

22 May 2015

Dear Shareholder,

Non-Renounceable Rights Issue

On 14 May 2015 Estrella Resources Limited (ACN 151 155 207) (**ESR** or **Company**) announced a partially underwritten rights issue to raise up to approximately \$411,874 (**Offer**).

Funds raised will be used for exploration on the Company's Chilean projects, working capital and paying costs of the Offer.

The Offer will be made on the basis of 3 new shares for every 5 existing shares held on the Record Date (see attached timetable) by eligible shareholders (being shareholders with a registered address in Australia or New Zealand) at an issue price of \$0.005 per new share. Eligible shareholders may also apply for new shares in addition to their entitlement.

New shares to be issued under the Offer will rank equally with existing shares. The Company has applied to ASX for the new shares to be listed. Fractional entitlements will be rounded up to the nearest whole number.

A prospectus for the Offer has been lodged with ASIC on 20 May 2015 which will be available on both the ASX's website and the Company's website. The Company will mail the prospectus and accompanying personalised entitlement and acceptance form (**Entitlement and Acceptance Form**) to eligible shareholders following the Record Date.

Shareholders should consider the prospectus in deciding whether to acquire new shares under the Offer and will need to complete the Entitlement and Acceptance Form to take up their entitlement.

Patersons Securities Limited (**Underwriter**) has agreed to underwrite the Offer for 36,285,714 new shares, or \$181,428. Black Swan Global Pty Limited has agreed to sub-underwriter the Offer for \$110,000. The Underwriter will be paid an underwriting fee of 5% of the underwritten amount and \$7,000 management fee for the Offer. Consultants and advisors to the issue will, subject to Shareholder approval, be issued 13,000,000 options with exercise price of 1.1 cents and an expiry date of 31 May 2018.

Assuming the Offer is fully subscribed, the capital structure of the Company following the Offer is as follows:

Shares	Number
Existing shares	137,291,527
New shares offered under the Prospectus	82,374,916
Total shares following the Offer	219,666,443

Options	Number
Existing options (various classes)	17,151,427
Director Options, exercisable for 1.1 cents and expiring 31 May 2018 (to be issued subject to Shareholder approval)	7,000,000
Consultant/Advisor Options, exercisable for 1.1 cents and expiring 31 May 2018 (to be issued subject to Shareholder approval)	13,000,000
Total options following the Offer	37,151,427

The indicative timetable for the Offer is as below:

Event	Date
Lodgement of the Prospectus with ASIC	20 May 2015
Prospectus announced to ASX	21 May 2015
Ex-date	25 May 2015
Record date to determine Entitlement (Record Date)	27 May 2015
Prospectus with Entitlement and Acceptance Form dispatched	29 May 2015
Offer opens for receipt of Applications	29 May 2015
Closing date for acceptances (Closing Date)	10 June 2015
Deferred settlement trading	11 June 2015
Notify ASX of Shortfall	15 June 2015
Issue of New Shares	17 June 2015
Dispatch of shareholding statements	17 June 2015
Normal trading of New Shares expected to commence	18 June 2015

The Directors may extend the Closing Date by giving at least 3 business days' notice to ASX prior to the closing date, subject to such date being no later than 3 months after the date of the prospectus. As such the date the new shares are expected to commence trading on ASX may vary.

Yours Sincerely



Heath Roberts
Company Secretary

About Estrella Resources

Estrella Resources Limited is an ASX listed, Chilean focused copper-gold exploration company. Estrella has a number of exploration prospects in Chile. With a highly experienced board, a strong operational and management team and a sole focus on Chilean copper and gold projects, the Company is well positioned to develop its projects and add value for shareholders.

Directors and Management

Managing Director -
Dr Jason Berton

Independent Non-Executive
Director:
-Julian Bavin

Non-Executive Director - Mr Guy
Robertson

Company Secretary
-Heath Roberts

ESTRELLA RESOURCES LIMITED
ACN 151 155 207

ASX CODE: ESR