



ACN 151 155 207

NOTICE OF 4th ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

PROXY FORM

Date of Meeting

Thursday 13th November, 2014

Time of Meeting

11.00 a.m. (AEDT)

Place of Meeting

**Estrella Resources Limited
Level 57, MLC Centre, 19 – 29 Martin Place
SYDNEY NSW 2000**

NOTICE OF 2014 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the fourth Annual General Meeting of the members of Estrella Resources Limited ("**the Company**") will be held at the offices of Estrella Resources Limited at Level 57, MLC Centre, 19-29 Martin Place, Sydney on Thursday 13th November, 2014 commencing at 11.00 a.m. (AEDT).

BUSINESS:

ITEM 1: TO RECEIVE THE CONSOLIDATED FINANCIAL REPORT

To receive and consider the Consolidated Financial Report of the Company, together with the reports of the Directors and Auditor, for the financial year ended 30 June 2014.

Note: There is no requirement for Shareholders to approve these reports.

ITEM 2: ORDINARY RESOLUTIONS:

Resolution 1: Adoption of Remuneration Report

"That the Shareholders adopt the Remuneration Report for the financial year ended 30 June 2014."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement:

In accordance with section 250R (4) of the Act, no member of the key management personnel of the Company or a closely related party of such a member may vote on Resolution 1.

However, in accordance with the Act, a person described above may vote on Resolution 1 if:

- It is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the proxy form how to vote; or*
- It is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with an express direction specified on the proxy form to vote as the proxy decides.*

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 1, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 1.

Resolution 2: To re-elect a Director – Mr Julian Bavin

“That, for the purposes of clause 15.3 of the Company’s Constitution and for all other purposes, Julian Bavin retires as a Director of the Company by rotation pursuant to the Company’s Constitution and, being eligible, is re-elected as a Director of the Company.”

Resolution 3: To re-elect a Director – Mr Robert Thomson

“That, for the purposes of clause 15.1 (c) of the Company’s Constitution and for all other purposes, Robert Thomson, being a Director appointed to fill a casual vacancy since the last Annual General Meeting, retires as a Director of the Company and, being eligible, is re-elected as a Director of the Company.”

ITEM 3: SPECIAL BUSINESS:

Resolution 4: Approve Issue of Options to the Non-Executive Chairman - Mr Robert Thomson

“That, for the purposes of Listing Rule 10.11 of the Australian Securities Exchange Listing Rules and for all other purposes, approval is hereby given for the grant, issue and allotment of 1,500,000 options over ordinary shares in the Company to the Non-executive Chairman, Mr Robert Thomson, or his nominee, to acquire 1,500,000 fully paid ordinary shares in the Company at an exercise price of \$0.10 each and expiring 13 November 2019, on the terms and conditions set out in the Explanatory Memorandum and Annexure A.”

Note: Quotation of the options on the ASX will not be sought.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 4 (Issue of Options to a Director) by Mr Thomson, or his nominee, and by an associate of Mr Thomson, or his nominee, excluded from voting as provided for in Australian Securities Exchange Listing Rule 14.11.

However, the Company need not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

Resolution 5: Approve Issue of Options to a Non-executive Director - Mr Julian Bavin

“That, for the purposes of Listing Rule 10.11 of the Australian Securities Exchange Listing Rules and for all other purposes, approval is hereby given for the grant, issue and allotment of 1,000,000 options over ordinary shares in the Company to Non-executive Director, Mr Julian Bavin, or his nominee, to acquire 1,000,000 fully paid ordinary shares in the Company at an exercise price of \$0.10 each and expiring 13 November 2019, on the terms and conditions set out in the Explanatory Memorandum and Annexure A.”

Note: Quotation of the options on the ASX will not be sought.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 5 (Issue of Options to a Director) by Mr Bavin, or his nominee, and by an associate of Mr Bavin, or his nominee, excluded from voting as provided for in Australian Securities Exchange Listing Rule 14.11.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

Resolution 6: Approve Issue of Options to the Managing Director – Dr Jason Berton

“That, for the purposes of Listing Rule 10.11 of the Australian Securities Exchange Listing Rules and for all other purposes, approval is hereby given for the grant, issue and allotment of 3,000,000 options over ordinary shares in the Company to the Managing Director, Dr Jason Berton, or his nominee, to acquire 3,000,000 fully paid ordinary shares in the Company at an exercise price of \$0.10 each and expiring 13 November 2019, on the terms and conditions set out in the Explanatory Memorandum and Annexure A.”

Note: Quotation of the options on the ASX will not be sought.

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 6 (Issue of Options to a Director) by Dr Berton, or his nominee, and by an associate of Dr Berton, or his nominee, excluded from voting as provided for in Australian Securities Exchange Listing Rule 14.11.

However, the Company need not disregard a vote if:

- *It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

Resolution 7: Ratification of Share placement – Capital Raising

“That, for the purposes of Listing Rule 7.4 and for all other purposes, the Shareholders approve and ratify the prior allotment and issue of 11,132,271 Shares to selected sophisticated and professional investors on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 7 by any person who participated in the issue of the Shares, or any associate of such a person.

However, in accordance with the Listing Rules, the Company need not disregard a vote if:

- *it is cast by a person as a proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form; or*
- *if it is cast by the Chairman of the Meeting as proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form.*

Resolution 8: Approval to Issue, or Ratification of the Issue of Shares – Payment for Provision of Drilling Services

“That, for the purposes of Listing Rule 7.1 and Listing Rule 7.4 and for all other purposes, the Shareholders approve the allotment and issue of Shares to the value of A\$275,000 to or as directed by Capital Drilling Limited for the provision of drilling services, at a price per Share not less than the volume weighted average price for Shares trading on the ASX over 30 days prior to the issue of issue of the Shares (the Capital Shares), or in the event the Capital Shares have been issued prior to the date of the meeting, ratification of the allotment and issue of the Capital Shares on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 8 by any person who participated in the issue of the Capital Shares, or any associate of such a person.

However, in accordance with the Listing Rules, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form; or*
- if it is cast by the Chairman of the Meeting as proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form.*

Resolution 9: Approval to Issue, or Ratification of the Issue of Shares – Acquisition of SQM Buy-back Rights Over the Antucoya West Project

“That, for the purposes of Listing Rule 7.1 and Listing Rule 7.4 and for all other purposes, the Shareholders approve the allotment and issue of Shares equivalent to 4.9% of the Estrella shares on issue (after the share issue) to or as directed by Sociedad Quimica y Minera de Chile S.A. (SQM) in consideration of the cancellation of SQM’s buy-back rights over the Antucoya West Project, Chile. (the SQM shares). The SQM shares will be issued at a price per Share equivalent to the volume weighted average price for Shares trading on the ASX over 90 days prior to the issue of the Shares, and in the event the SQM Shares have been issued prior to the date of the meeting, ratification of the allotment and issue of the SQM Shares on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 9 by any person who participated in the issue of the SQM Shares, or any associate of such a person.

However, in accordance with the Listing Rules, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form; or*
- if it is cast by the Chairman of the Meeting as proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form.*

SPECIAL RESOLUTION

To consider and, if thought fit, to pass the following Resolution 10 as a **special resolution**.

Resolution 10: Approval for Additional Placement Capacity

“That, pursuant to and in accordance with ASX Listing 7.1A, and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued ordinary capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 10 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company will not disregard a vote if:

- *it is cast by a person as a proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form; or*
- *if it is cast by the Chairman of the Meeting as proxy for a Shareholder who is entitled to vote, in accordance with the directions on the proxy form.*

ITEM 4: OTHER BUSINESS

To transact any other business brought forward in accordance with the Company's Constitution.

Further information in relation to these resolutions is set out in the Explanatory Memorandum below.

PROXIES

To be effective, the proxy form and the power of attorney or other authority (if any) under which each is signed (or a copy of that power or authority certified in a manner acceptable to the Directors of the Company) must be received at least 48 hours prior to the meeting (i.e. not later than 11.00 a.m. AEDT on Tuesday 11th November 2014), or to any adjourned meeting, at the Company's Share Registrars being:

Boardroom Pty Limited

Hand Delivery:

Level 7, 207 Kent Street
Sydney NSW 2000

By Mail:

GPO Box 3993
Sydney NSW 2001

By Facsimile:

(02) 9290 9655

A member entitled to attend and vote is entitled to appoint not more than two persons as his/her proxy to attend and vote instead of the member. A proxy need not be a member of the Company. If more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. Unless under Power of Attorney (which should have been noted by the Company) a proxy form by a corporation should be executed under its common seal or in accordance with the Corporations Act.

Dated at Sydney this 13th day of October, 2014

BY ORDER OF THE BOARD

Heath L Roberts

Company Secretary

EXPLANATORY MEMORANDUM

These explanatory notes set out information in connection with the business to be considered at the Estrella Resources Limited 2014 Annual General Meeting.

ORDINARY BUSINESS

The following items of ordinary business will be considered at the meeting.

ITEM 1: TO RECEIVE THE CONSOLIDATED FINANCIAL REPORT

This item of business relates to the receipt and adoption of the Company's Financial Report for the period ended 30 June 2014 and to the receipt of the Directors' and Auditor's Reports. These documents will be tabled by the Chairman of the meeting and do not require a formal resolution.

ITEM 2: Resolution 1: Adoption of Remuneration Report

The Corporations Act ("**the Act**") requires that a resolution be put to the members to adopt the Remuneration Report as disclosed in the Director's Report. The vote on this resolution is advisory only and non-binding. The resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the meeting.

The Remuneration Report is set out on pages 39 to 47 of the Company's Annual Report for the year ending 30 June 2014 which was lodged with the ASX on 30 September 2014. The Remuneration Report sets out the Company's remuneration policy and reports on the remuneration arrangements in place for the Directors and key executives of the Company.

Section 250R (2) of the Act stipulates that the Company must propose a resolution to the Shareholders that the Remuneration Report be adopted. The outcome of the resolution is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the meeting at which the Directors review the Company's remuneration policies.

At the Meeting, the Chairman must allow a reasonable opportunity for the Shareholders at the Meeting, as a whole, to ask questions about or make comments on the management of the Company or the Remuneration Report.

Under recent amendments to the Act:

- the Company is required to disregard any votes cast on this Resolution by any member of the “Key Management Personnel” (“**KMP**”) of the Company and their closely related parties, except as directed by any proxies; and
- a ‘two-strike’ process in relation to the advisory and non-binding vote on the remuneration report has been introduced. Under the two-strike process if, at two consecutive AGMs, at least 25% of votes cast on a resolution that the remuneration report be adopted are against the adoption of the report, at the second of these AGMs, there must be put to the vote a resolution that another meeting be held within 90 days at which all Directors (except the Managing Director) who were Directors when the 25% ‘no’ vote was passed must stand for re-election.

KMP are those having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, and include Directors. “Closely related parties” include certain family members and dependents of KMP and companies they control.

2013 AGM result

At the 2013 AGM, the Company did not receive a ‘strike’ in respect of the Remuneration Report. No votes cast on the resolution considering the Remuneration Report were cast against the adoption of the report. It follows that, if the Company receives a ‘strike’ at the Meeting, this would be the ‘first strike’ for the purposes of section 250U of the Act.

Chairman as proxy

It is very important that the Shareholders appointing the Chairman as their proxy clearly indicate on the attached proxy form the way the Chairman must vote their proxy on Resolution 1. Otherwise, if the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 1 and the Shareholder does not indicate on their proxy form the way the Chairman must vote, the Chairman will vote that proxy in favour of Resolution 1. Please see the proxy form attached to the Notice for further information.

Recommendation

Noting that each Director of the Company has a personal interest in their own remuneration the subject of this Resolution, the Board does not consider it appropriate to make a recommendation to Shareholders in relation to voting on this Resolution.

Resolution 2: Re-election of a Director – Mr Julian Bavin

Julian Bavin was appointed as a Director of the Company with effect from 6 March 2012 and was re-elected at the Company's 2013 AGM. However, as Mr Robert Thomson will be standing for re-election pursuant to Resolution 3 below, having been appointed since the last AGM, one director must still stand for re-election, and Mr Bavin, being eligible, offers himself for re-election.

Julian Bavin is an independent director of Estrella who was educated at the University of Leicester, the Royal School of Mines and London Business School. He has 30 years of technical, operational and commercial experience in mineral exploration gained from work in a wide range of commodities, jurisdictions and cultures most of which was spent with the Rio Tinto Group in South America, Australia, Indonesia and Europe. From 2001 to 2009 he was responsible for the Rio Tinto exploration in South America and the teams which identified the potential in a range of projects now in various stages of feasibility including the PRC potash and Altar copper/gold projects in Argentina, the Mina Justa, Constanca and La Granja copper projects in Peru, and the Amargosa bauxite project in Brazil. Mr Bavin is also a Director and CEO of Pan Global Resources and a non-executive Director of Exeter Resource Corporation and Prism Resources. Mr Bavin holds a Bachelor of Science and a Masters of Science and is a Fellow of the SEG.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of Mr Bavin's re-election as a Director of the Company.

Resolution 3: Re-election of a Director – Mr Robert Thomson

Robert Thomson was appointed as a Director of the Company with effect from 13 March 2014, to fill a casual vacancy on the Board and is the Non Executive Chairman of the Company. Pursuant to clause 15.1 (c) of the Company's Constitution Mr Thomson must not hold office (without re-election) past the next Annual General Meeting, being the first since his appointment. Accordingly, Mr Thomson, being eligible, offers himself for re-election.

Mr Thomson is a Sydney based mining engineer with extensive hands on mining experience, as well as significant corporate and board experience. During his career, Mr. Thomson has taken various projects from early stage exploration, through project feasibility and ultimately to successful operations.

Mr Thomson's career in the resource sector spans over three decades, having previously worked in senior project and executive roles with Climax Mining, Oxiana, Finders Resources and Kingsgate. Robert has a B.E (Mining) from the University of Queensland, MBA from the University of Wollongong and is a Fellow of the AusIMM and Member of the AICD. Mr Thomson has played a key role in:

- Development of the Wetar copper project in Indonesia including the successful completion of the BFS.
- Revitalisation and development of the Didipio copper/gold porphyry in the Philippines followed by a \$A300 million merger into Oceania Gold.
- Development of the Sepon Gold Project in Laos.
- Completion of the Chatree Gold Project BFS, construction and operations start-up in Thailand.
- Development of an SX-EW mine development in NSW, which during operations produced the lowest cost copper in Australia.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of Mr Thomson's re-election as a Director of the Company.

SPECIAL BUSINESS

The following items of special business will be considered at the meeting.

ITEM 3: Resolutions 4 to 6: Issue of Options to Directors

Resolutions 4 to 6 inclusive are to consider the issue of options to the Company's Directors involved in the operation and management of the business. Pursuant to and in accordance with ASX Listing Rule 10.13 the following information is provided in relation to Resolutions 4 to 6:

- The maximum number of options to be issued is 5,500,000;
- The exercise price per option is A\$0.10 being a 100% increase above the current market price per Estrella Share of A\$0.05 as at the date hereof;
- The options will be issued and allotted within one month of shareholder approval being on or before 13 December 2014; and
- No funds will be raised from the issue of the options, however upon exercise of the options the funds raised will be used for exploration and working capital purposes.

As provided in Exception 14 to Listing Rule 7.2, if shareholder approval is given under Listing Rule 10.11 approval is not required under Listing Rule 7.1. The options are subject to the terms contained within Annexure A.

Resolution 7

Ratification of Share placement – Capital Raising

Background

On 30 April this year, the Company completed a placement to selected sophisticated and professional investors (as defined in section 708 of the Corporations Act) to raise A\$1,225,000 through the issue of 11,132,271 Shares. The sophisticated and professional investors who have been issued Shares as part of this Placement are not related parties of the Company.

The prior approval of Shareholders was not required in respect of the Placement as it did not exceed the 15% Restriction imposed upon listed companies by Listing Rule 7.1.

Listing Rule 7.4 provides that if the Placement is ratified by Shareholders, the Company will again have the flexibility to issue further securities without Shareholder approval within the 15% Restriction over the next 12 month period.

The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity so that the Company retains financial flexibility and can take advantage of opportunities that may arise.

Information for Shareholders in accordance with Listing Rule 7.4

The following information is provided in relation to Resolution 7 in accordance with Listing Rule 7.5:

Number of securities allotted: The Placement consisted of the issue and allotment of 11,132,271 Shares.

Issue price: Each Share was issued at a price of A\$0.11.

Term of the securities: The Shares issued under the Placement rank equally with the existing Shares on issue.

Allottees: The Shares were issued to selected sophisticated and professional investors, as defined in section 708 of the Act, who are not related parties of the Company.

Intended use of funds: The Company intends to and has used the funds raised primarily for the exploration of various prospects within Project Altair and also for general working capital purposes.

Recommendation

The Board unanimously recommends that the Shareholders approve Resolution 7 as each Director intends to do with regard to their own shareholdings in the Company.

Resolution 8 Approval to Issue, or Ratification of the Issue of Shares – Payment for Provision of Drilling Services

Background

The Company anticipates entering into a drilling contract with Capital Drilling Limited (Capital) for the provision by Capital of drilling services at the Colupo Project in Chile. The drilling programme is anticipated to commence around 1 November 2014, be completed around 30 November 2014, and will comprise approximately 1,500m of reverse circulation drilling.

In order to preserve the Company's cash, Estrella proposed and Capital agreed to accept remuneration for its services through the issue of Estrella shares (the Capital Shares). The drilling programme, which has a fixed price quote of up to but not exceeding \$275,000, will be satisfied by the issue of Estrella shares after the date of issue of this Notice of Meeting, however it is not certain whether the share issue will occur prior to the Estrella 2014 AGM to be held on 13 November 2014. In any case, however, the Estrella shares to be issued to or as directed by Capital will be issued at a price not less than the daily volume weighted average price of Estrella Shares trading on the ASX over the 30 days prior to the date of issue. The Shares will not be issued to any related party of the Company.

Approval of Shareholders is not required in respect of the share issue as it does not exceed the 15% restriction imposed upon ASX listed companies by Listing Rule 7.1. Listing Rule 7.4 provides that if the share issue is ratified by Shareholders, the Company will again have the flexibility to issue further securities without Shareholder approval within the 15% Restriction limit over the next 12 month period.

The effect of Resolution 8 is therefore to:

- Allow Estrella to issue the Capital Shares during the three month period after the meeting, without using the Company's 15% annual placement capacity, pursuant to ASX Listing Rule 7.1; or
- Should the Capital Shares have been issued pursuant to ASX Listing Rule 7.1 prior to the meeting, refresh the Company's ability, to the extent of the Capital Shares, to issue further shares during the next twelve months pursuant to ASX Listing Rule 7.1, without the need to obtain further shareholder approval (subject to the ASX Listing Rules and the Corporations Act).

If Resolution 8 is not passed, the Capital Shares will be counted towards the 15% limit pursuant to Listing Rule 7.1 for a period of twelve months from the date of issue.

The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity so that the Company retains financial flexibility and can take advantage of opportunities that may arise.

Information for Shareholders in accordance with Listing Rules 7.1 and 7.4

The following information is provided in relation to Resolution 8 in accordance with Listing Rules 7.1 and 7.5:

Number of securities to be allotted and issued: The share issue consists of the allotment and issue of up to \$275,000 in value of Estrella shares at a price not less than the daily volume weighted average price of Estrella Shares trading on the ASX over the 30 days prior to the date of issue.

Issue price: The issue price for the Estrella shares shall be not less than the volume weighted average price of Estrella shares trading on the ASX over the 30 days prior to the date of issue of the shares.

Term of the securities: The shares rank equally with the existing shares on issue.

Allottees: The shares will be issued to or as directed by Capital, and in no case a related party of the Company.

Intended use of funds: The share issue will not directly raise funds, however is in effect the consideration for the provision of drilling services as outlined above.

Recommendation

The Board unanimously recommends that the Shareholders approve Resolution 8 as each Director intends to do with regard to their own shareholdings in the Company.

Resolution 9 Approval to Issue, or Ratification of the Issue of Shares – Acquisition of SQM Buy-back Rights Over the Antucoya West Project

Background

The Company's wholly owned subsidiary Estrella Resources (Chile) SpA. and Sociedad Quimica y Minera de Chile S.A. (SQM) are parties to an option agreement whereby Estrella may, on meeting certain payment obligations and performing minimum work commitments, acquire 100% interest in the metals (a term defined in the relevant option agreement) contained in certain SQM exploration tenements located in northern Chile (the Initial Option Agreement). Estrella has disclosed extensively in previous ASX releases regarding the Initial Option Agreement and the results of exploration carried out by it on the relevant exploration tenements.

A term of the Initial Option Agreement allows SQM to effectively 'claw-back' 49% interest in any metals discovered in the relevant exploration tenements by refunding to Estrella certain costs incurred by it in exploration on those tenements.

SQM's ability to 'claw-back' a significant proportion of the interest in any metals discovered in the relevant exploration licences is not considered conducive to Estrella's best advancement of the projects moving forward and Estrella has successfully negotiated to cancel the SQM 'claw-back' entitlement, as it applies to certain of the relevant tenements, by the issue to SQM of Estrella shares subject of this resolution 9.

Estrella and SQM are in the process of finalising a Memorandum of Understanding, that will then be converted to a binding option agreement, which will have the effect that for a certain number of the tenements subject of the Initial Option Agreement comprising the Antucoya West Project, the 'claw-back' right will be cancelled in consideration for the issue of Estrella shares equivalent to 4.9% of the Estrella shares on issue (after the share issue) to or as directed by SQM (the SQM shares). It is anticipated that a separate ASX release regarding this transaction will be made on or about the date of release of this notice of annual general meeting.

This transaction will have the effect of cancelling SQM's 'claw-back' right over the Antucoya West Project tenements for nil cash consideration to Estrella, however it is not certain whether issue of the SQM Shares will occur prior to the Estrella 2014 AGM to be held on 13 November 2014, or afterwards. In any case, the SQM shares will be issued at a price equivalent to the daily volume weighted average price of Estrella Shares trading on the ASX over the 90 days prior to the date of issue of the SQM Shares. The Shares will not be issued to any related party of the Company.

Approval of Shareholders is not required in respect of the share issue as it does not exceed the 15% restriction imposed upon ASX listed companies by Listing Rule 7.1. Listing Rule 7.4 provides that if the share issue is ratified by Shareholders, the Company will again have the flexibility to issue further securities without Shareholder approval within the 15% Restriction limit over the next 12 month period.

The effect of Resolution 9 is therefore to:

- Allow Estrella to issue the SQM Shares during the three month period after the meeting, without using the Company's 15% annual placement capacity, pursuant to ASX Listing Rule 7.1; or
- Should the SQM Shares have been issued pursuant to ASX Listing Rule 7.1 prior to the meeting, refresh the Company's ability, to the extent of the SQM Shares, to issue further shares during the next twelve months pursuant to ASX Listing Rule 7.1, without the need to obtain further shareholder approval (subject to the ASX Listing Rules and the Corporations Act).

If Resolution 9 is not passed, the SQM Shares will be counted towards the 15% limit pursuant to Listing Rule 7.1 for a period of twelve months from the date of issue.

The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity so that the Company retains financial flexibility and can take advantage of opportunities that may arise.

Information for Shareholders in accordance with Listing Rules 7.1 and 7.4

The following information is provided in relation to Resolution 8 in accordance with Listing Rules 7.1 and 7.5:

Number of securities to be allotted and issued: The share issue consists of the allotment and issue of Estrella shares equivalent to 4.9% of the Estrella shares on issue (after the issue of those shares) to or as directed by Sociedad Quimica y Minera de Chile S.A. (SQM) at a price equal to the volume weighted average price of Estrella Shares trading on the ASX over the 90 days prior to the date of issue.

Issue price: The issue price for the Estrella shares shall be the volume weighted average price of Estrella shares trading on the ASX over the 90 days prior to the date of issue of the shares.

Term of the securities: The shares rank equally with the existing shares on issue.

Allottees: The shares will be issued to or as directed by Sociedad Quimica y Minera de Chile S.A. (SQM), and in no case a related party of the Company.

Intended use of funds: The share issue will not directly raise funds, however is in effect the consideration for the cancellation of the 'claw-back' rights as outlined above.

Escrow: The Estrella shares will be subject to a voluntary escrow for a period of three (3) months from the date of issue.

Recommendation

The Board unanimously recommends that the Shareholders approve Resolution 8 as each Director intends to do with regard to their own shareholdings in the Company.

Resolution 10: Approval for Additional Placement Capacity

General

Listing Rule 7.1A enables eligible entities to issue 'Equity Securities' up to 10% of their issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity. The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer below).

The Company may use the 10% Placement Facility to acquire new resource assets or investments, for further exploration work on its current tenements and/or for working capital.

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of the Notice, has only one class of quoted Equity Securities, being Ordinary Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of issue or agreement. Pursuant to Listing Rule 7.1B.4 this number is 96,601,000:

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2 being 545,457 under exception 15;

- (B) plus the number of partly paid shares that became fully paid in the 12 months, being nil;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

*[Note that **A** has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.]*

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue (or since the date of quotation if less than 12 months) that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

As at the date of this Notice, the Company has on issue 108,278,728 Shares and therefore has a capacity to issue:

- (i) 16,241,809 Equity Securities (assuming ratification of the placement is obtained under resolution 7 under Listing Rule 7.4; and
- (ii) subject to Shareholder approval being sought under Resolution 9, a further 10,827,872 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the Volume Weighted Average Price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

Listing Rule 7.1A

The effect of Resolution 7 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) If Resolution 10 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are exercised). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset or for services delivered to the Company,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution	Dilution	Dilution
		\$0.025 50% decrease in Issue Price	\$0.05 Issue Price	\$0.10 100% increase in Issue Price
Current Variable 'A' 108,278,728 Shares	10% voting dilution	10,827,872 Shares	10,827,872 Shares	10,827,872 Shares
	Funds raised	\$270,697	\$541,394	\$1,082,787
50% increase in current Variable 'A' 162,418,092	10% voting dilution	16,241,809 Shares	16,241,809 Shares	16,241,809 Shares
	Funds raised	\$406,045	\$812,090	\$1,624,181
100% increase in current Variable 'A' 216,557,456	10% voting dilution	21,655,745 Shares	21,655,745 Shares	21,655,745 Shares
	Funds raised	\$541,393	\$1,082,786	\$2,165,572

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities;
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) The issue price is \$0.05.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 10 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- a. the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- b. the effect of the issue of the Equity Securities on the control of the Company;
- c. the financial situation and solvency of the Company; and

- d. advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2013 AGM. In the past 12 months the Company has not issued any shares pursuant to that approval however, pursuant to Listing Rule 7.1 it has issued 11,132,271 Shares on 30 April 2014. The only other securities issued outside of Listing Rules 7.1A and 7.1 by the Company in the past 12 months were 545,457 Shares issued pursuant to exception 15 of Listing Rule 7.2 (Share Purchase Plan) which were announced to the ASX on 26 May 2014 and 1,250,000 unlisted options issued pursuant to exception 9 of Listing Rule 7.2 (ESOP) which were announced to the ASX on 26 March 2014.

Date of issue:	(i) 26 March 2014 (ii) 30 April 2014 (iii) 26 May 2014
Number issued:	(i) 1,250,000 (ii) 11,132,271 (iii) 545,457
Class/Type of equity security:	(i) Unlisted options (ii) Fully paid ordinary shares (iii) Fully paid ordinary shares
Summary of terms:	(i) As per the Appendix 3B lodged 26 March 2014 (ii) As per the Appendix 3B lodged 30 April 2014 (iii) As per the Appendix 3B lodged 26 May 2014
Names of persons who received securities or basis on which those persons was determined:	(i) Various employees (ii) New and institutional investors (iii) Existing shareholders under the Share Purchase Plan
Price:	(i) Nil acquisition price but exercise price of \$0.35 each (ii) \$0.11 per share (iii) \$0.11 per share
Discount to market price (if any):	(i) Not applicable (ii) \$0.015 discount to trading price prior to announcement (iii) \$0.015 discount to trading price prior to announcement

<i>For cash issues</i>	
Total cash consideration received:	(i) Not applicable (ii) \$1,225,000 (iii) \$60,000
Amount of cash consideration spent:	(i) Not applicable (ii) ongoing (iii) ongoing
Use of cash consideration:	(i) Not applicable (ii) Exploration at various prospects within Project Altair and general working capital (iii) Exploration at various prospects within Project Altair and general working capital
Intended use for remaining amount of cash (if any):	(i) Not applicable (ii) Exploration at various prospects within Project Altair and general working capital (iii) Exploration at various prospects within Project Altair and general working capital
<i>For non-cash issues</i>	
Non-cash consideration paid:	(i) Not applicable (ii) Not applicable (iii) Not applicable
Current value of that non-cash consideration:	(i) Refer 2014 statutory accounts (ii) Not applicable (iii) Not applicable

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Recommendation

The Directors of the Company believe that Resolution 9 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

ANNEXURE "A" - TERMS OF UNLISTED OPTIONS FOR RESOLUTIONS 4 TO 6 INCLUSIVE

Subject to the above, each Unlisted Options has the following terms and conditions:

- (a) Each Unlisted Option entitles the Unlisted Optionholder to acquire one (1) ordinary fully paid share in the Company (**Share**);
- (b) The Unlisted Options are exercisable at any time on or prior to 5.00 pm (AEST) on 13 November 2019 (time being of the essence) (**Unlisted Option Exercise Period**) by completing an Option Exercise Form and delivering it together with the payment for the number of Shares in respect of which the Unlisted Options are exercised to the registered office of the Company or to the share registry of the Company;
- (c) Each Unlisted Option exercise price is A\$0.10 and is subject to the re-organisation of the Company's capital as per clauses (h) and (i) below (**Option Exercise Price**);
- (d) Unlisted Options are freely transferable in whole or part at any time prior to the Unlisted Option Exercise Period;
- (e) Shares issued on the exercise of the Unlisted Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys;
- (f) Shares allotted pursuant to the exercise of an Unlisted Option will rank equally with the then issued ordinary shares of the Company in all respects and, if the Company has listed on the ASX, the Company undertakes to seek quotation on the ASX of the Shares;
- (g) Unlisted Optionholders shall be entitled to participate in all new issues of securities in the Company upon the prior exercise of Unlisted Options in which case the Unlisted Optionholders shall be afforded the period of at least fourteen (14) business days prior to and inclusive of the record date (to determine entitlements to the new issue) to exercise their Unlisted Options;
- (h) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Unlisted Optionholder will be changed/varied to the extent necessary to comply with the Corporations Act and/or the ASX Listing Rules (if applicable) applying to the reconstruction of capital at the time of the reconstruction;
- (i) Unlisted Optionholders shall be entitled to participate in all take-over offer(s) for the Company prior to the exercise of Unlisted Options in which case the Unlisted Optionholders shall be afforded the period of at least fourteen (14) business days prior to and inclusive of the record date (to determine entitlements to the take-over offer) to exercise their Unlisted Options;
- (j) If there is a bonus issue to Shareholders of the Company, the number of Shares over which the Unlisted Option is exercisable will be increased by the number of Shares which the

holder of the Unlisted Option would have received if the Unlisted Option had been exercised before the record date for the bonus issue;

- (k) The Company will issue written reminder notices to the Unlisted Optionholder at least fourteen (14) business days prior to the expiry of the Unlisted Option Exercise Period;
- (l) Unlisted Options not exercised before the expiry of the Unlisted Option Exercise Period will lapse;
- (m) The Unlisted Options will be recorded on the Company's register of Optionholders maintained at the Company's share registry. The register will be open for inspection by an Unlisted Optionholder free of charge. Shares to be allotted on exercise of Unlisted Options will be recorded on the Company's share register;
- (n) The Company will not make an application for Official Quotation of the Unlisted Options on ASX (if the IPO takes place prior to the exercise of the Unlisted Options);
- (o) The Unlisted Optionholder, if appearing on the Company's register of Optionholders at the relevant date, will be entitled to receive and will be sent all reports and accounts required to be laid before Shareholders of the Company in general meeting and all notices of general meetings and will have the right to attend but shall have no right to vote at such meetings; and
- (p) The Unlisted Optionholder has:
 - a. No right to any dividend prior to converting into ordinary Shares;
 - b. No right to vote until converted into ordinary Shares;
 - c. No right to participate in the surplus profits or assets of the Company upon a winding up; and

The right to attend any general meeting of the Company but, not to vote or to move or second any resolution or speak in any meeting except in a resolution which directly affects any of the rights, privileges or conditions attaching to the unlisted options or the exercise and enjoyment of such rights, privileges or conditions, in the event of which each Unlisted Option shall confer on its holder one vote on a show of hands and one vote on a poll.

[End of Notice]



All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am AEDT on Tuesday, 11th of November, 2014.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am AEDT on Tuesday, 11th of November, 2014.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Level 7, 207 Kent Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Estrella Resources Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the offices of **Estrella Resources Limited, Level 57, MLC Centre, 19 - 29 Martin Place, Sydney NSW 2000 on Thursday, 13th of November, 2014 at 11:00am AEDT** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1 & 4, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this resolution even though Resolution 1 & 4 is connected with the remuneration of a member of the key management personnel for Estrella Resources Limited.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1 & 4). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Ordinary Business				
Resolution 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	To re-elect Mr Julian Bavin as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	To re-elect Mr Robert Thomson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Business				
Resolution 4	Approve Issue of 1,500,000 Options to the Non-Executive Chairman Mr Robert Thomson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approve Issue of 1,000,000 Options to a Non-Executive Director Mr Julian Bavin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approve Issue of 3,000,000 Options to the Managing Director Dr Jason Berton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Share Placement – Capital Raising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approve to Issue, or Ratification of the Issue of Shares – Payment for Provision of Drilling Services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approve to Issue, or Ratification of the Issue of Shares – Acquisition of SQM Buy-back Rights Over the Antucoya West Project	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Approval for Additional Placement Capacity (Special Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SHAREHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2014