



**ACN 151 155 207**

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**NOTICE OF GENERAL MEETING**

**EXPLANATORY MEMORANDUM**

**PROXY FORM**

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**Date of Meeting**

**Friday 20<sup>th</sup> March, 2015**

**Time of Meeting**

**11.00 a.m. (AEDT)**

**Place of Meeting**

**Estrella Resources Limited  
Level 11, 22 Market Street  
SYDNEY NSW 2000**

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting of the members of Estrella Resources Limited (“the Company”) will be held at the offices of Estrella Resources Limited at Level 11, 22 Market St Sydney on Friday 20<sup>th</sup> March, 2015 commencing at 11.00 a.m. (AEDT).

### **BUSINESS:**

#### **Resolution 1: 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 5,807,141 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 1 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 2: Ratification of Option 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 3,871,427 Options to acquire ordinary 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 2 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 3: Approval of Issue of Shares to a Director – Mr Rob Thompson**

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is hereby given for Mr Rob Thompson to receive, for nil cash consideration and in lieu of Directors fees for the half year ended 30 June 2015, 1,066,667 share rights, each right converting to a fully paid ordinary share on 1 July 2015 at \$0.0375 per share right on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”*

**Voting Exclusion Statement:**

*In accordance with Listing Rule 10.11, the Company will disregard any votes cast on Resolution 3 by Mr Thompson, or any of his associates.*

*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 4: Approval of Issue of Shares to a Director – Mr Julian Bavin**

*“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is hereby given for Mr Julian Bavin to receive, for nil cash consideration and in lieu of Directors fees for the half year ended 30 June 2015, 800,000 share rights, each right converting to a fully paid ordinary share on 1 July 2015 at \$0.0375 per share right on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”*

**Voting Exclusion Statement:**

*In accordance with Listing Rule 10.11, the Company will disregard any votes cast on Resolution 3 by Mr Bavin, or any of his associates.*

*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.*

*Further information regarding Resolutions 1 to 4 is set out in the Explanatory Memorandum accompanying this Notice of Meeting.”*

## **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 Wednesday 18<sup>th</sup> March 2015), 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 16th day of February, 2015

### **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 March 2015 General Meeting.

### **Resolutions 1 and 2**

#### **Ratification of Share placement – Capital Raising Ratification of Option placement – Capital Raising**

### **Background**

On 30 December 2014, the Company completed a placement to selected sophisticated and professional investors (as defined in section 708 of the Corporations Act) to raise approximately \$203,000 through the issue of 5,807,141 Shares at an issue price of \$0.035 per Share. For each three Shares issued, two \$0.05 exercise price Options, expiring 31 December 2015, were also issued.

| Security    | Number issued | Issue Price | Exercise Price | Expiry Date |
|-------------|---------------|-------------|----------------|-------------|
| The Shares  | 5,807,141     | \$0.035     | N/A            | N/A         |
| The Options | 3,871,427     | Nil         | \$0.05         | 31/12/2015  |

The sophisticated and professional investors who have been issued Shares and Options 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 of Shares and Options as it did not exceed the 15% restriction imposed upon listed companies by Listing Rule 7.1 and/or the 10% restriction imposed upon listed companies by Listing Rule 7.1A

Listing Rule 7.4 provides that if the Placement of Shares and Options is ratified by Shareholders, the Company will again have the flexibility to issue further securities without Shareholder approval within the 15% restriction imposed upon listed companies by Listing Rule 7.1 and/or the 10% restriction imposed upon listed companies by Listing Rule 7.1A, as the case requires.

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 5,807,141 Shares and 3,871,427 Options.

**Issue price:** Each Share was issued at a price of A\$0.035. Each Option was issued for no consideration, however has an exercise price of \$0.05 per Option and expires on 31 December 2015 if not otherwise exercised prior to that date.

**Term of the securities:** The Shares issued under the Placement rank equally with the existing Shares on issue. The Options carry no entitlement to vote at general meetings of the Company and are not quoted on the ASX.

**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 Resolutions 1 and 2 as each Director intends to do with regard to their own shareholdings in the Company.*

## **Resolutions 3 and 4**

### **Issue of Shares to Directors**

#### **Background**

Resolutions 3 and 4 are to consider the issue of Estrella share rights to two Non- Executive Directors as payment for Directors Fees for the period 1 January 2015 to 30 June 2015. The Directors are Mr Robert Thompson (Non Executive Chairman) and Mr Julian Bavin (Non Executive Director).

The rationale behind the proposal is quite simply to preserve the Company's operating cash at bank.

If approved, Messrs Thompson and Bavin will receive share rights equivalent to \$40,000 and \$30,000 respectively, which is the cash Director Fees that would otherwise be payable to each of them for the half year to 30 June 2015. The share rights will be issued at a price of \$0.0375 per share right (therefore, Messrs Thomson and Bavin will receive 1,066,667 and 800,000 share rights respectively). Conversion of the share rights to fully paid ordinary shares will take place on 1 July 2015. In the event that either Director resigns prior to 30 June 2015, share rights will convert to fully paid ordinary shares proportionate to the amount of time served as a Director over the period concerned.

If approved, the share rights will be issued to Messrs Thompson and Bavin within one (1) month of the date of this meeting. No funds will be received from the issue of these shares.

**Recommendation**

*The Board does not make any voting recommendation with regard to Resolutions 3 and 4.*