QUARTERLY ACTIVITIES REPORT

Quarter ending 31 March 2015

ASX RELEASE 24 April 2015

HIGHLIGHTS

- **Strategic review of project areas and prioritisation of targets underway.**
- **Estrella in discussions with several key parties for potential investment into Antucoya West Project.**
- **Tenement option fees paid up during the Quarter.**
- **$700,000 capital raising underway; placement for $125,000 completed, rights issue to raise approximately $576,000 underway.**

Estrella Resources Limited (ASX: ESR) **(Estrella** or **Company)** is pleased to provide its Exploration Activities and Cashflow Report for the quarter ending 31 March 2015.

1. INTRODUCTION

Estrella's exploration activity for the Quarter was focussed on consolidating the most prospective exploration ground and promoting the projects to third party investors (see **Figure 1** and **Figure 2**)

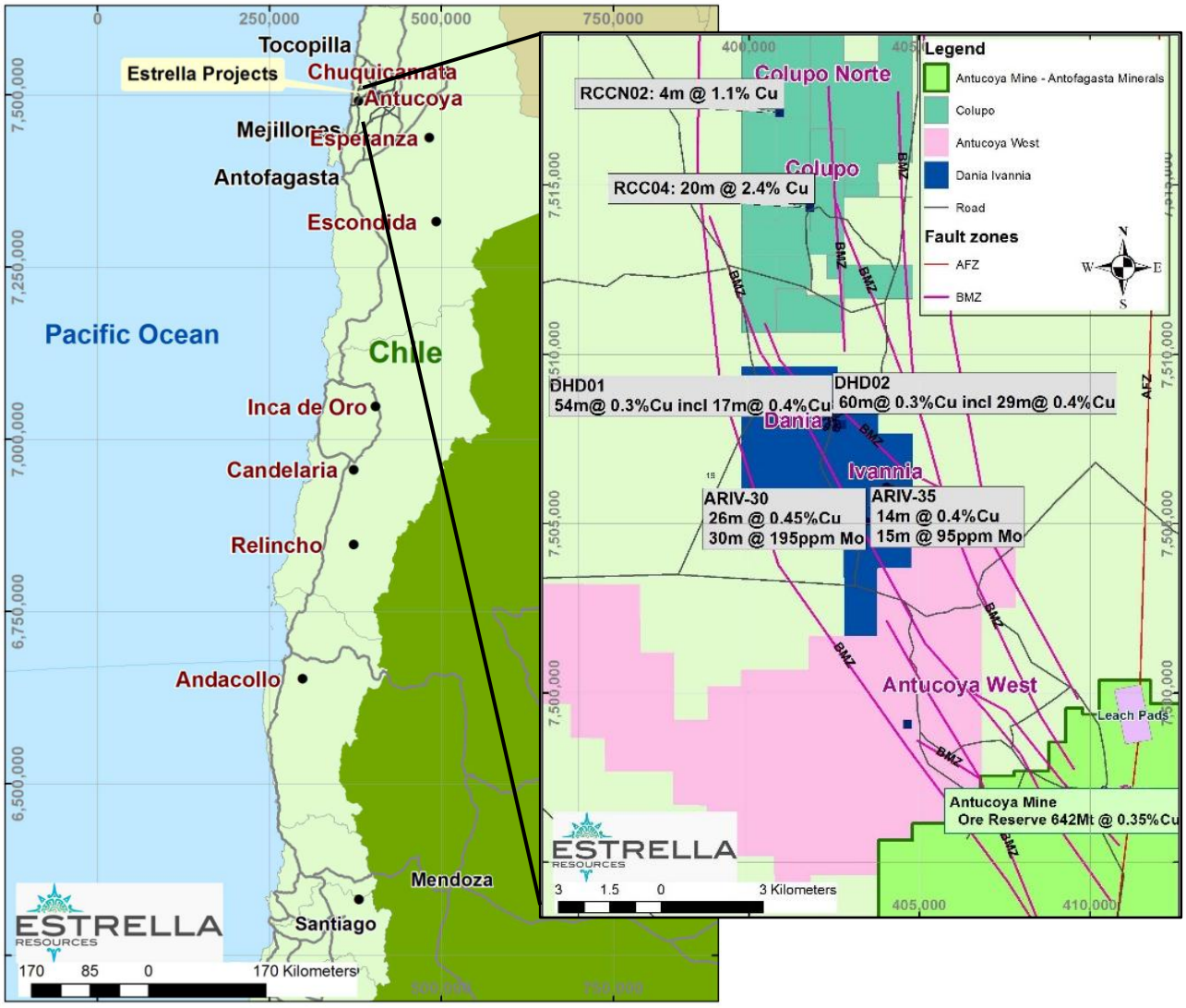

Figure 1: Estrella's Altair Project is ideally located close to ports, power, major mining infrastructure and mining projects in Region II northern Chile (Map Datum WGS84).

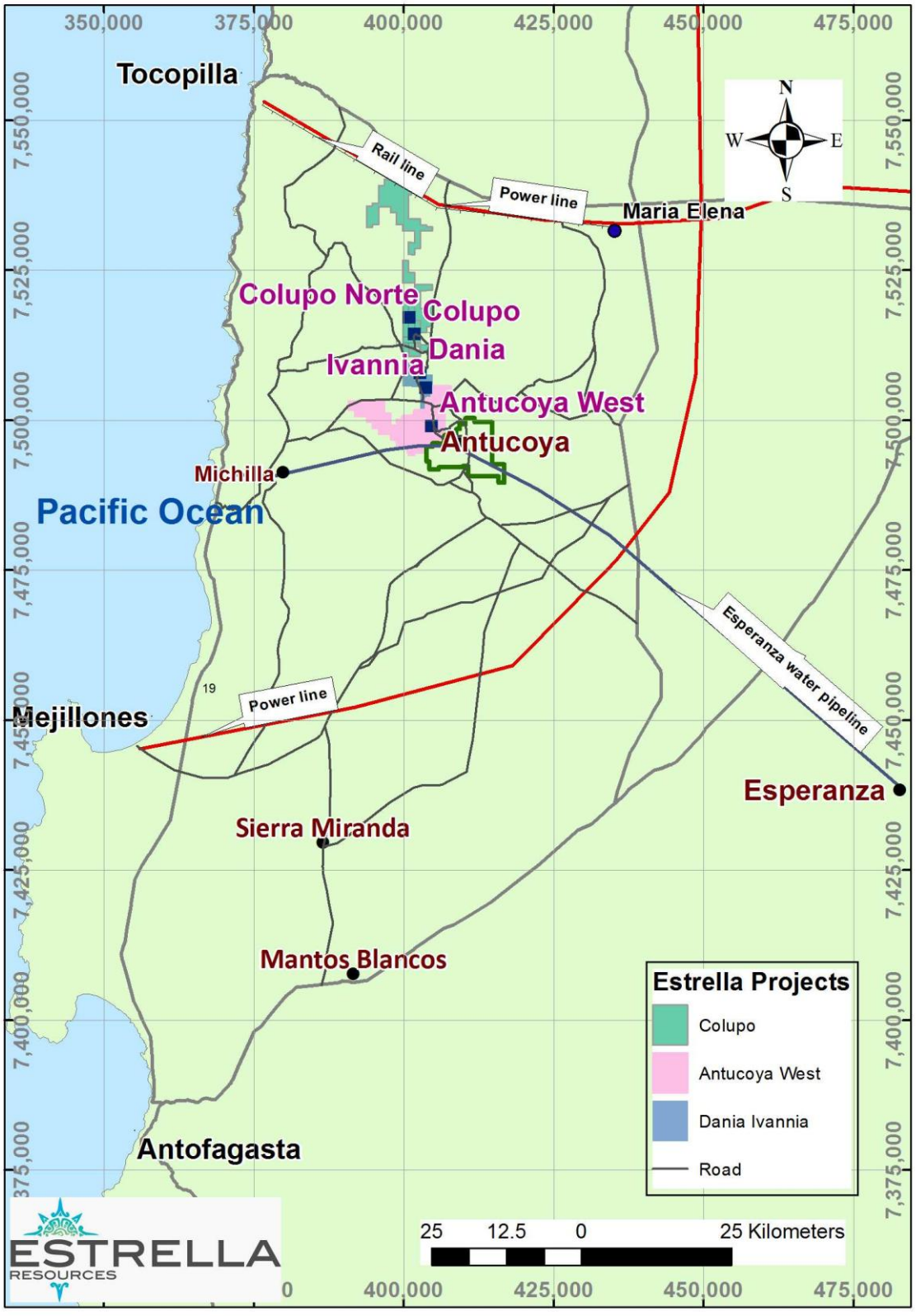

Figure 2: Estrella's tenement holdings in Chile- Antucoya West, Colupo, Dania and Ivannia projects (Altair project) (Map Datum WGS84).

Table 1: Mines and project developments nearby to Project Altair (None owned by Estrella)

Nearby Deposits * (All not owned by Estrella)	Ore Reserve	Mineral Resource	Mineralisation style	Proximity to Altair
Michilla	N/A	Measured: 26.7Mt @ 1.61% Indicated: 24.7Mt @ 1.45% Inferred: 15.8Mt @ 1.67%	Manto & Breccias	17 km west of Saturno
Antucoya	Proven: 215Mt @ 0.38% Probable: 427Mt @ 0.34%	Measured:278 Mt @ 0.34% Indicated:737 Mt @ 0.30% Inferred:91 Mt @ 0.28%	Porphyry	Surrounded by Altair; borders Antucoya West Project
Mantos Blancos	Proven: 26.3 Mt @ 0.83%, 8.3 Mt @ 0.54%, 2.1Mt @ 0.18% Probable: 19.7 Mt @ 0.80%, 16.3 Mt @ 0.33%, 49.6Mt @ 0.23%	Measured:47.8 Mt @ 0.75%, 14.1Mt @ 0.47% Indicated: 68.1 Mt @ 0.56%, 10.5 Mt @ 0.43%, 8.3 Mt @ 0.20% Inferred: 30.5 Mt @ 0.55%, 5.2Mt @ 0.49%	Rhyolite dome	40 km south of Altair

Disclaimer: This table and information contained therein relates to nearby deposits of Project Altair, none of which are owned by Estrella. The information is obtained from publicly available information. All deposits have been published in compliance with the 2004 JORC Code. Estrella makes no comparison between its projects and these named deposits other than to demonstrate their locality. There is no guarantee that Estrella's projects will realise similar results.

2. THE ALTAIR PROJECT

2.1. Antucoya West

Estrella's Antucoya West Project is now subject to a legally binding Option Agreement contract that removed the 49% clawback condition that was part of the Altair Project Option Agreement (see **ASX Announcement 14 October 2014**). Upon signing the new Antucoya West Option Agreement, Estrella has extracted 5,270 ha from the existing Altair Option Agreement area. The new Antucoya West Option Agreement is for 4 years and ensures Estrella the metallic rights to 100% of all discoveries within the Antucoya West Project. Estrella considers this a significant advancement in the 'commerciality' of the Antucoya West Project as it increases the range of investment opportunities for any potential Third Party investors. Since signing the Option Agreement Estrella has entered into Confidentiality Agreements with three interested parties and discussions are on-going with two other parties.

The Estrella's exploration has been focussed on the Buey Muerto Fault Zone (**BMZ**) as it hosts the Antucoya porphyry mine development (owned by Antofagasta Minerals PLC) and the Antucoya West, Ivannia, Dania, Colupo and Colupo Norte prospects.

2.2. Colupo and Colupo Norte

Colupo is 20 km north of Antucoya West (see Figure 3).

Estrella announced an Exploration Target for Colupo of 4.5 to 6.0 million tonnes with a grade range of 0.7 to 1.0% copper (see ASX release 26 November 2014).

The Exploration Target is based upon 19 drill holes from drilling campaigns by Estrella and SQM. Estrella drilled two campaigns at Colupo in the last 12 months, consisting of RC and Diamond core drilling. The best results are summarised below (refer ASX announcements of 11 November and 3 December 2013):

- **20m @ 2.4% Cu from 12 m (hole RCC04) including;**
  - ***6m @ 6.6% Cu, 0.5 g/t Au & 27.1 g/t Ag***
- **16m @ 1.5% Cu from 131m (hole RCC04) including;**
  - ***6m @ 1.6% Cu, 0.2 g/t Au & 7.5 g/t Ag***
  - ***6m @ 2.2%Cu, 0.2 g/t Au & 11.8 g/t Ag***
- **20m @0.9% Cu from 144m (hole RCC02) including;**
  - ***3m @ 3.4% Cu***
- **8 m @ 1.1% Cu from 126 m (hole RCC06) including:**
  - ***3 m @ 2.5% Cu, 0.15 g/t Au & 20.3 g/t Ag***
- **6 m @ 0.8% Cu from 102m (hole RCC06) including:**
  - ***3 m @ 1.2% Cu***
- **5 m @ 0.7% Cu from 55m (hole RCC07)**

All previously reported drilling results from Estrella's RC campaign are shown in Table 2 and results from the diamond drilling campaign in Table 3.

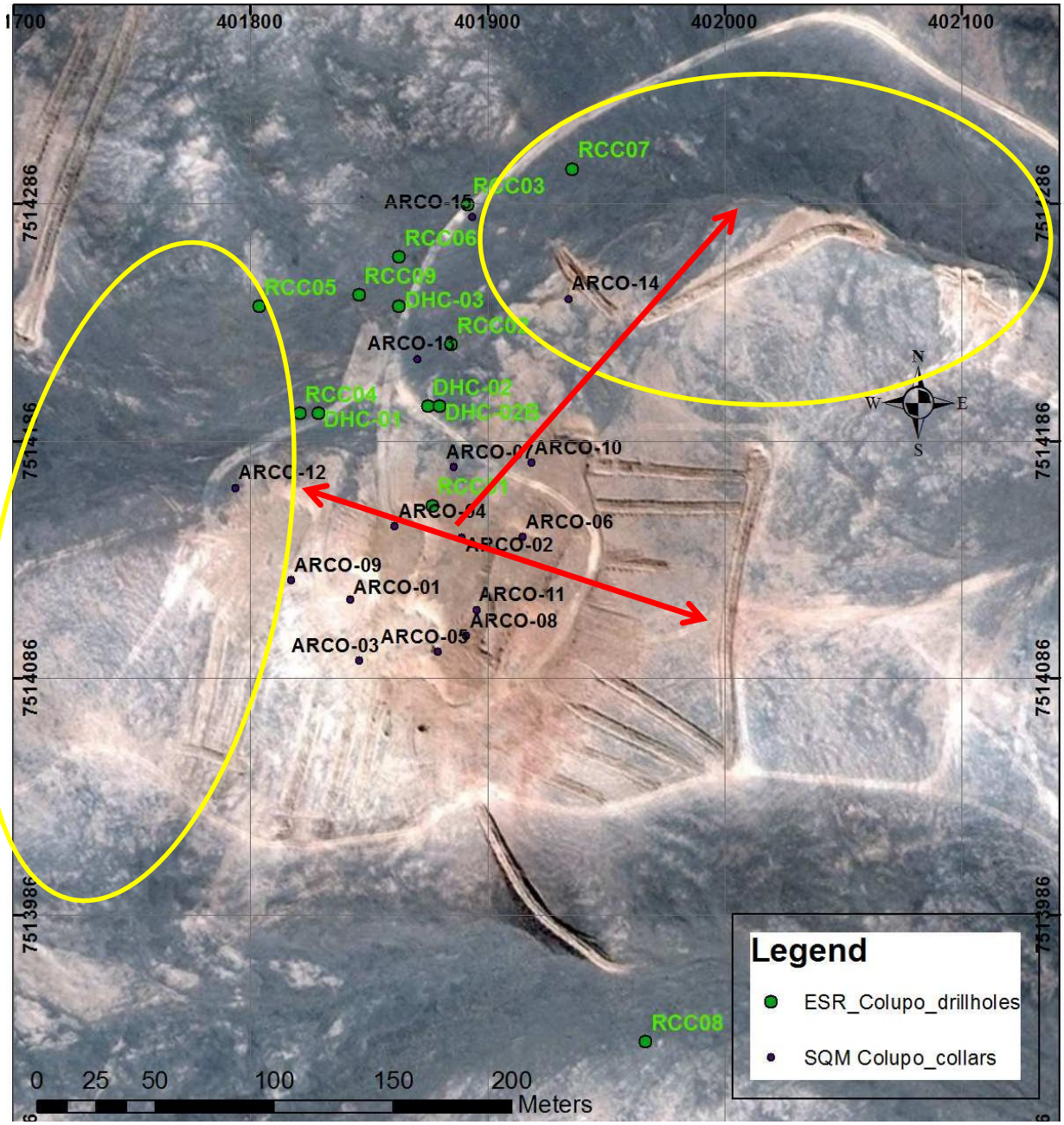

Figure 3: Colupo drill plan layout for all historical Estrella's and SQM's drill holes. The red arrows indicate the mineralisation trends and the yellow ellipses highlight the areas drilled in the shallow RC program (Map Datum PSAD56 Zn19).

Table 2: Colupo, summary of the assay results from holes RCC01 to RCC09 set out below (using a cut-off of 0.3% copper) as previously announced to the ASX on 11 November and 3 December 2013.

Hole_ID	Coordinates (PSAD56)		RL	EOH	Dip	Azimuth		From	To	Interval	Copper	Gold	Silver
	East	North						(m)	(m)	(m)	%Cu	g/t Au	g/t Ag
RCC01	402081	7514511	1910	210	-60	180		10	16	6	0.7		
							Incl	*12*	*15*	*3*	***1.1***		
								34	37	3	0.5		
								43	56	13	0.4		
							Incl	*47*	*51*	*4*	*0.6*		
								53	55	2	0.5		
RCC02	402089	7514579	1910	200	-70	180		7	10	3	0.5		
								118	122	4	0.4		
								144	158	**20**	**0.9**		
							Incl	*150*	*153*	*3*	*3.4*		
RCC03	402096	7514638	1910	200	-60	130		41	44	3	0.3		
								52	54	2	0.5		
								87	**94**	**7**	**1**		
RCC04	402033	7514550	1910	230	-60	180		**12**	**31**	**20**	**2.4**		
							Incl	***23***	***26***	***6***	***6.6***	***0.5***	***27.1***
								56	62	6	0.4		
								102	108	6	0.4		
								115	122	7	0.5		
							Incl	*116*	*119*	*3*	*0.7*		
								131	**147**	**16**	**1.5**		
							Incl	***131***	***137***	***6***	***1.6***	***0.2***	***7.5***
							Incl	**141**	**147**	**6**	**2.2**	**0.2**	**11.8**
RCC05	402008	7514595	1910	250	-60	180		91	96	5	0.3		
								197	199	2	0.4		
RCC06	402067	7514616	1910	200	-60	146		**102**	**108**	**6**	**0.8**		
							Incl	***104***	***107***	***3***	***1.2***		
								125	**133**	**8**	**1.1**		
							Incl	***127***	***130***	***3***	***2.5***	***0.15***	***20.3***
RCC07	402140	7514653	1910	199	-60	130		50	55	**5**	**0.7**		
								194	196	2	0.3		
RCC09	402050	7514600	1910	257	-60	180		83	89	6	0.4		
								101	103	2	0.5		
								184	186	2	0.3		
								195	199	5	0.5	0.2	

Table 3: Colupo diamond hole Assay results reported to the ASX on 18 March 2014.

Hole_ID	Coordinates (PSAD56)		RL	EOH	Dip	Azimuth	From	To	Interval	Copper	Gold	Silver	Core loss	True width
	East	North					(m)	(m)	(m)	%Cu	g/t Au	g/t Ag	%	m
DHC-01	402033	7514550	1920	215	-70	180	**34**	**51**	**17**	**0.3**			**15**	**11**
					including		*38*	*41*	*3*	*0.14*			*26*	
							44	*51*	*7*	*0.6*			*12*	
							45	*48*			*0.1*			
							58	64	6	0.2			**40**	
							71	74	3	0.4			**23**	
							119	**130**	**11**	**0.5**			**56**	**7**
					including		*122*	*128*	*6*		*0.1*			
							127	*128*	*1*	*2.8*				
							178	**200**	**22**	**0.6**			**52**	**14**
					including		*178*	*189*	*11*	*0.7*				
							183	*195*	*13*		*0.2*			
							194	*196*	*2*	*1.7*				
DHC-02	402079	7514553	1920	128	-70	180	**53**	**58**	**5**	**0.6**			8	**3**
					including		*57*	*58*	*1*	*1.5*				
							56	*58*	*2*		*0.1*	*10*		
							96	**128**	**32**	**0.5**			8	**21**
					including		*96*	*108*	*12*	*0.8*				
							97	*108*	*11*			*8*		
							98	*101*	*3*		*0.2*			
					including		*118*	*128*	*10*		*0.1*			
DHC-02B	402084	7514553	1920	188	-70	180	**132**	**135**	**3**	**0.7**			**0**	
DHC-03	402067	7514595	1920	160	-70	145	**71**	**95**	**24**	**0.6**			**7**	**15**
					including		*78*	*83*	*5*	*1.3*	*0.1*			
							80	*87*	*7*			*16*		
							78	*94*	*16*		*0.1*			

Colupo Norte

Estrella reported (see ASX Announcement 28 August 2014) high grade copper intercepts from its shallow RC drill hole program at Colupo Norte.

- Two mineralised tourmaline breccias intersected near surface; and
- 125 m strike length identified and remains open along strike and depth.
- Shallow RC drilling program intercepts at Colupo Norte include:
  - **4 m @ 1.1% Cu from 1m (RCCN-02), including;**
    - **1m at 2.6% Cu from 3m; and**
  - **2 m @ 1.1% Cu from 8m (RCCN-02), including;**
    - **1m at 1.5% Cu from 9m.**

Table 4: Colupo Norte assay summary using 0.2% Cu cut-off. Note, all mineralisation is host within Tourmaline Breccias.

Hole ID	Easting	Northing	RL	EOH	Azimuth	Dip	From (m)	To (m)	Interval	Cu%
RCCN-01	400,988	7,517,317	2075	24	230	-70	2	8	6	0.4
							9	10	1	0.4
RCCN-02	400,981	7,517,410	2075	26	230	-70	1	5	4	**1.1**
						incl	*3*	*4*	*1*	***2.6***
							8	10	2	**1.1**
						incl	*9*	*10*	*1*	***1.5***
RCCN-03	400,983	7,517,383	2075	20	230	-70	1	4	3	0.4

(Coordinates in PSAD56, zone19s)

Estrella is greatly encouraged by the results from the shallow RC drill holes because holes RCCN-01, 02 and 03 each intersected two mineralised tourmaline breccias (where previously only one was thought to occur) along a 125 metre strike length. The system remains open along strike and at depth.

2.3. Dania Prospect

No exploration activity was undertaken at Dania during the March 2015 Quarter.
Estrella is currently assessing the next steps to advance exploration activities at Dania.

2.4. Ivannia Prospect

No exploration activity was undertaken at Ivannia during the March 2015 Quarter.

3. TENEMENT HOLDINGS

Pursuant to ASX Listing Rule 5.3.3, the Company provides the following information:

3.1 Estrella's Tenement holdings in Chile

Description	Tenement Size (hectares)	Tenement Size (km^2)
Option Agreements held with SQM		
Option Agreement One	1,700	17.00
Option Agreement Two (Ivannia and Dania)	2,476	24.76
Option Agreement Three (Antucoya West)	5,270	52.70
100% Owned by Estrella Resources Limited		
Mercurio (100% owned by Estrella)	2,700	27.00
Saturno (100% owned by Estrella)	3,450	34.5
Total tenement holdings in Chile	**15,596**	**155.96**

4. CORPORATE

4.1 March 2015 Capital Raising

On 31 March 2015 the Company announced a $700,000 capital raising, comprising a placement (which was completed that day) to raise $125,000 and a non-renounceable, 3:5 rights issue at a price of $0.007 (0.7 cents) per share to raise approximately $576,000. The Prosepctus for the offer will be released shortly.

4.2 Board Changes

On 31 March 2015 Mr Rob Thomson resigned as a non-executive Director (and Chairman) of Estrella and Mr Guy Robertson was appointed as a non-Executive Director. The Board thanks Mr Thomson for his contribution and welcomes Mr Robertson.

5. FINANCIAL POSITION

The Company's Appendix 5B Cashflow Report is attached.

Disclaimer: References are made in this quarterly report to historical drilling results by SQM and to drilling results from Estrella's own drilling, all of which have previously been released to the ASX. The Company is not aware of any new information or data that materially affects either of the drilling results from SQM or Estrella.

Competent Person's Statement:

Exploration information in this announcement is based upon and fairly represents, information, supporting documentation and work undertaken by Dr. Jason Berton, the Managing Director and a full-

time employee of Estrella Resources Limited whom is a Member of the Australasian Institute of Metallurgy and Mining (AusIMM). Dr Berton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Dr Berton consents to the inclusion in this presentation of the statements based on his information and context in which they appear.

About Estrella Resources

Estrella Resources Limited is an ASX listed, Chilean focused copper-gold exploration company. Estrella has a number of exploration projects 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
-Guy Robertson

Company Secretary
-Heath Roberts

ESTRELLA RESOURCES LIMITED
ACN 151 155 207

ASX CODE: ESR

ORDINARY FULLY PAID SHARES:
137,291,527

UNLISTED OPTIONS:
17,151,427

SHARE RIGHTS:
1,866,667 (maximum number that may convert to fully paid ordinary shares on 1 July 2015)

APPENDIX 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity	
Estrella Resources Limited	
ABN	Quarter Ended ("**Current Quarter**")
39 151 155 207	31 March 2015

Consolidated statement of cash flows			Current quarter $A'000	Year to date (12 months) $A'000
Cash flows related to operating activities				
1.1	Receipts from product sales and related debtors		-	-
1.2	Payments for	(a) exploration and evaluation	(47)	(394)
		(b) development	-	-
		(c) production	-	-
		(d) administration	(191)	(784)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		-	-
1.5	Interest and other costs of finance paid		1	6
1.6	Income taxes paid		-	-
1.7	Other (provide details if material)		-	-
Net operating cash flows			(237)	(1,172)
Cash flows related to investing activities				
1.8	Payment for purchases of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	-	-
1.9	Proceeds from sale of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	-	-
1.1	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other- Project Option Fees		-	-
	Net investing cash flows		-	-
1.15	Total operating and investing cash flows (carried forward)		(237)	(1,172)

	Cash flows related to financing activities		
1.16	Proceeds from issues of shares, options, etc.	140	329
1.17	Proceeds from sale of forfeited shares	-	-
1.18	Proceeds from borrowings	-	-
1.19	Repayment of borrowings	-	-
1.20	Dividends paid	-	-
1.21	Other – Capital raising costs	-	(9)
	Net financing cash flows	140	320
Net increase (decrease) in cash held		(97)	(852)
1.22	Cash at beginning of quarter/year to date	342	1,128
1.23	Exchange rate adjustments to item 1.2	2	(29)
1.24	Cash at end of quarter	247	247

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.25	Aggregate amount of payments to the parties included in item 1.2	101
1.26	Aggregate amount of loans to the parties included in item 1.10	-

1.27 Explanation necessary for an understanding of the transactions

Directors including Managing Directors fees/salary for the period: $100,967

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount Available $A,000	Amount used $A,000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter		$A'000
4.1	Exploration and evaluation	250
4.2	Development	-
4.3	Production	-
4.4	Administration	100
	Total	350

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	148	89
5.2	Deposits at call	99	254
5.3	Commercial Bills		-
5.4	Other: Term Deposit		
Total: cash at end of quarter (item 1.22)		247	343

Changes in interests in mining tenements

		Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Refer Activities Report			
6.2	Interests in mining tenements acquired or increased	Nil			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total Number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	137,291,527	137,291,527		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,305,658 17,900,000	5,305,658 17,900,000	n/a – tenent acqn $0.007	n/a Fully paid
7.5	**Convertible debt securities** (*description*)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options**			*Exercise price*	*Expiry date*
	Unlisted	505,000	-	20 cents	19-Dec-16
	Unlisted	600,000	-	20 cents	25-Oct-16
	Unlisted	1,500,000	-	20 cents	9-May-17
	Unlisted	475,000	-	20 cents	3-Oct-18
	Unlisted	450,000	-	35 cents	18-Apr-16
	Unlisted	3,000,000	-	35 cents	21-Nov-18
	Unlisted	500,000	-	35 cents	18-Dec-16
	Unlisted	750,000	-	35 cents	7-Mar-17
	Unlisted	5,500,000	-	10 cents	13-Nov-19
	Unlisted	3,871,427	-	5 cents	31-Dec-15
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.1	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Performance Rights** *(totals only)*	1,866,667	n/a		
7.13	**Unsecured notes** *(totals only)*				

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
2. This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 24 April 2015

Print name: Heath Roberts - Company Secretary

Notes:

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3. **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4. The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5. **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.