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24 April 2014

Dear Shareholder,

Offer to participate in Estrella's Share Purchase Plan

The Board of Directors of Estrella Resources Limited ACN 151 155 207 (**Estrella** or **Company**) are pleased to extend an invitation to all eligible shareholders to participate in the Company's Share Purchase Plan (**SPP**). The SPP allows all eligible shareholders to purchase up to A$15,000 worth of fully paid ordinary shares in the Company (**Shares**) without any brokerage or transaction costs. The SPP was announced by the Company to the Australian Securities Exchange (**ASX**) on 22 April 2014 ("**Announcement Date**").

As also announced on the Announcement Date, the Company is conducting a placement to raise approximately $1,250,000 by way of a placement of 11,132,271 Shares (**Placement**). Allotment of Shares under the Placement is expected to be on 30 April 2014.

The Shares under the SPP will be issued at A$0.11 per Share (being the identical price as Shares offered under the Placement) representing a 15.4% discount to the last traded closing price of the Company's Shares on the ASX on 15 April 2014 and a 15.3% discount to the volume weighted average price for the 5 trading days prior to 15 April 2014. The offer of Shares under the SPP is open to all Eligible Shareholders (as defined in the attached Offer) as at 7:00pm (EST) on 17 April 2014 (**Record Date**).

This is an opportunity for all eligible shareholders to take advantage of prevailing market conditions and to participate in the future growth of the Company. Funds raised through the SPP will be used by Estrella to:

(a) accelerate our exploration program at Project Altair with particular focus upon exploration drilling programs at each of the Colupo, Dania and Antucoya West Prospects; and

(b) for general working capital expenses.

The SPP allows all Eligible Shareholders, irrespective of the size of their shareholding, to apply for one of the following parcels of Shares:

Offer	Value	Number of Shares
A	A$1,000	9,091
B	A$2,000	18,182
C	A$5,000	45,455
D	A$10,000	90,910
E	A$15,000	136,364

The SPP is capped at 18,181,818 Shares (subject to rounding upwards), to raise a maximum of A$2,000,000 (**Offer Amount**) and is not underwritten. The Directors reserve the right to scale back applications received in excess of the Offer Amount.

Participation in the SPP is entirely voluntary. Offers under the SPP are non-renounceable, meaning that you are not permitted to transfer your rights to subscribe for Shares under the SPP.

If after reading the attached Offer you wish to participate in the SPP you must complete and return the **attached personalised Application Form**, together with a cheque or bank draft or make payment via BPAY and return it to the Company's Share Registry, Boardroom Pty Limited at GPO Box 3993, Sydney NSW 2001 (by Mail) or Level 7, 207 Kent Street, Sydney NSW 2000 (By Delivery) **on or before 5.00pm (EST) on 20 May 2014.** Applications will be processed on a first-come-first-served basis.

On behalf of the Board, I invite you to consider this opportunity to increase your investment in the Company.

Yours sincerely,

Gavin Solomon
Non-Executive Chairman

ESTRELLA RESOURCES LIMITED - SHARE PURCHASE PLAN

1. Offer

This Offer entitles Eligible Shareholders (see paragraph 2 below) in Estrella Resources Limited (**Company**) to subscribe through the Company's Share Purchase Plan (**SPP**) for a maximum of A$15,000 worth of fully paid ordinary shares in the Company (**Shares**) in accordance with the following terms and conditions (**Offer**). The SPP will raise a maximum of A$2,000,000 before costs (including Handling Fee) and is not underwritten.

2. Eligibility

2.1 The Offer is only open to **Eligible Shareholders**, being persons:

(a) who are registered in the Company's share register at 7.00pm (EST) on 17 April 2014 (**Record Date**), as registered holders of Shares; and

(b) who have a registered address (as recorded in the Company's share register) in Australia or New Zealand.

Holders of options in the Company are not eligible to participate unless they separately qualify as an Eligible Shareholders.

2.2 No action has been taken to register or qualify the Shares or the Offer or otherwise to permit an offering of the Shares in any jurisdiction outside Australia and New Zealand. Recipients may not send or otherwise distribute this Offer or the Application Form to any person outside Australia (other than to Eligible Shareholders). Neither this Offer nor the Application Form constitutes an offer of securities for sale into the United States of America. The Shares to be offered and sold in the SPP have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or under the securities laws of any state or other jurisdiction of the United States. The Shares to be offered and sold in the SPP may only be offered and sold outside the United States to persons who are not acting for the account or benefit of any person in the United States, in "offshore transactions" (as defined in Regulation S under the Securities Act) in compliance with Regulation S under the U.S. Securities Act.

2.3 The Offer to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (New Zealand). Members of the public in New Zealand who were not existing Shareholders on the Record Date are not entitled to apply for any Shares.

2.4 For the purposes of determining Eligible Shareholders:

(a) joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder; and

(b) where a trustee or nominee is expressly noted on the Company's share register as holding Shares on account of a named beneficiary, the named beneficiary will be taken to be the registered holder of those Shares, and on application for Shares under the SPP, certification or issue of Shares to the trustee or nominee will be taken to be an application or certification by, or an issue to, the named beneficiary.

(**Single holdings**): If you are the only registered holder of a parcel of Shares, but you received more than one Offer under the SPP (for example, if you have multiple individual holdings) you may only apply for one Parcel of Shares up to the maximum Value of 136,364 Shares for A$15,000 (**Maximum**).

(**Joint holdings**): If you are recorded with one or more other persons as the joint holder of a holding of Shares, that joint holding is considered to be a single registered holder for the purpose of the SPP. If the same joint holders receive more than one offer under the SPP (for example, if the joint holders have multiple joint or single holdings) the joint holders may only apply for one Parcel of Shares up to the Maximum.

2.5 If you are a Custodian and hold Shares on behalf of one or more persons resident in Australia and New Zealand (each a **Participating Beneficiary**), you may be entitled to apply for up to $15,000 worth of Shares for each Participating Beneficiary, subject to you providing a certificate to the Company containing the information prescribed in ASIC Class Order 09/425 as modified by ASIC Class Orders 10/105, 10/789 and 11/162 (**Custodian Certificate**).

Custodians should request a Custodian Certificate when making an application on behalf of a Participating Beneficiary. To request a Custodian Certificate and if you would like further information on how to apply, you should contact the Company's share registry, Boardroom Pty Limited on 1300 737 760 (within Australia) or +612 9290 9600 (outside Australia).

For the purposes of this Offer, a Custodian is a person that:

(a) holds an Australian financial services licence that:

(i) covers the provision of a custodial or depositary service; or

(ii) includes a condition requiring the holder to comply with the requirements of ASIC Class Order 02/294; or

(b) is exempt under:

(i) paragraph 7.6.01(1)(k) of the *Corporations Regulations 2001* (Cwth) (**Corporations Regulations**);

(ii) paragraph 7.6.01(1)(na) of the Corporations Regulations; or

(iii) ASIC Class Order 05/1270 to the extent that it relates to ASIC Class Order 03/184;

(iv) ASIC Class Orders 03/1099, 03/1100, 03/1101, 03/1102, 04/839 or 04/1313;

(v) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph; or

(v) paragraph 911A(2)(h) of the Corporations Act;

from the requirement to hold an Australian financial services licence for the provision of a custodial or depositary service; or

(c) is a trustee of a:

(i) self-managed superannuation fund; or

(ii) superannuation master trust; or

(d) is the responsible entity of an IDPS-like scheme; or

(e) is the registered holder of Shares or interests in the class or interests in the class and is noted on the register of members of the Company as holding the Shares or interests on account of another person.

2.6 The Directors of the Company, as Eligible Shareholders, may participate in the Offer on the same terms and conditions as all other Eligible Shareholders and their participation is not subject to shareholder approval.

3. Issue Price

3.1 The Shares under the SPP will be issued at A$0.11 per Share. The Issue Price has been calculated by reference to the last traded closing price on 15 April 2014 which was A$0.13 and represents a 15.4% discount to that price. The Issue Price also represents a discount of approximately 15.3% to the 5 day volume weighted average price of the Shares traded on the ASX immediately prior to the Announcement Date.

3.2 Shareholders should note that the market price of Shares may rise or fall between the date of this Offer and the date the Shares are allotted and issued (**Allotment Date**). This means that the Issue Price may be either higher or lower than the market price of the Shares at the Opening Date of the Offer or the price of Shares at the time the Shares applied for under the SPP are issued. The Company recommends that you monitor the Company's share price, which can be found on ASX at www.asx.com.au (ASX code: ESR) and the Company's website, www.estrellaresources.com.au

3.3 No brokerage, commissions or other transaction costs are payable by Eligible Shareholders under the Offer.

4. Number of Shares Offered

4.1 The maximum number of Shares offered under the SPP is 18,181,818 Shares (subject to rounding upwards), being approximately 18.8% of the Company's current issued share capital (before completion of the Placement, representing total proceeds of A$2,000,000.

The SPP is not underwritten, meaning that the maximum proceeds under the SPP may not be raised.

4.2 Eligible Shareholders may apply for the following number of Shares:

Offer	Value	Number of Shares
A	A$1,000	9,091
B	A$2,000	18,182
C	A$5,000	45,455
D	A$10,000	90,910
E	A$15,000	136,364

4.3 The maximum investment for each Eligible Shareholder is A$15,000 (representing 136,364 Shares at the Issue Price of A$0.11) and the minimum investment is A$1,000 (representing 9,091 Shares at the Issue Price of A$0.11).

4.4 The total cost of Shares purchased by each Eligible Shareholder (including through joint holdings, multiple share accounts or any holding which they have a beneficial interest) must not exceed A$15,000.

4.5 No fractions of Shares will be issued. Any fraction of a Share will be rounded up to the nearest whole number of Shares.

4.6 The Offer is non-renounceable. This means that Eligible Shareholders cannot transfer their entitlement to purchase Shares under the SPP to another person.

4.7 In the event of over-subscription above the maximum A$2,000,000 limit, applications will be treated on a first come, first served basis. If the Company receives applications for more than A$2,000,000 of Shares under the SPP, the Board will in its absolute discretion undertake a scale-back on an equitable basis (**Scaleback**). The difference between the value of the Shares allotted (calculated at the Issue Price) and the application money received will be refunded

to you by the Company, without interest, following allotment. Amounts will be refunded by cheque mailed to your address as shown on the Company's member register.

If there is a scale-back you may not receive all the Shares for which you have applied. If a scale-back produces a fractional number when applied to your application, the number of Shares you will be allotted will be rounded up to the nearest whole number of Shares.

4.8 If applications under the Offer total an amount less than A$2,000,000, this shortfall may be placed at the discretion of the directors.

5. Timetable

5.1 The indicative timetable for the SPP is as follows:

Event	Date
Record Date	7.00pm (EST) on 17 April 2014
Announcement Date	22 April 2014
Dispatch of Offer and Application Forms to Eligible Shareholders	29 April 2014
Opening date for acceptances	30 April 2014
Closing date for acceptances (**Closing Date**)	5.00pm (EST) on 20 May 2014
Allotment Date	26 May 2014
Dispatch of holding statements	26 May 2014

5.2 These dates are indicative only. The Company may vary the date and times of the Offer (including shortening or extending the Closing Date) without notice.

5.3 Shares allotted under the SPP will be issued no later than 5 business days from the close of the Offer. The Company will apply for the Shares allotted to be quoted on the ASX, within the relevant period specified in the ASX Listing Rules.

6. How to accept the Offer

6.1 Eligible Shareholders wishing to accept the Offer for Shares under the SPP have two payment options – by cheque or BPAY®, details of which are set out below. Please do not forward cash. Receipts for payment will not be issued. Cheques will only be accepted if they are drawn in Australian currency on an Australian financial institution. Application money will not bear interest under any circumstances. The Company will pay any brokerage or transaction costs.

6.2 **To pay by cheque** you must:

(a) complete the accompanying Application Form in accordance with the instructions set out in that form;

(b) prepare a cheque for the appropriate amount in Australian dollars, payable to "Estrella Resources Limited Share Purchase SPP Account";

(c) send the Application Form and cheque to the Share Registry;

The completed Application Form and your cheque must be received by the Closing Date of 5.00pm (EST) on 20 May 2014. Applications received after that time may not be accepted.

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6.3 **To pay by BPAY** you must use the personalised reference number shown on your Application Form which is required to identify your holding. If you make your payment using BPAY, you do not need to return your Application Form.

Eligible Shareholders should be aware that their own financial institution may implement earlier cut-off times with regards to electronic payment. It is the responsibility of each Applicant to ensure that the Application money is submitted through BPAY with sufficient time for it to be processed by their own financial institution and received by the Company no later than 5.00pm (EST) on the Closing Date.

6.4 By completing and returning the Application Form or paying by BPAY, you:

(a) acknowledge that you have read and understood the terms and conditions of this Offer (including the risks) and subscribe for Shares in accordance with these terms and conditions;

(b) acknowledge that your application will be irrevocable and unconditional (and cannot be withdrawn);

(c) agree to pay the Issue Price per Share up to a maximum of the value selected on the Application Form (which cannot exceed $15,000);

(d) warrant you are an Eligible Shareholder;

(e) warrant that you are eligible under all applicable securities laws to receive an offer under the SPP;

(f) certify that you have not applied for Shares with an aggregate application price in excess of A$15,000 under the SPP or any similar arrangements in the 12 months prior to the date of application, even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;

(g) authorise the Company (and each of its officers and agents) to correct any error in, or omission from, the Application Form and complete the Application Form by inserting any missing details;

(h) acknowledge that the Company may at any time irrevocably determine that your application is valid, in accordance with these terms and conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;

(i) acknowledge that neither the Company, nor the Share Registry has provided any investment advice or financial product advice, and that neither has any obligation to provide this advice;

(j) acknowledge that the Company (and each of its officers and agents) is not liable for any consequences of the exercise or non-exercise of its discretions referred to in paragraph 8 below; and

(k) agree to be bound by the Company's constitution.

7. Rights attaching to Shares

All Shares issued under the SPP will be issued on the same terms as the other Shares quoted on ASX and once issued, will rank equally with existing Shares. The Company will apply for the Shares to be quoted on ASX. It is anticipated that Shares issued under the SPP will be quoted on ASX on, or shortly after, the Allotment Date. Holding Statements for the Shares issued under the SPP will be sent to Eligible Shareholders who have participated in the SPP. If you trade any Shares before you receive your Holding Statement, then you do so at your own risk.

8. Company's discretions regarding Applications

8.1 The Company has the right to accept or reject any applications under the SPP, including where:

(a) an Application Form is incorrectly completed or incomplete or otherwise determined by the Company to be invalid;

(b) a cheque is dishonoured or has not been completed correctly;

(c) a cheque is not made out for the exact value of Shares you have selected on the Application Form;

(d) the Application money is not submitted through BPAY within sufficient time for it to be received by the Company;

(e) it appears that an Eligible Shareholder is applying for more than $15,000 (in aggregate) of Shares;

(f) an Application Form is received after the Closing Date. (While the Company may accept late Application Forms and cheques, there is no assurance that it will do so. Late Application Forms and cheques, if not processed, will be returned to the shareholder's registered address); or

(g) the Company reasonably believes that the applicant is not an Eligible Shareholder.

8.2 If the Company rejects, or partially rejects, an application or terminates the SPP, the Company will promptly return to the Eligible Shareholder the relevant subscription monies, without interest.

8.3 The Company reserves the right to waive strict compliance with any of the terms and conditions of the Offer.

8.4 If the Company is not satisfied with the Custodian Certificate, the Company cannot issue Shares to the Custodian on behalf of the Participating Beneficiary.

8.4 The Company may determine, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. A determination made by the Company will be conclusive and binding on all participants and other persons to whom the determination relates.

8.5 The Company may change, suspend or terminate the SPP and Offers at any time whether because of a change of law, ASIC requirements or policy or any other relevant circumstance. If the Company does this, it will post a notice on its website and make an announcement to the ASX. Failure to notify shareholders of changes to or the suspension or termination of the SPP and Offer, will not invalidate the change, suspension or termination.

8.6 The Company reserves the right to issue no Shares or fewer Shares than an Eligible Shareholder applies for under the SPP if the Company believes the issue of those Shares would contravene ASIC requirements or policy, any law or any ASX Listing Rule.

8.7 These terms and conditions are governed by the laws in force in New South Wales, Australia and are to be interpreted in accordance with their spirit, intention and purpose. By participating in the SPP, you submit to the non-exclusive jurisdiction of the courts of New South Wales.

9. Participation optional

Participation in the SPP is entirely at the option of each Eligible Shareholder. If you are in any doubt as to whether you should participate in the SPP or how such participation will affect

you (including taxation implications), you should contact your professional adviser. The Company makes no recommendations as to the desirability or otherwise of your participation in the SPP.

10. Risk factors

10.1 Before deciding whether to accept the Offer, you should refer to the current market price of the Company's Shares, which can be obtained from daily newspapers, stockbroker, financial adviser or the ASX.

10.2 Owning shares in the Company is considered a speculative form of investment and that the future price of the Company's shares can rise or fall.

10.3 Shareholders should be aware that there is a risk that the market price of the shares may change between the date of this Offer and the date when the new shares are issued to you under the SPP. The value of the Shares you receive may rise or fall accordingly.

10.4 Shareholders should note that the offer is not made under a prospectus or other disclosure document and does not require the type of disclosure required under the Corporations Act 2001 (Cwlth). Shareholders must rely on their own knowledge of the Company and previous disclosures made by the Company on the ASX. You should consult your professional adviser when deciding whether or not to accept the offer and participate in the SPP.

11. Privacy

11.1 By completing the Application Form, you will be providing personal information to the Company. The Privacy Act 1988 (Cwlth) governs the use of a person's personal information and sets out principles governing the ways in which organisations should treat personal information. The Company collects information about each applicant provided on an Application Form for the purposes of evaluating and processing the Application and, if the Application is successful, to administer the applicant's security holding in the Company. If the Company is obliged to do so by law, investors' personal information will be passed on to other parties strictly in accordance with legal requirements. Once personal information is no longer needed for the Company's records, the Company will destroy or de-identify it.

11.2 By submitting an Application Form, each applicant agrees that the Company may use the information provided by an applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

12. Handling Fee

A handling fee of 1.5% (plus GST) and capped at A$200 (plus GST) of the value of each valid Application for Shares issued under the SPP (**Handling Fee**) will be paid to all eligible, licenced stockbrokers who submit valid claims in respect of their shareholder clients to the Company's Share Registry prior to 20 May 2014. The Handling Fee will not be charged to Shareholders. If the Company undertakes a Scaleback or otherwise issues a lesser number of Shares, the Handling Fee will only be payable on the value of the Shares issued. If a question or dispute arises as to whether a claim is valid or a stockbroker is eligible then Estrella will, in its absolute discretion, determine the matter and such determination will be final and binding.

13. ASX Listing Rule Information

Pursuant to ASX Listing Rule 3.10.3 the Company provides the following information:

- Class of Shares to be issued – Fully Paid Ordinary Shares
- Maximum Number of Shares to be Issued - 18,181,818

- Principal Terms – Same as the terms for all Fully Paid Ordinary Shares already on issue
- Issue Price – A$0.11 per Share
- Purpose of the Issue – SPP to raise funds to further the Company's exploration program at Project Altair with particular focus upon exploration drilling programs at each of the Antucoya West, Colupo and Dania Prospects
- Security holder approval will not be sought for the issue of Shares under the SPP which is being conducted pursuant to ASX Listing Rule 7.2 Exception 15
- The SPP is being offered to eligible shareholders