

Estrella completes A\$3.75 million placement to fund Drilling Program in Timor-Leste



Chris Daws and local farmers in Timor-Leste/Image The West.Com.Au/File

DILI, 04 february 2025 (TATOLI) – Estrella Resources Limited (ESR), a Western Australian based company, on January 31, announced that it has completed A\$3,750,000 to fund its drilling program in Timor-Leste.

“Estrella Resources Ltd (ASX: ESR) (Estrella or the Company) is pleased to announce that it has received firm commitments from an existing professional/sophisticated investor or their nominee/s to raise \$3,750,000 (before costs) through the placement of 125,000,000 fully-paid ordinary shares at an issue price of \$0.03 per share,” ESR said in a statement.

The placement is expected to be completed on or around 10 February 2025.

The Company intends for the funds raised from the Placement to be used primarily to continue exploration efforts and commence a drilling program at its Timor-Leste operations and working capital.

Details of the Placement

The statement reads “125,000,000 Placement Shares will be issued pursuant to the Companies placement capacity and will be issued under its existing ASXLR7.1A capacity.”

The issue price of \$0.03 represents a 7% premium to the last trading price of \$0.028 on 29 January 2025, and 17.7% premium to the 10-day V-WAP of \$0.255.

The Placement was managed by Barclay Wells Ltd and was accompanied by a 6% Management Fee on funds raised from the placement.

An Appendix 3B for the proposed issue of securities will follow this announcement.

Estrella was one of only four entities (and one of just two ASX-listed companies) from a pool of global applicants to be successful, being awarded three Exploration and Evaluation Concessions (initially totalling 121.5 km²) in the Lautém Municipality, north-east Timor-Leste.

Since the award of the Exploration and Evaluation Concessions, ESR-RP has overseen the expansion of the Company’s footprint through a further 382 km² of Reconnaissance Permits which continue to demonstrate potential to host high-grade manganese occurrences, according ESR.

In June 2024, Murak Rai Timor, E.P (MRT, E.P) and Estrella Resources signed a shareholders’ agreement for the exploration of three mineral blocks in the Municipality of Lautém.

The agreement provides for the establishment of a joint venture company, with Murak Rai Timor holding 30 percent of the shares and Estrella Resources 70 percent.

“The Government will not finance the exploration activities, which will include the identification, evaluation, interpretation, and quantification of the mineral reserves in the three blocks in Lautém,” said in a statement.

At the signing ceremony, MRT, E.P expressed committed to continuing to support future exploration activities, demonstrating its dedication to the viability of Timor-Leste’s national metal resources.