348)	1,263,902	42,299	21,629,273

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(604,237)	(522,132)
Interest received	2,450	4,940
Interest paid	(5,514)	(102,001)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(607,301)</b>	<b>(619,193)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for exploration expenditure	(470,024)	(969,132)
Payments for plant and equipment	(98,190)	(10,331)
Proceeds from sale of purchased investment equities	198,840	1,327,265
<b>NET CASH (USED IN) / PROVIDED BY INVESTING ACTIVITIES</b>	<b>(369,374)</b>	<b>347,802</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	1,600,000	1,651,800
Costs of issue of shares	(89,527)	(144,715)
Repayment of borrowings	-	(1,044,311)
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>1,510,473</b>	<b>462,774</b>
Net increase in cash held	533,798	191,383
Effects of exchange rate changes on cash and cash equivalents	(2,224)	-
Cash at the beginning of the financial period	196,891	1,047,682
<b>CASH AT THE END OF THE FINANCIAL PERIOD</b>	<b>728,465</b>	<b>1,239,065</b>

*The consolidated statement of cash flows should be read in conjunction with the attached notes to the financial statements.*

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## 1. MATERIAL ACCOUNTING POLICY INFORMATION

### BASIS OF PREPARATION

The half-year consolidated financial statements are a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The consolidated half-year financial report does not include all of the information required for a full annual financial report. The half-year financial report is to be read in conjunction with the most recent annual financial report for the year ended 30 June 2024. This report must also be read in conjunction with any public announcements made by Estrella Resources Limited and its controlled entities during the half-year.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of certain non-current assets, financial assets and financial liabilities.

The financial statements cover Estrella Resources Limited as a consolidated entity consisting of Estrella Resources Limited and the entities it controlled at the end, or during, the half-year. The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

These half-year financial statements were authorised for issue on 13 March 2025.

### (A) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

### (B) ACCOUNTING POLICIES

The same accounting policies and methods of computation have been followed in this half-year financial report as were applied in the most recent annual financial statements.

### (C) NEW AND REVISED STANDARDS AND AMENDMENTS THEREOF AND INTERPRETATIONS EFFECTIVE FOR THE CURRENT HALF-YEAR THAT ARE RELEVANT TO THE CONSOLIDATED ENTITY

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the consolidated entity's accounting policies and has no effect on the amounts reported for the current or prior half-years. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## 2. EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2024	30 June 2024
	\$	\$
<b>Exploration and evaluation assets</b>		
Balance at the beginning of period	20,301,133	21,753,100
Exploration costs capitalised	649,154	1,638,070
R&D tax refund	(170,575)	(1,327,266)
Impairment	-	(1,762,771)
Balance at the end of reporting period	<u>20,779,712</u>	<u>20,301,133</u>

The ultimate recoupment of balances carried forward in relation to areas of interest still in the exploration or valuation phase is dependent on successful development, and commercial exploitation, or alternatively sale of the respective areas.

## 3. SHARE CAPITAL &amp; RESERVES

	31 December 2024	30 June 2024
	\$	\$
Issued capital	(a) 40,964,420	39,470,928
Reserve:		
Option Reserve	(b) 1,263,902	1,167,415
Foreign Currency Reserve	42,229	-
	<u>1,306,201</u>	<u>1,167,415</u>

**(a) Reconciliation of movement during the period:**

	Shares	\$
Opening balance on 1 July 2024	1,759,371,869	39,470,928
Placement – September 2024	58,333,333	350,000
Placement – October 2024	83,333,333	1,250,000
Share issue costs	-	(106,508)
Closing balance on 31 December 2024	<u>1,901,038,535</u>	<u>40,964,420</u>

**(b) Movement in option reserve**

	31 December 2024
	\$
Opening balance on 1 July 2024	1,167,415
Share based payment during the period	96,487
Options expired	-
Closing Balance on 31 December 2024	<u>1,263,902</u>



**(c) Outstanding Share Options**

As at 31 December 2024 the company had the following share options outstanding:

<b>Expiry Date and Price</b>	<b>Type</b>	<b>Number</b>
OPTIONS EXP 13/12/26 @ \$0.018	Listed Option	561,403,854
OPTIONS EXP 21/01/25 @ \$0.06	Unlisted Option	25,750,000
OPTIONS EXP 13/04/25 @ \$0.06	Unlisted Option	20,000,000
OPTIONS EXP 1/12/25 @ \$0.03	Unlisted Option	25,000,000
		632,153,854

**(c) Outstanding Performance Rights**

As at 31 December 2024 the company had the following performance rights outstanding:

<b>Type</b>	<b>Expiry Date</b>	<b>Number</b>
Class A Performance Rights	5/12/2026	6,000,000
Class B Performance Rights	5/12/2026	12,000,000
Class C Performance Rights	5/12/2026	18,000,000
Class D Performance Rights	25/3/2027	6,000,000
Class E Performance Rights	25/3/2027	12,000,000
New Class Performance Rights	6/12/2027	60,000,000
		114,000,000

**4. SHARE BASED PAYMENTS**

The share based payment expense for the period is for options and performance rights issued during the period and vesting of options and performance rights issued in previous reporting periods.

	<b>31 December 2024</b>	<b>31 December 2023</b>
	\$	\$
<b>Options</b>		
Options issued to directors, employees and consultants	20,000	18,573
Options issued to brokers (a)	31,000	168,500
<b>Performance Rights</b>		
Performance rights issued to directors (b)	45,487	3,894

**a) Options issued to Broker, Employees, and Service Providers**

During the reporting period, 18,500,000 quoted options were issued to broker, employees, and service providers for services provided as part of the capital raising.

Grant Date/vesting condition	Number of Instruments	Grant Date	Fair value per instrument \$	Value \$
Quoted options exercisable at \$0.018 expiring 13 December 2026	8,000,000	3/9/2024	0.0020	16,000
Quoted options exercisable at \$0.018 expiring 13 December 2026	5,000,000	27/3/2024	0.0010	5,000
Quoted options exercisable at \$0.018 expiring 13 December 2026	3,000,000	3/10/2024	0.0050	15,000
Quoted options exercisable at \$0.018 expiring 13 December 2026	2,500,000	21/10/2024	0.0060	15,000

**b) Performance rights issued to directors**

During the period, 60,000,000 performance rights were issued to Directors as approved by shareholders at the AGM on 28 November 2024.

Grant Date/vesting condition	Number of Instruments	Grant Date	Vesting Date	Probability	Fair value per instrument \$
New Class Performance Rights vesting at granting of mining license in Timor – Tranche 1	15,000,000	28/11/2024	28/11/2027	60%	0.016
New Class Performance Rights vesting upon reaching market capitalisation of \$150m – Tranche 2	15,000,000	28/11/2024	28/11/2027	100%	0.0097
New Class Performance Rights vesting at commencing mining operations in Timor – Tranche 3	15,000,000	28/11/2024	28/11/2027	60%	0.016
New Class Performance Rights vesting upon receiving payment for the first 10kt Ore Parcel from Timor Leste – Tranche 4	15,000,000	28/11/2024	28/11/2027	60%	0.016

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The fair value of the Performance Rights issued during the period were calculated using the Hoadley's Barrier 1 Valuation Model with the following inputs:

	<b>Performance rights granted Tranche 2</b>
Expected volatility (%)	100%
Risk free interest rate (%)	3.91%
Weighted average expected life of performance rights (years)	3
Vesting period (years)	3
Expected dividends	-
Share price at grant date (\$)	\$0.0097
Grant date	28/11/2024

## 5. SEGMENT INFORMATION

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The consolidated entity operates in one segment, being exploration for mineral resources. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the consolidated entity. The consolidated entity operates in Australia and Timor Leste.

## 6. CONTINGENT ASSETS AND LIABILITIES

### Contingent Assets

Under the terms for the disposal of Mt Edwards Lithium Pty Ltd during the 2018 financial year, the Company will receive the following milestone payments from the Mt Edwards Lithium Project tenements:

- \$1,000,000 on definition of a JORC resource of 2,000,000 tonnes of ore at greater than 1% Li<sub>2</sub>O (uncut);
- \$1,000,000 upon the processing of 2,000,000 tonnes of ore at greater than 1% of Li<sub>2</sub>O (uncut) from the disposed tenements; and
- A royalty of \$0.50 per tonne of 75% of the amount of lithium bearing ore processed from the tenements.

### Contingent Liabilities

Under the terms of the share subscription agreement with MJ Investments Pty Ltd and after completion of the tranche 1 placement 3 September 2024, the Company has the following contingent liabilities:

- The investor holds a 0.25% gross revenue royalty on the sale of manganese ore extracted and recovered from the Timor-Leste Project. The obligation to pay the Royalty continues for 5 years from commencement of first production. In the event the Subscriber subscribes for and is issued \$5,000,000 worth of Shares under the Tranche 2 Subscription, the percentage of the Royalty will increase to 0.5% and the term of the Royalty will increase to 7 years from commencement of first production.

There are no other contingent assets or liabilities as at 31 December 2024.

## 7. COMMITMENTS

In the opinion of the directors, there were no material changes in commitments during the half-year ended 31 December 2024.

## 8. RELATED PARTY TRANSACTIONS

During the period and following shareholder approval at the Company's Annual General Meeting, the Directors were issued with the following performance rights (refer to Note 4):

Grant condition	Date/vesting	Number of Instruments	Grant Date	Vesting Date	Probability	Fair value per instrument \$
New Class Performance Rights vesting at granting of mining license in Timor – Tranche 1		15,000,000	28/11/2024	28/11/2027	60%	0.016
New Class Performance Rights vesting upon reaching market capitalisation of \$150m – Tranche 2		15,000,000	28/11/2024	28/11/2027	100%	0.0097
New Class Performance Rights vesting at commencing mining operations in Timor – Tranche 3		15,000,000	28/11/2024	28/11/2027	60%	0.016
New Class Performance Rights vesting upon receiving payment for the first 10kt Ore Parcel from Timor Leste – Tranche 4		15,000,000	28/11/2024	28/11/2027	60%	0.016

## 9. EVENTS SUBSEQUENT TO REPORTING DATE

On 22 January 2025, the Company announced the expiry of 25,750,000 unlisted options exercisable at \$0.06 on or before 21 January 2025. The options were expired without exercise or conversion.

On 7 February 2025, the Company issued 125,000,000 fully paid ordinary shares at an issue price of \$0.03 per share to raise \$3,750,000 under the Company's existing placement capacity. On the same day, the Company issued 6,000,000 ordinary shares to directors for the share performance rights vesting on a market cap of \$20m, as approved by shareholders at 2023 AGM.

On 19 February 2025, the Company issued 18,298,333 fully paid ordinary shares, of which 18,000,000 shares to directors and employees for vesting of performance rights on a market cap of \$50m, as approved by shareholders at 2023 AGM, 48,333 shares issued at \$0.018 per share for exercising of the listed options (ASX: ESROB), and 250,000 shares issued at \$0.03 per share for exercising of the unlisted options ESRAAF.



On 19 February 2025, the Company issued 1,500,000 fully paid ordinary shares as non-cash consideration to employees under ESIP.

On 19 February 2025, the Company issued 12,252,000 shares of performance rights Class J, K, L, M under the ESIP approved at shareholder AGM ON 28 November 2022. The 2,500,000 Class K Share Performance Rights vest on a market cap of \$120m, the 2,500,000 Class J Share Performance Rights vest on 12 month period of no ASX imposed suspensions from failure to comply with reporting or regulatory deadlines, the 2,250,000 Class L Share Performance Rights to the exploration manager vest on various non-market performance metrics in Timor and Australia, and the 5,000,000 Class M Share Performance Rights to Timor staff/employees on various non-market performance metric in Timor. All the performance rights shares are expiring 31 December 2026.

Other than the above, no matters or circumstances since the end of the year have occurred that have significantly affected or may significantly affect the operations, the results of the operations or the state of affairs of the Group in subsequent financial years.

## 10. INTEREST IN CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and the results of the following subsidiaries:

Controlled entities	Country of incorporation	Percentage owned	Percentage owned
		31 December 2024	30 June 2024
WA Nickel Pty Ltd	Australia	100%	100%
Carr Boyd Nickel Pty Ltd	Australia	100%	100%
Estrella Resources (Chile) SpA*	Chile	100%	100%
Estrella Resources Limited R.P.	Timor-Leste	100%	100%

\*Dormant entity.

## 11. DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2024. The Directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2024.

**In the opinion of the Directors of Estrella Resources Limited:**

- (a) The attached financial statements and notes:
- (i) comply with Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Act 2001, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (ii) give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of the consolidated entity's performance, for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.



Christopher Daws  
Managing Director  
13 March 2025

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## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ESTRELLA RESOURCES LIMITED

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the accompanying half-year financial report of Estrella Resources Limited (the Company) which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a material accounting policy information and other explanatory information, and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Estrella Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Estrella Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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*Directors' Responsibility for the Half-Year Financial Report*

The directors of Estrella Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

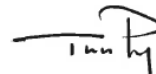
*Auditor's Responsibility for the Review of the Half-Year Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Perth, WA  
Dated: 13 March 2025

RSM  
RSM AUSTRALIA

A handwritten signature in black ink, appearing to read "Tutu Phong", written over a light blue horizontal line.

TUTU PHONG  
Partner

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**DIRECTORS**

Christopher Daws (Managing Director)  
Leslie Pereira (Non-Executive Chairman)  
John Kingswood (Non-Executive Director)

**COMPANY SECRETARIES**

Stephen Brockhurst  
Benjamin Smith

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**BANKERS**

ANZ Bank

**WEBSITE**

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