



Half Year Report Ended 31 December 2025



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DIRECTORS' REPORT

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 2025.

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 financial half-year were to explore resource projects in Timor-Leste and to a lesser 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-este exploration opportunity

Throughout the half-year period, Estrella Resources has made substantial exploration and development progress in Timor-Leste (Figure 1).

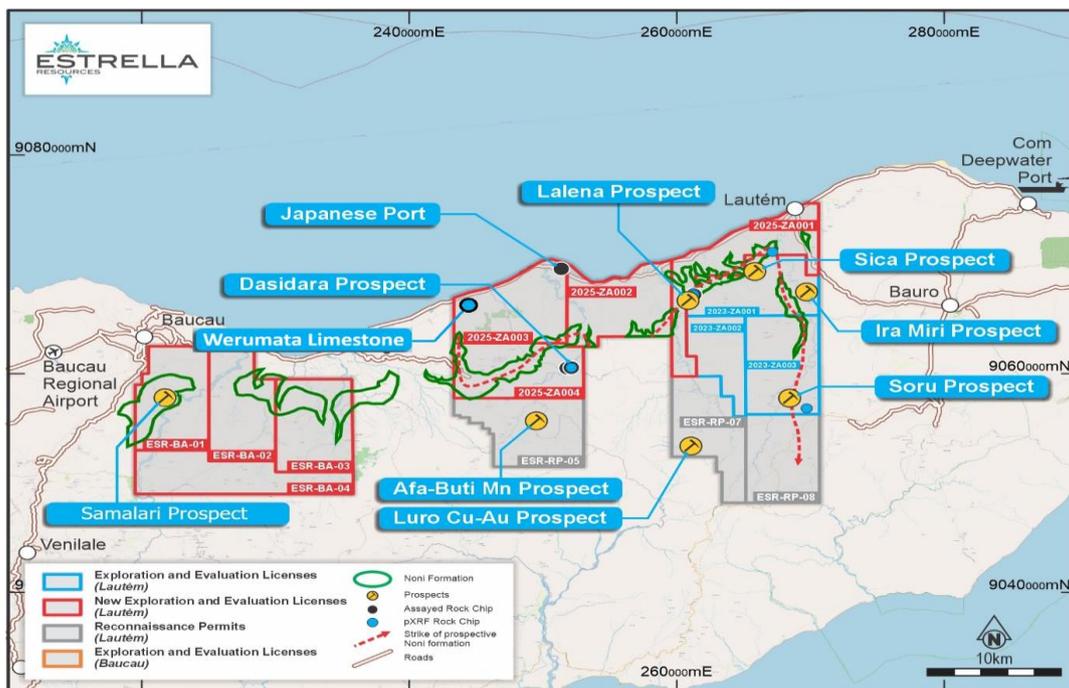


Figure 1: Estrella's Timor-Leste concessions

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Ira Miri Manganese Project

The Ira Miri project has emerged as a key focus with activities accelerating from maiden drilling to initial production activities via the extraction of a bulk sample for market appraisal.

In July, the Company completed its maiden drill hole EMDD001 and trenching operations, which both encountered massive manganese oxides. Estrella reported EMDD001 intersected 6.45m of visual mineralisation 1.35m down hole, with the drillhole ending in manganese oxides at 7.8m depth¹ (Figure 2).



Figure 2: EMDD001 core from 1.35 (L) & subcropping manganese at trench EMT01 (R) (refer to assay results in Table1)

Following initial drilling success, a more powerful diamond drill rig was introduced to increase recoveries and was supplemented with an additional RC rig to accelerate exploration activities.

By August, the Company had completed 16 diamond holes and a second trench, with the additional trenching activities uncovering further manganese bedding. The mineralised strike from outcrop locations to primary manganese beds had extended over a 450m length and remained open².

¹ Refer to ASX announcement dated: 3 June 2025

² Refer to ASX Announcement dated: 15 August 2025

Discoveries via drilling and trenching were supported by the commencement of a large-scale surveying program to enhance geological modelling and drill targeting, across both Ira Miri and Werumata³. The first phase of surveying consisted of a LiDAR (Light Detection and Ranging) study to which at Ira Miri was used to detect current topographical features as well as signs of historical structures prospective for secondary manganese mineralisation.

Results were supplemented with drone magnetics and MobileMT (magnetotellurics) surveying. The drone magnetics were used to identify geological contacts and potential subsurface structures. MobileMT further improved Estrella's emerging geological dataset through the identification of low electromagnetic resistivity anomalies across Ira Miri, which have the potential to return manganese-rich zones.

In September, the company announced maiden assay results for its first three holes via PT Geoservices in Jakarta, which confirmed the presence of primary and secondary manganese discoveries (Table 1)⁴.

Table 1: Significant results for EMDD001, EMDD002 and EMDD003

Hole_ID	mFrom	mTo	Interval	Mn %	Al ₂ O ₃ %	Fe ₂ O ₃ %	P %	Si %
EMDD001	1.35	7.8	6.45	51.7	0.6	0.1	0.1	7.1
EMDD002	0.25	8.30	8.05	53.0	1.0	0.3	0.0	3.8
EMDD003	8.3	9.80	1.5	35.8	4.2	1.7	0.0	14.7

The Company's maiden hole EMDD001 was drilled vertically into outcropping manganese and successfully encountered thick mineralisation, however the hole ended in mineralisation due to technical difficulties. The hole was subsequently twinned by EMDD002 to improve recovery of the friable manganese oxides. Both holes intersected primary manganese with a thick zone of secondary enrichment >50% Mn. EMDD003 was drilled vertically approximately 15m to the north of EMDD001 and EMDD002 anticipating a flatter supergene horizon between these two locations.

Further visual results continued to support these assays with multiple holes intersecting wider zone of supergene mineralisation approximately 65m northwest of the discovery outcrop⁵. In particular, EMDD033 intersected 12.87m of 80% manganese oxides from 5.13m and EMDD032 intersected 11.65m including 8.3m of 60% manganese oxides from 5.1m⁶ (Figure 3).

³ Refer to ASX Announcement dated: 28 August 2025

⁴ Refer to ASX Announcement dated: 4 September 2025

⁵ Refer to ASX Announcement dated: 22 September 2025 & 15 October 2025

⁶ Refer to Page 4 Cautionary Statement regarding uncertainty in reporting visual results



Figure 3: Secondary manganese in EMDD033, looking from the bottom of the hole.

For comparison, the mineralisation at Groote Eylandt Manganese Deposit⁷ located in the Gulf of Carpentaria ranges from 0.1m to 11.5m thickness, and averages 3m in width. Although the age of the mineralisation of Groote Eylandt is the same as at Ira Miri, the method of formation of manganese at Ira Miri is terrestrial in origin consisting of in-situ supergene enrichment of the Noni Formation.

By November, Estrella announced drilling for 2025 had concluded with a total of 45 drill-holes completed for 1,532.50m, of which 29 drill-holes intersected the targeted layers of the Noni Formation⁸.

Following the conclusion of drilling, Estrella reported further results from a batch of assays from 12-drill holes, with multiple high-grade intervals exceeding 50% Mn and very low impurities (P, Al₂O₃, Fe₂O₃) returned (Table 2)⁹.

⁷ Refer to Munson TJ, Ahmad M and Dunster JN 2013. Chapter 39: Carpentaria Basin 'Geology and mineral resources of the Northern Territory'. Northern Territory Geological Survey, Special Publication 5

⁸ Refer to ASX Announcement dated: 24 November 2025

⁹ Refer to ASX Announcement dated: 12 December 2025

Table 2: high-grade manganese highlights from EMDD026 – EMDD036

Drill hole ID	Intersection of mineralisation
EMDD022	2.9m @ 29.2% Mn from 4.80m
EMDD023	2.0m @ 13.7% Mn from 8.4m
EMDD025	1.95m @ 28.2% Mn from 1.3m
EMDD026	3m @ 35.7% Mn from 1.4m Including: 1.5m @ 55.1% Mn from 1.4m
EMDD029	1.7m @ 31.8% Mn from 14.2m
EMDD030	1.1m @ 52.6% Mn from 17.3m Including 0.4m @ 58.02% Mn from 18m
EMDD031	4.0m @ 25.7% Mn from 9.2m And 1.05m @ 49.6% Mn from 15.9m
EMDD032	1.9m @ 24.7% Mn from 5.1m And 5.7m @ 21.5% Mn from 8.6m
EMDD033	11.97m @ 28.9% Mn from 5.13m And 2.1m @ 46.78% Mn from 7.7m
EMDD034	4.2m @ 17.9% Mn from 8.8m

The assay results confirm the composition of the manganese mineralisation at Ira Miri is typical of low-iron, high silica stratiform manganese deposits that form in marine sedimentary rocks upon the continental shelf in a back-arc tectonic setting.

Examples of high-silica, low-iron manganese deposits include the giant Molango Manganese deposit (Mexico) and Groote Eylandt Manganese deposit (Australia), both laying claims to being the largest manganese deposits in the world.

The mineralisation reported from these assays returned favourable characteristics (Table 3) similar to other high-silica low-iron manganese deposits, highlighting the economic potential of the mineralisation.

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Table 3: Summary of mineralisation intersected by EMDD026 – EMDD036 at Ira Miri

Component of mineralisation	Average concentration (%)	Comment
Mn	36% (weighted)	With removal of silica, will beneficiate to higher grade.
P	0.04%	Maximum 0.10% - 0.25%
Al ₂ O ₃	5.12%	Low ; common range 0.12% to 25%
Fe ₂ O ₃	2.00%	Very low; highly desirable for some uses
SiO ₂	37.08%	0.25% - 25% common range

A final batch of assays were received in late December with further high-grade manganese mineralisation confirmed, reinforcing the scale and quality of the system (Table 4).

Table 4: further high-grade manganese mineralisation from EMDD037 – EMDD040

Drill-hole ID	Intersection of mineralisation
EMDD037	From 11.50m to 13.00m, 1.50m @ 13.4% Mn
EMDD038	From 4.00m to 12.00m, 8.00m @ 17.3% Mn
EMDD039	From 9.50m to 14.70m, 5.20m @ 39.6% Mn
	Including from 10.00m - 12.50m, 2.5m @ 54.0% Mn
EMDD040	From 11.20m to 17.40m, 6.20m @ 45.3% Mn
	Including from 12.10m to 14.60m, 2.5m @ 50.8% Mn

Modelling of these latest results may either represent a layer of manganese mineralisation overlying mineralisation intersected by EMDD001, EMDD002, EMDD003, EMDD022 and EMDD023, or may be the same layer, either folded or off-set by a fault.

Mineralisation again possessed favourable characteristics, typical of low-iron, high silica stratiform manganese deposits (Table 5).

Table 5: Summary of mineralisation intersected by EMDD037 – EMDD040 at Ira Miri

Component of mineralisation	Average concentration (%)	Comment
Mn	31% (weighted)	with removal of silica, will beneficiate to higher grade
P	0.03%	<0.005% preferred, maximum 0.10% - 0.25%
Al ₂ O ₃	5.12%	Low; common range 0.12% to 25%
Fe ₂ O ₃	2.20%	Very low; highly desirable for some uses
SiO ₂	41.20%	0.25% - 25% common range

Post-period end, the Company executed an agreement with the Autoridade Nacional dos Minerais, I.P. (ANM) authorising the extraction of up to 30,000 tonnes of high-grade manganese oxide from the Ira Miri Manganese Project for market appraisal purposes¹⁰.

The sample is anticipated to be Timor-Leste’s first-ever economic mineral bulk extraction under its modern Mining Code and will provide material for sale, export and testing with potential future long-term offtake partners.

The Company intends to extract the high-grade manganese oxide from a well-defined pit designed to excavate the intersected mineralisation reported previously, which includes very high grades (e.g., EMDD002; 8.05m @ 53% Mn) and impressive thicknesses (e.g., EMDD033; 11.97m @ 28.9% Mn).

The pit is anticipated to have a maximum depth of approximately 15m with total excavation of approximately 85,000 cubic metres. The topsoil will be stored separately for rehabilitation, and the overburden will be stored in benched external stockpile (Figure 4).

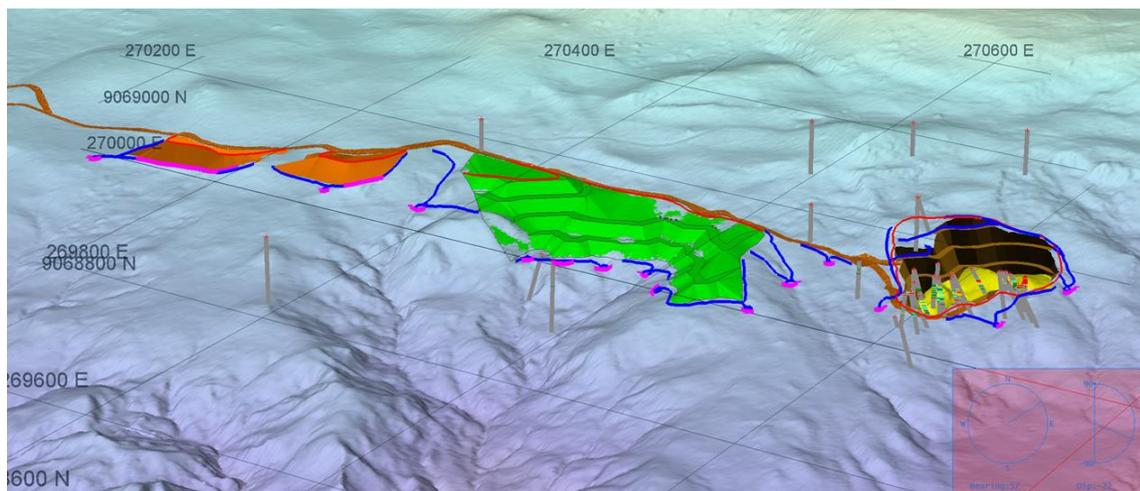


Figure 4: Ira Miri proposed manganese bulk sample extraction location and pit design

¹⁰ Refer to ASX Announcement dated: 8 January 2026

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Extraction activities have commenced by an entirely local, Timor-Leste-based contractor operating a sizable fleet.

The manganese-bearing mineralised horizon has been successfully intercepted as part of pit excavation activities, validating the Company’s exploration model and providing further confidence in project development¹¹.

Werumata Limestone Project

Throughout the period, Estrella substantially accelerated development activities at its Werumata limestone project, located just south of the Uero-Mata Township and potential port location, Timor-Leste.

In September, the Company finalised plans for an initial diamond and RC drilling campaign, with the Timor-Leste Minerals Authority, Autoridade Nacional dos Minerais (ANM) approving the Company’s Environmental Impact Statement and Environmental Management Plan¹².

The initial drill campaign was arranged to target a series of extensive limestone plateaus with further follow-up stratigraphic diamond drilling and infill drilling to be completed, as required (Figure 5).

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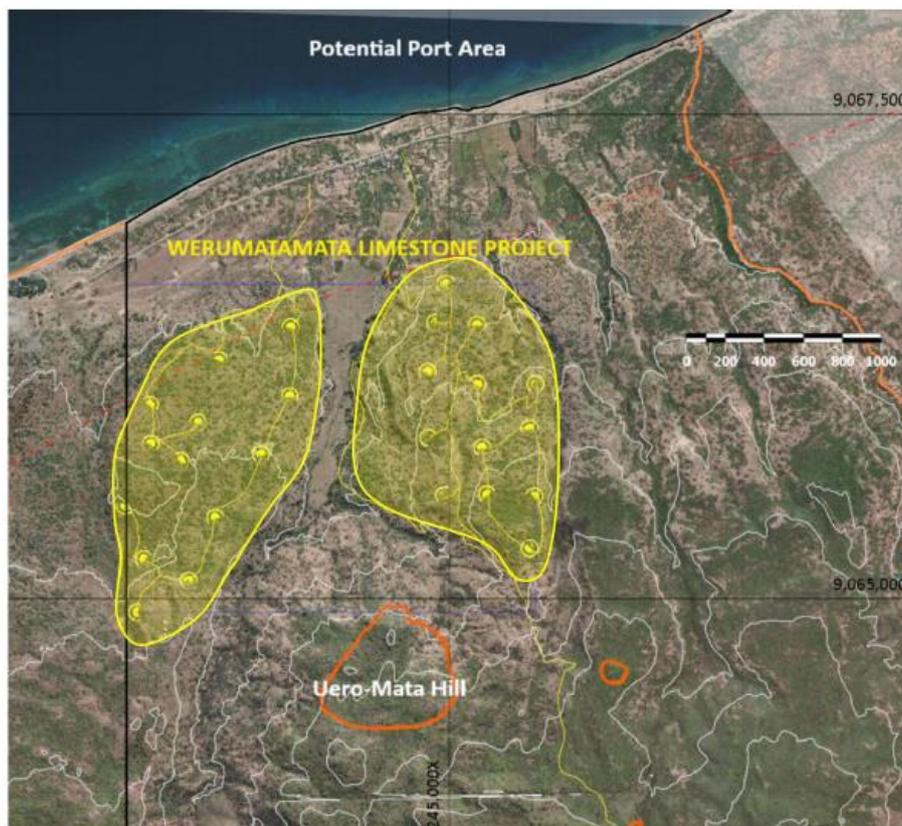


Figure 5: Location of drilling at the Werumata Limestone Project

Limestone drilling commenced in October, with all drill pads and access roads completed ahead of schedule and budget. The Company’s maiden hole was WLD001 (Figure 6).

¹¹ Refer to ASX Announcement dated: 6 February 2026

¹² Refer to ASX Announcement dated: 29 September 2025



Figure 6: Collaring of the first diamond drillhole WLD001 at the Werumata Limestone Project with Estrella's exploration team and Coresearch drill team.

By November, the Company had completed more than 70% of initial drilling with results revealing the targeted limestone units (Baucau Limestone Formation and the Batu Puthi Formation) vary in thickness across different parts of the Werumata Limestone deposit¹³.

The Baucau Limestone Formation ranged from 11m – 87m thick and the Batu Puthi Formation (chalk) ranged from 0.6m – 38m thick. Based upon the drill-holes completed to-date, the combined thickness of the Baucau and Batu Puthi formations ranged from 32m – 87m, with an average thickness of 55m.

Drilling activities were complemented with a bathymetry survey conducted off the coast at Werumata, where Estrella intends to build a port to export limestone. The survey revealed the preferred site is favourable, with deep water within 100m of the coastline.

Drilling was completed in December, consisting of 33 RC drill-holes for a total of 2,804m, and 9 diamond core drill-holes for a total of 913.10m, bringing the combined total to 3,717.10m drilled¹⁴.

Post-period end, Estrella received its maiden batch of limestone assays for holes: WLR001 – WLR011, following sample inspection by Timor-Leste government agencies and dispatch to PT Geoservices in Jakarta Indonesia¹⁵.

The broad intersections are highly encouraging with Estrella targeting a JORC compliant resource of at least 500 million tonnes of limestone from the interpreted calcite deposit.

Diamond drill-holes have also assisted verification of stratigraphy, which can be summarised as consisting of a young, shallow marine sequence (the Baucau Limestone Formation) unconformably overlying older rocks. In most cases, the Batu Putih Formation (dominated by chalk), which unconformably overlies much older rocks interpreted as the Noni Formation, underlies the Baucau limestone.

¹³ Refer to ASX Announcement dated: 4 November 2025

¹⁴ Refer to ASX Announcement dated: 18 December 2025

¹⁵ Refer to ASX Announcement dated: 11 February 2026

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The limestone includes distinct facies but has an average grade of 84.0% CaCO₃, equivalent to 47% CaO. The silica (SiO₂) content of the Baucau Limestone varies according to the facies, with former beaches being sandier but, overall, averages 7% SiO₂.

Unlike many marine limestones the magnesium content is very low, averaging only 2% MgO, equivalent to 1.2% Mg. The average alumina (Al₂O₃) content is low (<2%), as is the average ferric oxide content (<1%).

The overall composition of the Baucau Limestone suggests that the limestone has potential to be used for acid-neutralisation and other purposes, broadening the potential target market for limestone produced from the Werumata Limestone project.

In many, but not all locations underlying the Baucau Limestone chalk, the Batu Putih Formation is present. The most distinctive unit of the Batu Putih Formation is chalk. The chalk varies in texture and composition, chiefly through variations in silica content, which is higher (average 11% SiO₂) than the Baucau Limestone. The chalk has a very low magnesium content (1.3% MgO i.e., 0.8% Mg) but higher average alumina (Al₂O₃) content (<4%) and higher ferric oxide content (<1.5%) than the Baucau Limestone.

Beneath the chalk there is a variable thickness of marl, which has been logged up to 32m thickness (WLR018) but the Ca content of the marl is highly variable. A marl unit is also present under parts of the Baucau Limestone and is also highly variable.

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.

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 Peter Spitalny, who is the Exploration Manager, Timor Leste of Estrella Resources, and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Spitalny has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking to qualify as

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Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Spitalny consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Dividends

In respect to the current year, no dividends were paid or declared during the half-year by the Company and no recommendation is made as to dividends.

Results

The loss for the half-year ended 31 December 2025 attributable to the Group was \$21,893,866 (2024: loss \$721,599).

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.

Events Subsequent to reporting date

On 5 January 2026, the Company announced the appointment of Mr Robert Mencil as Chief Executive Officer and granted 10,000,000 zero exercise options expiring 4 January 2031.

On 13 January 2026, the Company issued 250,000 fully paid ordinary shares at an issue price of \$0.036 as conversion of 250,000 Performance rights after satisfaction of performance conditions.

On 3 March 2026, 4,617,611 fully paid ordinary shares were issued following the conversion of 2,117,611 Listed Options (ASX: ESROB) at \$0.018 for a total of \$38,117, and the conversion of 2,500,000 Performance rights after the satisfaction of performance conditions.

On 13 March 2026, the Company announced an update on its ongoing dispute against WIN Metals Limited (ASX: WIN), Auric Mining Limited (ASX: AWJ), and Neometals Limited (ASX: NMT), and their wholly-owned subsidiaries regarding Estrella's entitlement to receive a royalty in respect of lithium-bearing ore extracted from Mining Lease M15/87. The Company advised shareholders that pleadings have been filed in proceedings and the matter is listed for mediation on 29 April 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

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001



Christopher Daws
Managing Director
16 March 2026

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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 2025, 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.

A handwritten signature of "RSM" in blue ink.

RSM AUSTRALIA

A handwritten signature in blue ink, appearing to read "Tutu Phong".

TUTU PHONG
Partner

Perth, WA
Dated: 16 March 2026

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

For the half-year ended 31 December 2025

	Note	31 Dec 2025 \$	31 Dec 2024 \$
Interest Income		29,243	2,450
Other income		-	36,124
Personnel costs and director fees		(208,755)	(256,102)
Legal fees		(45,482)	(49,698)
Exploration costs written-off		(374)	(1,997)
Impairment of exploration and evaluation expenditure	2	(20,565,238)	-
Consulting fees		(196,057)	(153,627)
Share-based payments expense	5	(443,766)	(65,487)
Depreciation		(60,631)	(55,843)
Other expenses		(402,806)	(177,419)
LOSS BEFORE INCOME TAX EXPENSE		(21,893,866)	(721,599)
Income tax expense		-	-
LOSS AFTER INCOME TAX EXPENSE FOR THE HALF-YEAR		(21,893,866)	(721,599)
Other Comprehensive (Loss)/Income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(265,076)	42,299
Other comprehensive income for the half-year		(265,076)	42,299
TOTAL COMPREHENSIVE LOSS FOR THE HALF-YEAR		(22,158,942)	(679,300)
Basic (loss) per share (cents)		(1.01)	(0.04)
Diluted (loss) per share (cents)		(1.01)	(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 2025

	Note	31 Dec 2025 \$	31 Jun 2025 \$
Current Assets			
Cash and cash equivalents		893,368	6,558,417
Trade and other receivables		540,078	503,590
Total Current Assets		1,433,446	7,062,007
Non-Current Assets			
Plant and equipment		431,435	284,869
Exploration and evaluation expenditure	2	6,384,726	22,552,833
Total Non-Current Assets		6,816,161	22,837,702
Total Assets		8,249,607	29,899,709
Current Liabilities			
Trade and other payables		495,486	550,248
Other payables		-	5,000,000
Provisions		185,231	192,035
Total Current Liabilities		680,717	5,742,283
Total Liabilities		680,717	5,742,283
Net Assets		7,568,890	24,157,426
Equity			
Share capital	3	49,724,664	44,617,863
Reserves	4	1,695,943	1,539,066
Accumulated losses		(43,851,717)	(21,999,503)
Total Equity		7,568,890	24,157,426

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 2025

	Issued Capital \$	Accumulated Losses \$	Option Reserve \$	Foreign Currency Reserve	Total Equity \$
Balance at 1 July 2025	44,617,863	(21,999,503)	1,606,460	(67,394)	24,157,426
Loss for the half-year	-	(21,893,866)	-	-	(21,893,866)
Other comprehensive loss for the half-year		(67,394)		(197,682)	(265,076)
Total comprehensive loss for the half-year	-	(21,961,260)	-	(197,682)	(22,158,942)
Transactions with owners in their capacity as owners:					
Shares issued	5,225,191	-	(62,560)	-	5,162,631
Share-based payments	-	-	526,164	-	526,164
Options expired		109,046	(109,046)		-
Share issue costs	(118,390)	-	-	-	(118,390)
Total transactions with owners, in their capacity as owners	5,106,801	109,045	354,559	-	5,570,405
Balance at 31 December 2025	49,724,664	(43,851,717)	1,961,019	(265,076)	7,568,890
Balance at 1 July 2024	39,470,928	(19,919,749)	1,167,415	-	20,718,594
Loss for the half-year	-	(721,599)	-	-	(721,599)
Other comprehensive loss for the half-year				42,299	42,299
Total comprehensive loss for the half-year	-	(721,599)	-	42,299	(679,300)
Transactions with owners, in their capacity as owners:					
Shares issued	1,600,000	-	-	-	1,600,000
Share-based payments	-	-	96,487	-	96,487
Share issue costs	(106,508)	-	-	-	(106,508)
Total transactions with owners, in their capacity as owners	1,493,492	-	96,487	-	1,589,979
Balance at 31 December 2024	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 2025

	31 Dec 2025 \$	31 Dec 2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(515,526)	(604,237)
Interest received	29,243	2,450
Interest paid	-	(5,514)
NET CASH USED IN OPERATING ACTIVITIES	<u>(486,283)</u>	<u>(607,301)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation expenditure	(4,833,231)	(470,024)
Payments for plant and equipment	(207,100)	(98,190)
Proceeds from sale of purchased investment equities	-	198,840
NET CASH USED IN INVESTING ACTIVITIES	<u>(5,040,331)</u>	<u>(369,374)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares and options (net of costs)	126,637	1,510,473
NET CASH RECEIVED FROM FINANCING ACTIVITIES	<u>126,637</u>	<u>1,510,473</u>
Net (decrease)/increase in cash and cash equivalents	(5,399,974)	533,798
Effects of exchange rate changes on cash and cash equivalents	(265,075)	(2,224)
Cash at the beginning of the financial half-year	<u>6,558,417</u>	<u>196,891</u>
CASH AT THE END OF THE FINANCIAL HALF-YEAR	<u><u>893,368</u></u>	<u><u>728,465</u></u>

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 2025. 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 16 March 2026.

(a) Going Concern

The financial report have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The consolidated entity incurred a loss of \$21,893,866 and had net cash outflows from operating and investing activities of \$486,283 and \$5,040,331 respectively for the half-year ended 31 December 2025. As at that date, the consolidated entity had cash and cash equivalents of \$893,368 and net current assets of \$752,729.

These factors indicate a material uncertainty which may cast significant doubt as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

1. The Company expects to raise additional capital to fund working capital requirements. The Company has been successful in raising capital whenever it has approached the markets in the past and the directors are confident in the ability to continue to raise additional funds on a timely basis, as and when required;
2. The Company announced its intention to extract high-grade manganese oxide at its Timor-Leste project and post period end extraction activities have commenced; and
3. The consolidated entity has the ability to defer or scale back certain parts of their activities so as to conserve cash.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

Based on the cashflow forecasts prepared, and other factors referred to above the directors are satisfied the consolidated entity can continue to pay its debts as and when they fall due for at least the next twelve months from the date of this report.

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**ESTRELLA RESOURCES LIMITED
AND CONTROLLED ENTITIES**

(b) 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.

(c) Accounting Policies

The material accounting policies and methods of computation that have been applied in this half-year financial report are consistent as those applied in the most recent annual financial statements.

(d) 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.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2025 \$	30 June 2025 \$
Exploration and evaluation assets		
Balance at the beginning of half-year	22,552,833	20,301,133
Exploration costs capitalised	4,397,131	2,451,721
Impairment of Carr Boyd Nickel Project ¹	(20,565,238)	-
R&D tax refund	-	(201,021)
Balance at the end of the half-year	<u>6,384,726</u>	<u>22,552,833</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.

¹ Carr Boyd Project was impaired due to the Nickel price collapsing, ongoing market condition volatility and in line with global asset valuations within the nickel market.

3. ISSUED CAPITAL

Summary	31 December 2025 \$	30 June 2025 \$
2,204,391,574 fully paid ordinary shares (June 2025: 2,051,936,864)		
Issued capital	54,594,069	49,368,878
Share issue costs	(4,869,405)	(4,751,015)
	<u>49,724,664</u>	<u>44,617,863</u>

Movements in Share Capital

	31 December 2025		30 June 2025	
	Number	\$	Number	\$
Balance as at the beginning of the period	2,051,956,864	49,368,878	1,759,371,869	43,864,020
Placement - October 2024			58,333,333	350,000
Placement - October 2024			83,333,333	1,250,000
Placement - December 2024			125,000,000	3,750,000
Performance Rights - Vesting			24,000,000	94,330
Options - Exercised			398,329	12,528
ESIP Awarded Shares			1,500,000	48,000
Performance Rights - Vesting	8,000,000	18,400		
Options - Exercised	7,673,222	206,791		
Placement – Tranche 2 ¹	136,761,488	5,000,000		
	<u>2,204,391,574</u>	<u>54,594,069</u>	<u>2,051,936,864</u>	<u>49,368,878</u>
Share issue costs		(4,869,405)		(4,751,015)
	<u>2,204,391,574</u>	<u>49,724,664</u>	<u>2,051,936,864</u>	<u>44,617,863</u>

**ESTRELLA RESOURCES LIMITED
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¹ The funds were received prior to 30 June 2025 but were not allocated until shareholder approval was obtained on 15 August 2025 and accordingly recorded as Other Payables at 30 June 2025.

4. RESERVES

Summary	31 December 2025 \$	30 June 2025 \$
Option and performance rights reserve	1,961,019	1,606,460
Foreign exchange reserve	(265,076)	(67,394)
	1,695,943	1,539,066

(a) Movements in Options Reserve

	31 December 2025		30 June 2025	
	Number	\$	Number	\$
Balance as at the beginning of the period	592,485,525	1,317,742	571,987,187	1,136,342
Listed Options issued 3/9/24 ¹			5,000,000	5,000
Listed Options issued 3/9/24 ¹			3,000,000	15,000
Listed Options issued 4/10/24 ²			8,000,000	16,000
Listed Options issued 21/10/24 ⁴			25,000,000	-
Listed Options issued 13/11/24 ⁴			16,666,667	-
Listed Options issued 13/11/24 ²			2,500,000	15,000
Listed Options converted			(168,329)	-
Unlisted Options issued expiry			1,500,000	51,000
Unlisted Options issued expiry			5,000,000	79,400
Unlisted Options Exercised			(250,000)	-
Unlisted Options Expired 30 June			(45,750,000)	-
Unlisted Options - REM Options	500,000,000	-	-	-
Unlisted Options - Facilitation	3,676,471	91,912	-	-
Listed Options converted	(2,673,222)	(2,673)	-	-
Unlisted Options Exercised	(5,000,000)	-	-	-
Unlisted Options Expired during the half-year	(21,250,000)	(160,041)	-	-
	1,067,238,774	1,246,940	592,485,525	1,317,742

Movements in performance rights

Balance as at the beginning of the half-year	102,250,000	288,718	54,000,000	31,073
Performance Rights issued 6/12/27	-	-	60,000,000	114,296
Performance Rights issued 31/12/26	-	-	12,250,000	137,865
Performance Rights converted	-	-	(24,000,000)	-96,328
Performance Rights converted	(8,000,000)	(8,888)	-	-
Performance Rights issued	60,000,000	184,282	-	-
Expense of PR's issued prior periods	-	249,967	-	101,812
	154,250,000	714,079	102,250,000	288,718
Total Reserve	1,221,488,774	1,961,019	694,735,525	1,606,460

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(b) Outstanding Share Options

As at 31 December 2025, the Company had the following share options outstanding:

Expiry Date and Price	Type	Number
OPTIONS EXP 13/12/26 @ \$0.018	Listed Option	562,238,774
OPTIONS EXP 31/03/28 @ \$0.04	Unlisted Option	5,000,000
OPTIONS EXP 11/11/30 @ \$0.05	Unlisted Option	500,000,000
		1,067,238,774

(c) Outstanding Performance Rights

As at 31 December 2025, the Company had the following performance rights outstanding:

Type	Expiry Date	Number
Class C Performance Rights	5/12/2026	18,000,000
Class E Performance Rights	25/3/2027	4,000,000
Class F,G,H,I Performance Rights	6/12/2027	60,000,000
Class J Performance Rights	31/12/2026	2,500,000
Class K Performance Rights	31/12/2026	2,500,000
Class L Performance Rights	31/12/2026	2,250,000
Class M Performance Rights	31/12/2026	5,000,000
New Class Performance Rights	18/08/2028	60,000,000
		154,250,000

5. SHARE-BASED PAYMENTS

The share-based payment expense for the half-year is for options and performance rights issued during the half-year and vesting of options and performance rights issued in previous half-year.

	31 Dec 2025	31 Dec 2024
	\$	\$
Options		
Options issued to directors, employees and consultants	-	20,000
Options issued to brokers (a)	91,912	31,000
Performance Rights		
Performance rights issued to directors (b)	443,766	45,487

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

During the half-year, 503,676,471 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	3,676,471	15/8/2025	0.0018	91,912
Unquoted options exercisable at \$0.05 expiring 11 November 2030 ¹	500,000,000	-	-	-

¹Unvested as at 31 December 2025. Options were issued to PT Raka Energi Mandiri (REM) who have been engaged to assist the Company in the marketing and sale of Limestone upon the development of the Companies Timor-Leste Limestone Project.

The fair value of the unquoted options issued during the half-year were calculated using the Black-Scholes valuation model with the following inputs:

Quoted Options Exercisable at \$0.018	
Expected volatility (%)	100%
Risk free interest rate (%)	3.332%
Share price at grant date	\$0.018
Expiry date	13 Dec 2026

b) Performance rights issued to directors

During the half-year, 60,000,000 performance rights were issued to Directors as approved by shareholders at a General Meeting on 15 August 2025.

Grant condition	Date/vesting	Number of Instruments	Grant Date	Vesting Date	Probability	Fair value per instrument \$
New Class Performance Rights vesting at upon reaching market capitalisation of \$200m – Tranche 1		15,000,000	15/08/2025	19/08/2028	N/A	0.0291
New Class Performance Rights vesting upon achieving a Jorc resource – Tranche 2		15,000,000	15/08/2025	15/08/2028	60%	0.038
New Class Performance Rights vesting at receiving approval to export Timor product – Tranche 3		15,000,000	15/08/2025	15/08/2028	60%	0.038
New Class Performance Rights vesting upon receiving payment for the first payment for 1mil tonne of limestone Timor Leste – Tranche 4		15,000,000	15/08/2025	15/08/2028	60%	0.038

ESTRELLA RESOURCES LIMITED

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

	Performance rights granted
	Tranche 1
Expected volatility (%)	100%
Risk free interest rate (%)	3.33%
Weighted average expected life of performance rights (years)	3
Vesting period (years)	3
Expected dividends	-
Share price at grant date (\$)	\$0.0291
Grant date	15/08/2025

6. 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.

7. 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% Li₂O (uncut);
- \$1,000,000 upon the processing of 2,000,000 tonnes of ore at greater than 1% of Li₂O (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 2025.

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ESTRELLA RESOURCES LIMITED
AND CONTROLLED ENTITIES

8. COMMITMENTS

In the opinion of the directors, there were no material changes in commitments during the half-year ended 31 December 2025.

9. RELATED PARTY TRANSACTIONS

During the half-year and following shareholder approval at General Meeting of Shareholders, the Directors were issued with the following performance rights (refer to Note 4):

Grant Date/vesting condition	Number of Instruments	Grant Date	Vesting Date	Probability	Fair value per instrument \$
New Class Performance Rights vesting at upon reaching market capitalisation of \$250m – Tranche 1	15,000,000	15/08/2025	15/08/2028	60%	0.0291
New Class Performance Rights vesting upon achieving a Jorc resource – Tranche 2	15,000,000	15/08/2025	15/08/2028	60%	0.038
New Class Performance Rights vesting at receiving approval to export Timor product – Tranche 3	15,000,000	15/08/2025	15/08/2028	60%	0.038
New Class Performance Rights vesting upon receiving payment for the first payment for 1mil tonne of limestone Timor Leste -Tranche 4	15,000,000	15/08/2025	15/08/2028	60%	0.038

10. EVENTS SUBSEQUENT TO REPORTING DATE

On 5 January 2026, the Company announced the appointment of Mr Robert Mencil as Chief Executive Officer and granted 10,000,000 zero exercise options expiring 4 January 2031.

On 13 January 2026, the Company issued 250,000 fully paid ordinary shares at an issue price of \$0.036 as conversion of 250,000 Performance rights after satisfaction of performance conditions.

On 3 March 2026, 4,617,611 fully paid ordinary shares were issued following the conversion of 2,117,611 Listed Options (ASX: ESROB) at \$0.018 for a total of \$38,117, and the conversion of 2,500,000 Performance rights after the satisfaction of performance conditions.

On 13 March 2026, the Company announced an update on its ongoing dispute against WIN Metals Limited (ASX: WIN), Auric Mining Limited (ASX: AWJ), and Neometals Limited (ASX: NMT), and their wholly-owned subsidiaries regarding Estrella's entitlement to receive a royalty in respect of lithium-bearing ore extracted from Mining Lease M15/87. The Company advised shareholders that pleadings have been filed in proceedings and the matter is listed for mediation on 29 April 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.

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**ESTRELLA RESOURCES LIMITED
AND CONTROLLED ENTITIES**

11. 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	
		31 Dec 2025	30 June 2025
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%
Estrella Murak RAI, Timor, LDA*	Timor-Leste	70%	70%

*Dormant entity.

12. DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2025. The Directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2025.

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DIRECTORS' DECLARATION

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 2025 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
16 March 2026
Perth

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 2025, 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 to the financial statements comprising 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 2025 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 Half-Year Financial Report* section of our report. We are independent of the Consolidated Entity 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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Material Uncertainty Related to Going Concern

We draw attention to Note 1(a) for the half-year financial report, which indicates that the Consolidated Entity incurred a loss of \$21,893,866 and had net cash outflows from operating and investing activities of \$486,283 and \$5,040,331 respectively for the half-year ended 31 December 2025. As stated in Note 1(a), these events or conditions, along with other matters as set forth in Note 1(a), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

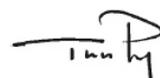
The directors of Estrella Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to 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 2025 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*.

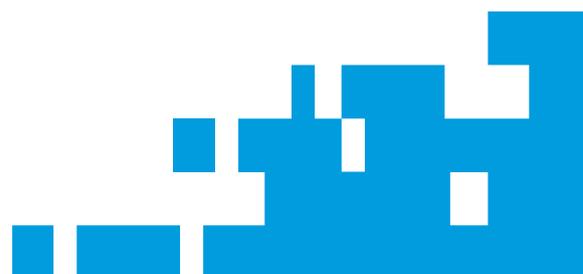
A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards 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.

RSM
RSM AUSTRALIA



TUTU PHONG
Partner

Perth, WA
Dated: 16 March 2026



CORPORATE DIRECTORY

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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