



ABN 39 155 151 207

29 August 2018

Dear Shareholder

LOYALTY OPTION ENTITLEMENT ISSUE

On 23 August 2018, Estrella Resources Limited ("Estrella" or "the Company") lodged a prospectus with ASIC and ASX ("Prospectus") for a non-renounceable entitlement issue of one (1) quoted Option for every three (3) Shares held ("Entitlement Issue" or "Offer") to raise approximately \$163,961. The price of the Options under the Offer is \$0.001 each ("Issue Price"), exercisable at \$0.05 on or before 27 June 2021.

The purpose of the Offer is to recognise the invaluable support the Company has received from its Shareholders.

For the purposes of calculating each eligible shareholder's entitlement, fractions of entitlements have been rounded up to the nearest whole number. Shares issued upon the exercise of the Options will rank equally with all fully paid ordinary shares in the capital of the Company already on issue.

All Shareholders registered at **5:00pm WST on 31 August 2018** with a registered address in Australia or New Zealand will be entitled to participate in the Entitlement Issue. **Shares purchased on market on or after the "Ex Date" of 30 August 2018 will NOT be entitled to participate in the Entitlement Issue. If you have any doubt, please consult your sponsoring broker.**

Full details of the Entitlement Issue (including the use of funds) are contained in the Prospectus. The Prospectus is available on ASX's website and the Company's website at www.estrellaresources.com.au.

The Prospectus together with an Entitlement and Acceptance Form will be mailed to all eligible shareholders on 4 September 2018. Other key dates which shareholders should note are as follows:

| EVENT | DATE |
|---|--------------------------|
| 'Ex' Date | 30 August 2018 |
| Record Date for determining Entitlements (5:00pm WST) | 31 August 2018 |
| Closing Date (5:00pm WST*) | 14 September 2018 |
| Issue date / New Options entered into shareholders' security holdings | 19 September 2018 |
| Quotation of New Options issued under the Offer | 20 September 2018 |



ABN 39 155 151 207

Application for Options under the Entitlement Issue may only be made by completing the Entitlement and Acceptance Form which accompanies the Prospectus. Shareholders eligible to participate in the Entitlement Issue should read the Prospectus carefully. For further information on the Entitlement Issue you should contact your professional adviser.

Yours faithfully

David McEntaggart

Company Secretary