

# The West Australian

## Estrella nails down extra Timor-Leste manganese leases

**James Pearson** SPONSORED  
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📷 Autoridade Nacional dos Minerais president Rafael de Araujo, Murak Rai Timor president and chief executive officer Jose Gonçalves and Estrella Resources managing director Chris Daws, centre front, at the granting of exploration concessions ceremony in Laga, Timor-Leste. Credit: File

Estrella Resources has locked up four extra exploration and evaluation concessions to kick off Timor-Leste's newly-instituted 2021 mining code direct grant process.

The leases, which are particularly prospective for manganese, sit in the Southeast Asian country's western Baucau Municipality and add to its four exploration licences, 30km to the north-east, that it picked up last year.

To mark the occasion, a ceremonial event was held in Laga, 15km east of Baucau. Joining Estrella's senior management to celebrate the landmark moment were in-country dignitaries including Rafael de Araujo, president of the petroleum and mining regulator, Autoridade Nacional dos Minerais (ANM), and Jose Gonçalves, the president of Timor-Leste's State-run mining arm, Murak Rai Timor (MRT).

The new leases, covering 194.4 square kilometres, now make Estrella the biggest concession holder in the nation, with a total landholding of 698sq km. Its portfolio includes seven exploration concessions in partnership with MRT, covering 315 sq km, and eight separate, but adjoining reconnaissance permits totalling 382 sq km.

The new licenses mark a major milestone as Estrella becomes the first foreign entity to receive concessions through Timor-Leste's new direct grant process, following the introduction of the country's progressive 2021 Mining Code.

Initial evaluations have indicated significant exploration potential, particularly for manganese, with frequent outcropping bedded chert and manganese horizons featuring supergene enrichment at surface. It is regarded by management as some of the best seen across the company's leases.

Estrella Resources managing director Chris Daws: *"This is a massive step forward in opening up Estrella's exploration efforts within Timor-Leste. It also represents another major milestone for Estrella. Not only were we the first company to be awarded concessions under the 2023 Tender Process, but we are now the very first company to achieve direct grant of applied concessions under Timor-Leste's 2021 Mining Code."*

Daws added that he viewed the latest grant as a major vote of confidence from the Timor-Leste Government in Estrella's ability and commitment to developing a strong mining industry in the country.

A big part of the quick concession grants was the recent formalising of a joint venture (JV) and royalty agreement between MRT and Estrella to explore for manganese, copper and gold, which will also now cover the new leases. Under the deal, the company retains 70 per cent of the JV, while the State-run mining arm remains free-carried for its share.

Estrella is then responsible for all costs until the completion and publication of a positive definitive feasibility study (DFS) relating to a deposit on each of its licenses. At its option, MRT can then elect to transfer its 30 per cent interest back to Estrella and instead receive a two per cent royalty on net smelter in return.

The company is gearing up to fast-track exploration by adding more experienced local geologists to its team. Next on the agenda is mapping, sampling and running geophysical surveys to check out the mineral potential in the new areas. Management is also preparing for an environmental impact study, which will be completed before it kicks off a planned drilling program.

Within Estrella's existing Lautém prospect to the north, work has continued to further define and unlock the potential of its manganese mineralisation after receiving what it describes as "exceptional" assay results from grab samples taken at several nearby prospects, with grades reaching as high as 57 per cent manganese. Further results are expected shortly, with the company currently in trading halt pending an exploration update.

Estrella seems to have landed on its feet in Timor-Leste. The newly-available quick access to exploration leases and many years of relationship building in country have allowed it to now get on with exploring and hopefully developing what appears to be some remarkably rich deposits of manganese, with possibly associated copper and gold.

# The West Australian

## New Timor lease throws up high-grade manganese for Estrella

**James Pearson** SPONSORED

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📷 **Outcropping high-grade manganese at Estrella Resources' newly-granted Samalari lease in Timor-Leste. Credit: File**

Estrella Resources has revealed high-grade manganese in Timor-Leste just days after nailing down new exploration licenses at its Samalari prospect in the nation's Baucau Municipality.

The company says the site is showing manganese oxide mineralisation along a 1.7km strike zone with widths of up to 5m. Early grab sampling has pulled up manganese hits ranging from 32.7 per cent to 53.9 per cent, according to laboratory analysis from Australian Laboratory Services (ALS).

Further in-field analysis taken since with portable x-ray fluorescence (pXRF) has shown a high correlation with the initial rock-chip samples analysed by ALS, suggesting a high level of confidence in the accuracy and precision of the on-the-spot tests. It also means that exploration can move at a rapid pace by removing the wait times for laboratory assays.

Management says the findings have confirmed that the deposit is high-quality, making it the most significant discovery for the company in the region to date.

*"We are thrilled with the high-grade manganese discovery at Samalari within our newly-granted Exploration and Evaluation Licenses in Timor-Leste. Pleasingly, most of our field pXRF rock-chip determinations exceeded 30% manganese and up to 56.2% manganese. The confidence gained from these reliable pXRF determinations, which substantially reduces assay wait times, enhances the efficiency of our exploration efforts."*

The Baucau licenses, officially granted three days ago, cover 194 square kilometres and take Estrella's total landholding in Timor-Leste to almost 700sq km. It provides the company with a remarkable opportunity to expand its exploration efforts in one of Southeast Asia's truly untapped mining regions.

The Samalari prospect, just 7.5km from the northern coastal highway and close to grid power, offers easy access to infrastructure, with proximity to Timor-Leste's third biggest city Baucau, just 5km away. Additionally, the mineralisation appears to cover an area of low population and virtually no farmland.

The geographical advantages should greatly help exploration logistics and the company's potential future mining activities.

Now that management has recruited an in-country technical team with local geological skills, it intends to quickly push forward with more extensive mapping using light detection and ranging (LiDAR), sampling and induced-polarisation (IP) geophysical surveys to test the subsurface geology. A scout drilling program has also been planned to explore the site's deeper manganese potential.

Under the terms of the licence, the company can conduct exploration for four years, with a possible two-year extension.

Manganese, as a steel hardening alloy, is considered a strategic metal by the United States and as a critical metal by the European Union. As such, the discovery at Samalari could mark a pivotal moment for Estrella and reinforce Timor-Leste's potential as a significant player in the global mining landscape.