ESTRELLA RESOURCES

Chile's star in copper-gold

ESTRELLA RESOURCES LIMITED
ACN 151 155 207

AUSTRALIAN REGISTERED OFFICE:
Level 7, 15 Castlereagh Street
Sydney NSW 2000 Australia

CONTACT DETAILS:
Telephone: +61 2 9993 4478
Facsimile: +61 2 9993 4433
Email: admin@estrellaresources.com.au

CHILE OFFICE:
Santa Beatriz 294
Providencia, Santiago, Chile

ASX CODE: ESR

For further information please contact:

Dr. Jason Berton MAusIMM
Managing Director

Tel: +61 2 9993 4408
Mob: +61 402 199 166
Fax: +61 2 9993 4433
Email: jb@estrellaresources.com.au



ASX ANNOUNCEMENT

29 April 2014

Second Assays at Dania continue to identify mineralised copper intrusive porphyritic stocks

HIGHLIGHTS

- ✓ **Confirmation of multiple mineralised intrusive porphyritic stocks.**
- ✓ **Assays results from the 2nd diamond drilled hole at Dania (DHD-02) identifies Copper Oxide intercepts from surface:**
  - **60m @ 0.3% Cu from 10m; including**
    - ***29m @ 0.4% Cu from 36m;***
  - **Near surface system remains open to north, south and west.**
  - **Mineralisation remains open at depth.**
- ✓ **High potential to continue identification of more mineralised intrusive stocks near-surface at Dania.**

1. Introduction

Estrella Resources Limited (ASX:ESR) (**Estrella** or **Company**) is pleased to report the assay results from its second diamond drilled hole DHD-02 at Dania (see location map **Figure 1** for location of Dania Prospect).

2. Assay results and significance

Hole DHD-02 was drilled in April 2014 to 289 metres at an azimuth of 080° at an inclination of -65°.

Copper oxide (CuOx) mineralisation commenced from near surface with a long interval of 60 metres (true width 42 metres) that averaged 0.3% Cu including a 29 metre interval of 0.4% Cu from 36 metres to 65 metres (true width 21 metres) (refer **Table 1**).

Estrella expects higher copper grade hypogene zones to lie beneath the now identified CuOx zone, which is yet to be intersected (refer **Figure 3**).

The assay results from DHD-02 will greatly assist Estrella's geological modelling at Dania and strongly indicates that mineralisation is due to emplacement of multiple mineralised 'intrusive' stocks repeated along steeply dipping faults of the Buey Muerto Fault Zone (**BMZ**) with a broad Cu mineralised footprint between stocks (refer **Table 2** DHD-01).

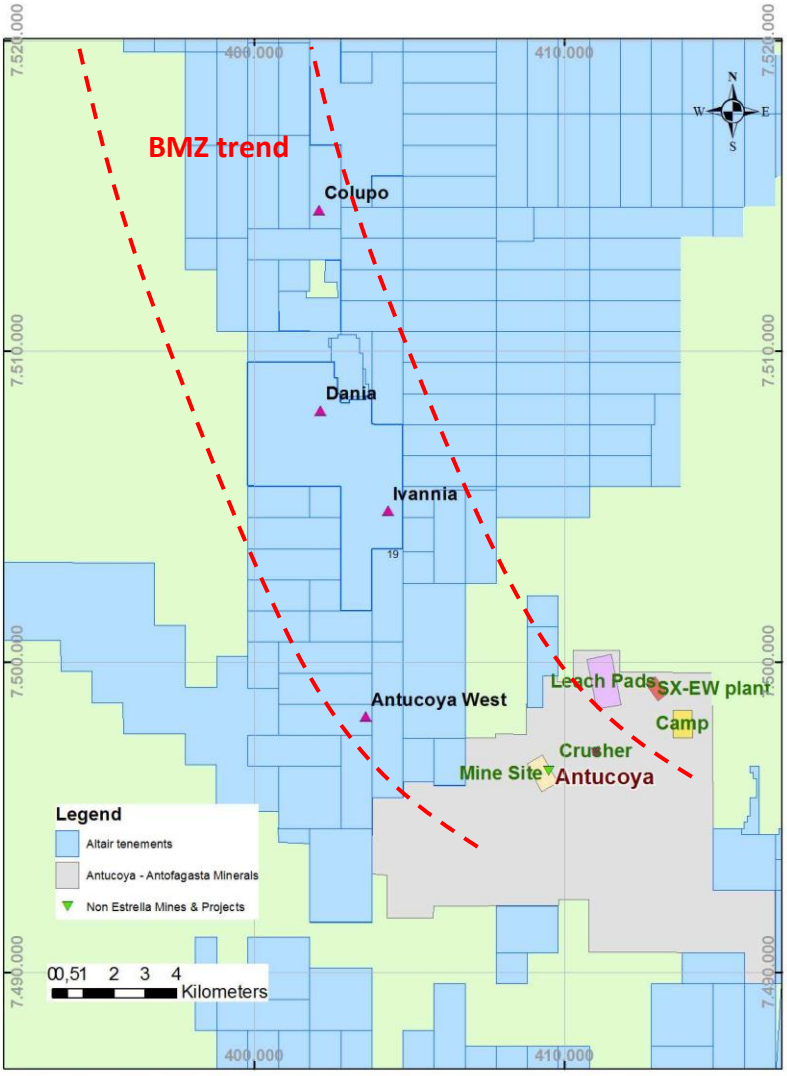


Figure-1: Location Map of Dania Prospect.

Estrella's two diamond drill holes completed in March/April 2014 when added to the information from the historical RC drilling by SQM at Dania (see **Figure 2 and Figure 3**) has confirmed near surface copper oxide over a northwest trend covering at least 430 metres in length. The system remains open in all directions except to the east where the contact with the mineralised andesite unit has been established at surface and 298.4 metres downhole in DHD-01 (refer ASX announcement of 7 April, 2014).

True widths of the steeply dipping mineralised intrusive stocks are 40-50 metres and DHD-01 & DHD-02 have intersected CuOx in two separate intrusive stocks (**See Figure 4 and Figure 5**). Figure 2 depicts the trend of the repeated mineralisation stocks.

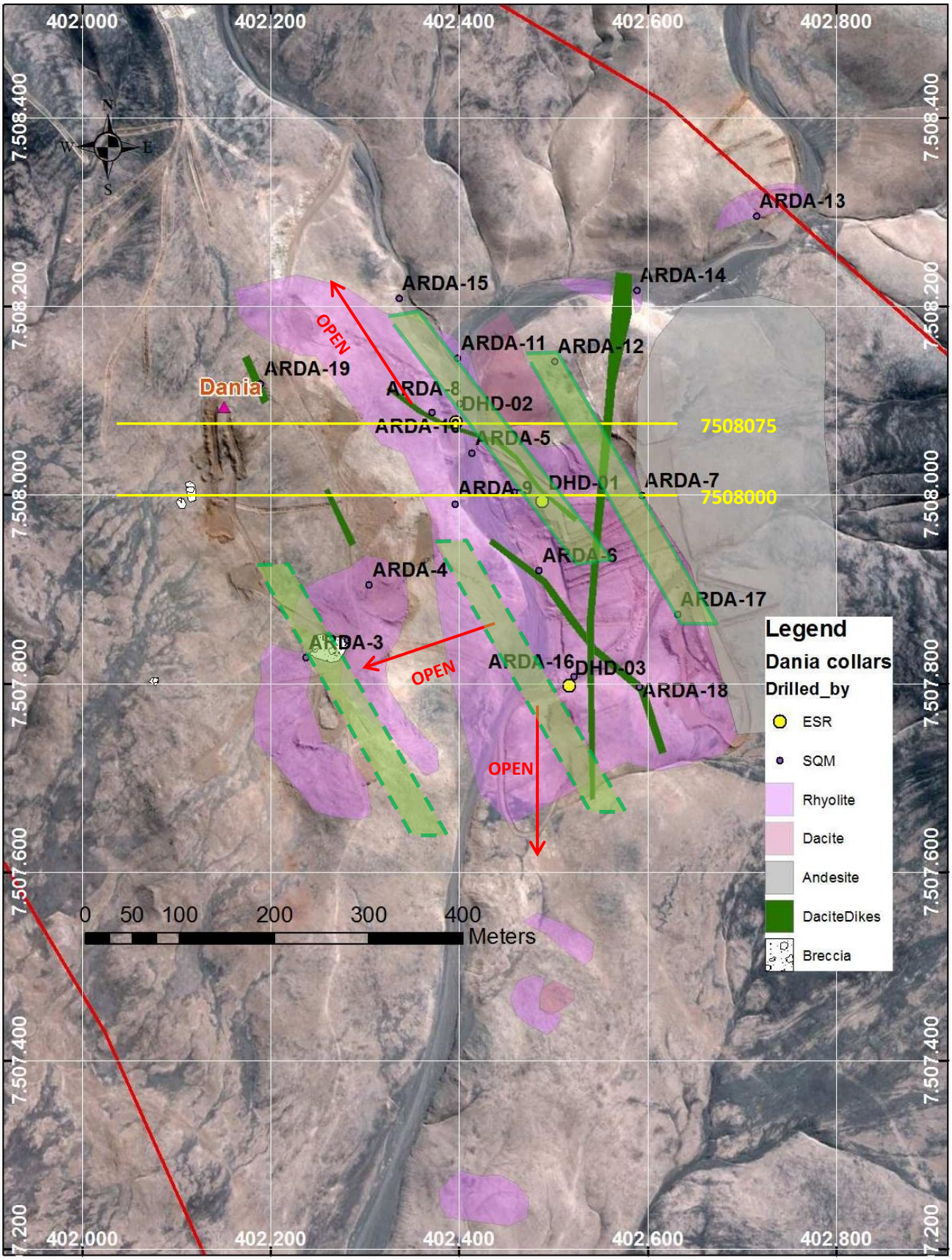


Figure-2: Surface drill plan layout for Dania including SQM's historical RC collars and Estrella's initial diamond core collars (Map datum: WGS84 zn19s). The green polygons indicate the known mineralisation trends, which are also shown by the copper mineralisation shells in Figure 3.

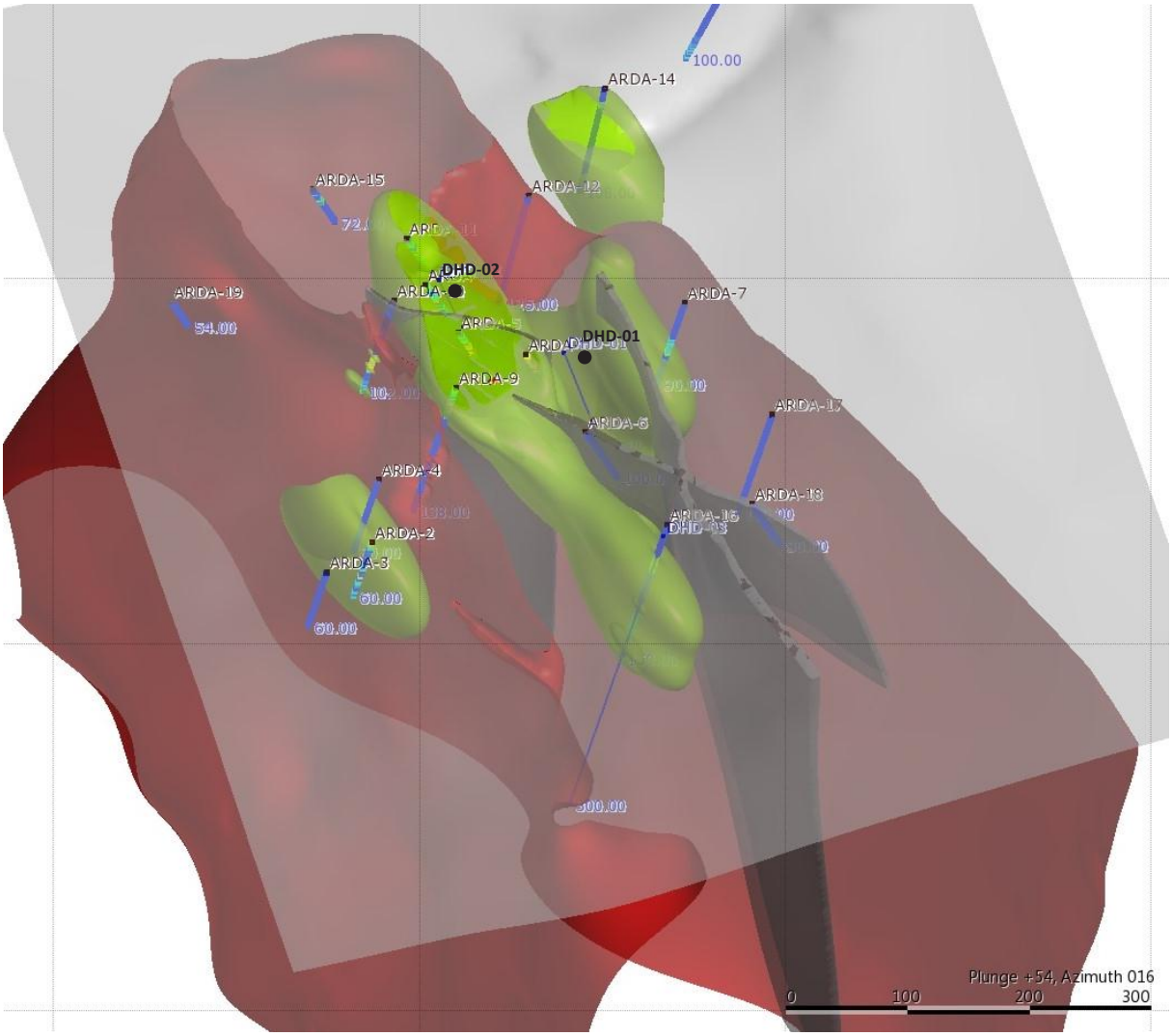


Figure 3: 3D Model of the near surface Copper mineralisation at Dania (prepared by SRK) with 0.1% Cu shell (light green) to indicate the mineralised zone identified by SQM's historical exploration. The red shells represent the rhyolite dome and the dacite dykes are in grey. Note the blue sections of the historical SQM RC holes were not assayed.

The assay results in DHD-02 at depth (refer **Figure 4** and **Table 1**) demonstrate:

i. Highest copper mineralisation zones relate to the structural controls from the sub-vertical faults of the Buey Muerto Fault Zone (**BMZ**);
ii. Multiple mineralised porphyry stocks (**See Figure 4 and Figure 5**). have intruded along the BMZ and the potential exists to find many mineralised oxide and hypogene zones along the fault system; and
iii. Oxidation, leaching, and secondary enrichment of copper.

Table 1: Significant assay results for diamond drill hole DHD-02 from the Dania Prospect.

Hole ID	Coordinates (PSAD56)		RL	EOH	Dip	Azimuth	From	To	Interval	Copper
	East	North					(m)	(m)	(m)	%Cu
Diamond core										
DHD-02	402600	7508430	1580	289	-65	80	**10**	**70**	**60**	**0.3**
					including		*36*	*65*	*29*	*0.4*
							87	89	2	0.4
							97	99	2	0.1
							118	122	4	0.2
							127	130	3	0.2
							177	178	1	0.7
							211	212	1	0.1

Table 2: Significant assay results for diamond drill hole DHD-01 from the Dania prospect (refer ASX announcement 7 April 2014).

Hole_ID	Coordinates (PSAD56)		RL	EOH	Dip	Azimuth	From	To	Interval	Copper	Comments
	East	North					(m)	(m)	(m)	%Cu	
DHD01	402692	7508346	1580	316.2	-75	55	2	298	**271**	0.14	excludes 27.5 metres of dyke
					including		2	56	**54**	**0.3**	CuOx from 2 m below surface
					including		10	27	17	0.4	
							72	75	4	0.2	
							118	122	4	0.1	
							161	171	10	0.13	
							180	183	4	0.13	
							192	194	3	0.2	
							200	212	13	0.2	
							Unmineralised dyke				
							220	233	14	0.2	
							Unmineralised dyke				
							256	271	16	0.3	exit rhyolite at 299 m into eastern andesitic contact
							274	298	25	0.14	

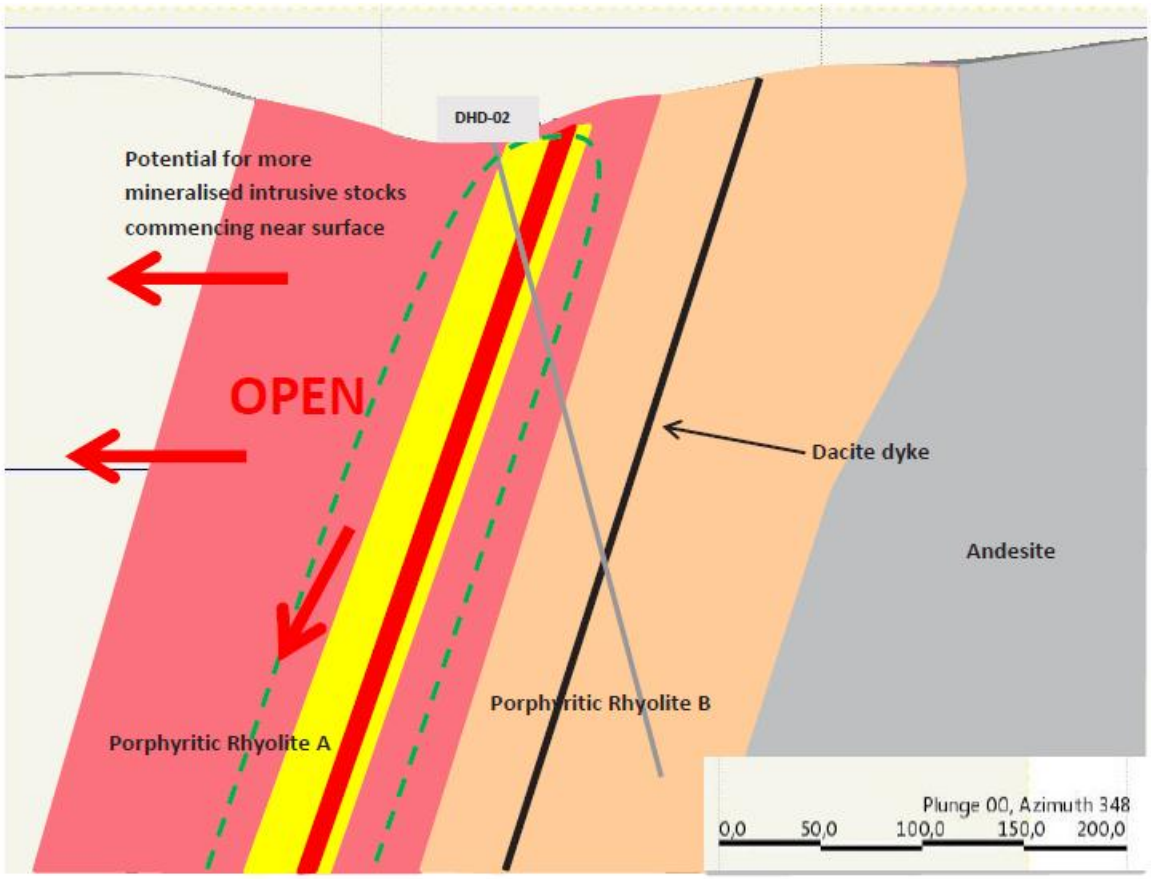


Figure 4: Dania Prospect cross-section 7,508,075N for DHD-02, intersects a near-surface broad mineralised CuOx zone (60 metres) with average grade 0.3% Cu (yellow), including 29 metres at 0.4% Cu (red). The system remains open at depth and to the west, where there is strong potential to identify more similar mineralised intrusive stocks.

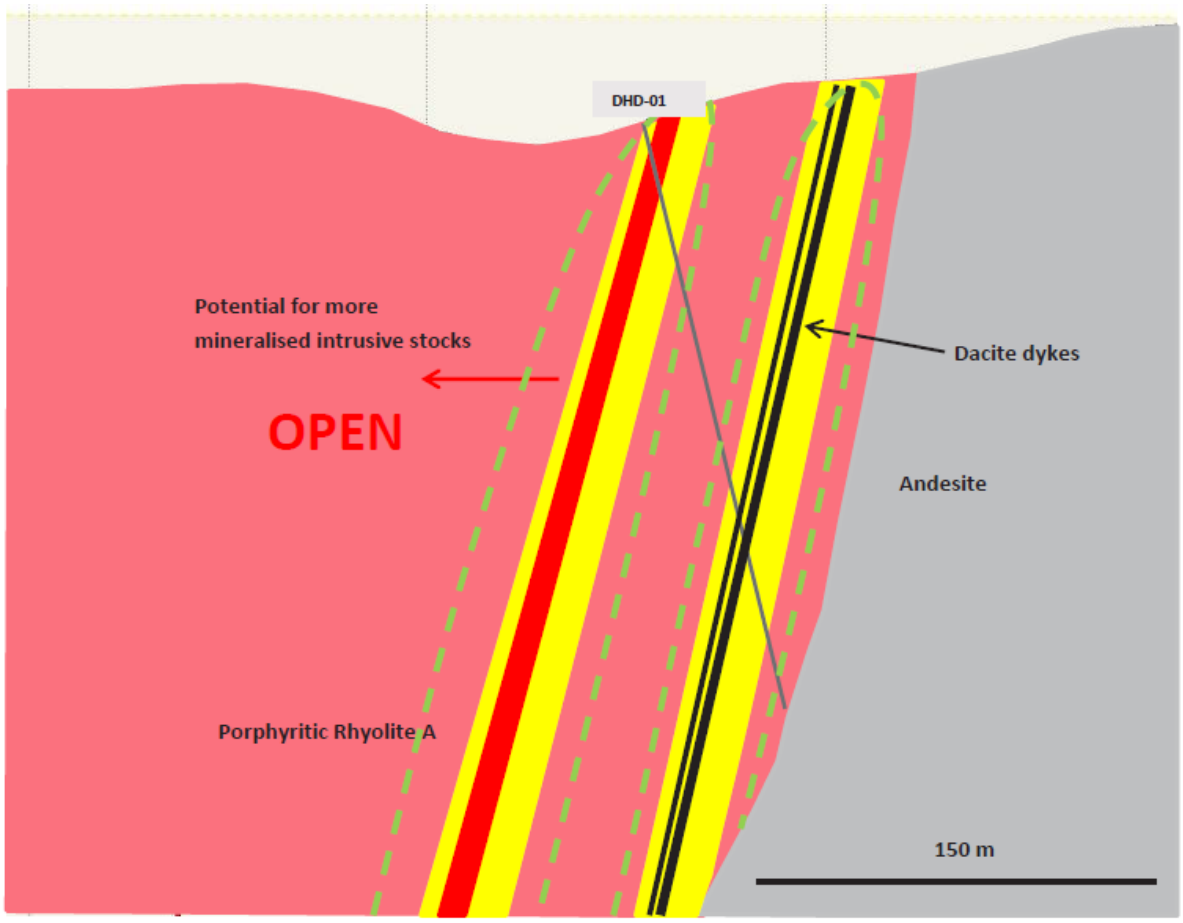


Figure 5: Dania Prospect Cross Section, 7,508,000N for DHD-01 – two mineralised porphyritic stocks intruded faults of the BMZ resulting in near-surface CuOx to at least 250 metres vertical depth. The porphyry emplacement style alteration indicates significant exploration potential with higher grade hypogene zones likely at depth.

3. Dania Location

Estrella's Dania Prospect lies approximately 8 km south of Estrella's Colupo Prospect and is only 9 km north-northwest from the Antucoya Porphyry Deposit (owned by Antofagasta Minerals PLC and Marubeni) (**Antucoya Porphyry Deposit**). The Antucoya Deposit (as shown in **Figure 1** and **Figure 5**) is a copper porphyry with total reserves of over 600 million tonnes at an average grade of 0.35% which is currently under development (USD1.9B) and due to produce its first copper cathode in April 2015 (source: Antofagasta Minerals PLC Investor Presentation 2013 titled "Antucoya Site Visit").

All of Estrella's prospects and projects in the area (for example Dania, Colupo and Antucoya West) are linked via road access.

Estrella considers the Antucoya Porphyry Deposit relevant to its own exploration activities in this district, in particular at Estrella's prospects of Colupo, Dania and Antucoya West, as it demonstrates the potential for economic extraction of copper resulting from successful exploration.

With continuing on-going exploration success as shown from these 2 diamond drilled holes at Dania, Estrella considers its 4 key Prospects namely Colupo, Dania, Ivannia and Antucoya West, ideally situated to create a potential district of mining and production operations with facilities to be positioned in the optimal locality between all of these prospects.

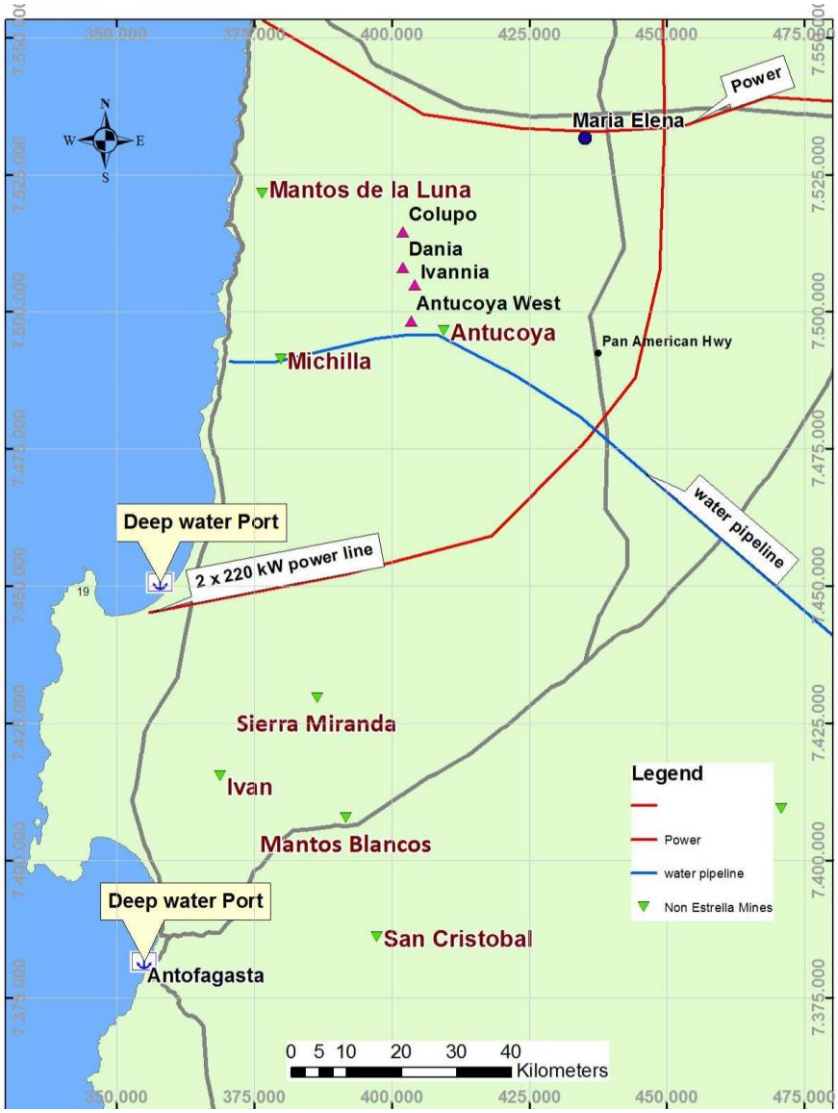


Figure-6: Estrella's prospects Antucoya West, Dania, Colupo and Ivannia lie within Region II of northern Chile which is well populated with mining projects and infrastructure.

CuOx mineralisation had also been identified at surface by the historical SQM RC holes (and as now reconfirmed by Estrella's exploration team) within a hydrothermal breccia 300 metres to the SW (refer ARDA-3 in **Figure 2** and **Figure 3**) and in SQM drill holes to the south (including ARDA-16 in **Figure 2** & **Figure 3**).

4. Further Exploration

Estrella is currently reviewing recently gathered exploration data at the Dania, Antucoya West and Colupo Prospects and will resume drilling activities in May 2014. Further information about this program will be announced once drilling activities have re-commenced; including Estrella's objectives with its maiden drilling program at Antucoya West.

Table 3: Collar table for SQM's historical RC drill holes (ARDA1 to 19) and Estrella's diamond drill hole program at Dania (Coordinates are in PSAD56 zn19s).

Hole ID	EASTING	NORTHING	RL	AZIMUTH	DIP	LENGTH	Date drilled	Hole type	Drilled by
ARDA-1	402662	7508355	1553	65	70	200	2010	RC	SQM
ARDA-2	402485	7508198	1567	245	70	60	2010	RC	SQM
ARDA-3	402441	7508180	1566	245	70	60	2010	RC	SQM
ARDA-4	402508	7508257	1568	245	70	80	2010	RC	SQM
ARDA-5	402617	7508397	1545	65	70	130	2010	RC	SQM
ARDA-6	402689	7508272	1544	65	70	100	2010	RC	SQM
ARDA-7	402797	7508352	1577	245	70	90	2010	RC	SQM
ARDA-8	402604	7508449	1548	65	70	120	2010	RC	SQM
ARDA-9	402599	7508343	1547	245	70	138	2010	RC	SQM
ARDA-10	402574	7508440	1550	245	70	102	2010	RC	SQM
ARDA-11	402602	7508497	1549	65	70	72	2010	RC	SQM
ARDA-12	402705	7508494	1574	245	75	125	2010	RC	SQM
ARDA-13	402919	7508648	1581	275	70	100	2010	RC	SQM
ARDA-14	402792	7508569	1590	230	70	108	2010	RC	SQM
ARDA-15	402540	7508561	1557	65	70	72	2010	RC	SQM
ARDA-16	402726	7508159	1550	245	70	150	2010	RC	SQM
ARDA-17	402835	7508226	1573	245	70	110	2010	RC	SQM
ARDA-18	402795	7508149	1566	65	70	90	2010	RC	SQM
ARDA-19	402393	7508470	1578	65	70	54	2010	RC	SQM
DHD-01	402692	7508346	1580	55	75	316.2	2014	DD	ESR
DHD-02	402600	7508430	1550	80	65	289	2014	DD	ESR

5. Commentary

Commenting on the Results from the Initial Diamond Drilling Program at Dania, Estrella's Managing Director, Jason Berton, said:

> *"The assay results from the current diamond drilling have greatly advanced our knowledge of the mineralisation controls at Dania which is key to generating further exploration targets and hopefully even greater success.*
>
> *Estrella will now progress with systematic exploration at Dania to further identify occurrences of copper oxide mineralisation near surface and at depth.*
>
> *Importantly, the general intrusive stock emplacement of the mineralisation at Dania has close similarities with the published literature on Antofagasta's Antucoya porphyry deposit (Maksaev, et al., 2006).*
>
> *Estrella has continued to discover near surface copper oxide which includes both Dania and Colupo Prospects. Estrella is optimistic that further exploration will identify the creation of a mining and production operations district to exploit a large mineralised system at Altair."*

Disclaimer

This announcement contains information relating to the Antucoya Porphyry Deposit which is owned by Antofagasta Minerals PLC and Maurbeni (not to be confused with Estrella's Antucoya West Prospect) and is obtained from publicly available information. Estrella makes no comparison between its projects and the Antucoya Porphyry Deposit other than to demonstrate its locality. There is no guarantee that Estrella's projects will realise similar results.

References are also made in this announcement 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 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

Non-Executive Chairman:
-Gavin Solomon

Managing Director
-Dr. Jason Berton

Non-Executive Directors:
-Julian Bavin
-Robert Thomson

Company Secretary
-Justin Clyne

ESTRELLA RESOURCES LIMITED
ACN 151 155 207

ASX CODE: ESR

ORDINARY FULLY PAID SHARES:
96,601,000

UNLISTED OPTIONS:
12,380,000

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• *Core samples for Diamond Drilling were systematically recorded. HQ3, HQ, NQ3 and NQ size core was undertaken at intervals of one meter by splitting longitudinally the half of the core for assay with a core cutting saw (SAW-01 ALS code), while the other half is retained in the core box. The diamond core were sampled under the company supervision at the facilities of ALS Chemex, an international certified Laboratory in Antofagasta. The core boxes are stored for logging and reference in the warehouse of the company at Maria Elena town, II Region, Chile.* • *Control of recovery percentage, Quick Logs, field core photos, RQD and cutting line pinstripe were performed at the field.* • *Photography of core box (*PHO-COR10 *ALS code) and cutting process were performed at the Lab facilities. The bag (40x60cm and 0.3mm plastic bag) labeling of core samples in the Lab and selection of field duplicates were carried out. Approximately 2kg of <10# coarse reject material is stored on the Lab for reference. Pulps of all samples are stored for reference in the warehouse of the company.*
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• *The drilling method was down-the-hole diamond drilling with a Sandvik DE710 HEAVY-DUTY CORE DRILL, and the most frequently used diamond drill bit was HQ (96 cm diameter) and NQ (75.7 cm diameter). Core barrels used include a 3 meter double tube type and a 1.5m meter.*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain*	• *Standard half cutting and sampling protocols were implemented from the start of the Dania Project drilling campaign. Diamond core are reduced by core cutting saw in the Lab to 50% of the original drilled interval. Sample protocols included sample duplicates for diamond core (50% of total) at ~5% of total samples. Blank material (quartz) is*

Criteria	JORC Code explanation	Commentary
	of fine/coarse material.	*inserted at ~2.5% of total samples.* • *Recovery data capture has been systematically implemented at the cutting site as well as the weight data capture at the cutting site.*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• *All diamond cores are logged on site immediately after drilling, and geologists carried out a Quick Logging 1:5000 scale for samples selection to analysis id apply and preliminary geological interpretation. The Quick Log captures lithology, lithological contacts, alteration assemblages, mineralization and the mineral zones. Paper DDH Quick Logs are filed on site and data is input into the pdf database.* • *The entire diamond drill core is detailed logged at 1:100 scales. The logging scheme and logging sheet reflects the local geology in data capture. Standard logging and coding sheets were created for this work, a single person imposed consistency on the logging and coding processes. The holes mapped have complete data records that include lithology, alteration associations, alteration type, intensity and occurrence style, mineralization type and minerals, intensity, relative abundance in percentage of ore minerals, texture and occurrence type of mineralization and interpreted relevant faulting.* • *The mapping system is undertaken on paper logging forms and data capture has been migrated to digital capture on the Excel database. Once all analysis of core sample at 1m support is completed mineralization coding will be revised to perform the mineralogy description.*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the*	• *Samples from the current program are prepared and analyzed at ALS Chemex Laboratories (ALS) in Antofagasta, II Region, Chile. The ALS laboratory holds ISO 9001:2008 and ISO 17025 certification and is independent of the company and its subsidiaries.* • *Samples were typically dried, crushed to 70% passing -2 mm, and pulverized to 85% passing -0.075 mm using the ALS code PREP-31B.*

Criteria	JORC Code explanation	Commentary
	sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	*Pulverized samples were assayed for 33 elements by atomic emission spectroscopy/inductively-coupled plasma (ICP-AES) using the ALS ME-ICP61 method which comprises near-total, four acid digestion, followed by HCl dilution and ICP-AES determination. In addition, all samples were assayed for Au using the ALS AuAA23. Selected samples were also assayed for Cu and Ag using the ALS ME-OG62 method, and for Au using the AA21 method, when assays by ALS method ME-ICP61, exceeded the analytical range.*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometres, handheld XRF instruments, etc, the parametres used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• *Mechanical Sample preparation was undertaken by ALS Chemex in a sample preparation facility installed in Antofagasta. Preparation procedures followed the following mechanical preparation steps: Drying at 105°C; Primary crushing in a "Rhino" jaw crusher to 70% passing <10#; Homogenization and reduction by Jones Riffle Splitter Pulverizing to 85% passing <200# Tyler; Splitting to 2 sample pulp bags of approx. 500 g each.* • *Three certified standard reference materials were inserted each 20 samples in the sample pulps stream during the Company drilling campaign at ALS Chemex facilities in Antofagasta. New bar codes sequence for pulps stream were generated and registered in the excel database and printed. Correlations between cutting samples and new bar codes were registered at the excel database and printed. A complete set of original pulps with bar codes is storage at ALS facilities. Three certified GEOSTATS standard were used for Copper and Gold reference. High grade copper standard (code Std Cu GbM399-5) nominal value: 2.94% CuT; low grade copper standard (code Std Cu GbM301-4) nominal value: 0,165% CuT and gold standard (code STD Au GLG908-4) nominal value: 0,0658 ppm Au. Blanc material consist of quartz was inserted each 40 meters at ALS facilities for approximately the 2.5% of the sampled material in the drilling*

Criteria	JORC Code explanation	Commentary
		campaign. ALS customarily inserts pulp duplicates, blanks and reference materials in the assay batches. • *The laboratory is clean and well run, with a full-time chemist supervising operations. Based on a shift seven days per week.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *Assay data are supplied electronically by ALS, and uploaded into the spread sheet. Additionally ALS provides an access controlled server data base were the results could be revised and/or downloaded. All the process of labelling and sampling at the Lab is labelled by bar codes.*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *The local coordinate system employed for collar location is PSAD56 19S in UTM projections. The collar locations of all holes are surveyed by an independent contractor using total station surveying methods. All survey certificates are held in the hard copy files for each drill hole stored on site. Drill hole surveying for the 3 holes drilled were surveyed with Gyroscope at 10m intervals.* • *The reproducibility of the survey methods is considered acceptable.*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *The orientations of mineralisation intersections are similar.* *These intersections are likely to be repetitions due to mineralised stocks intruding along repeated sub-parallel faults. Further drilling is required to prove continuity.* • *No sample compositing was used.*
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• *District and local scale structures are a key factor in the localization of the mineralized systems and units in the project area. Faults and fractures zones and lithological contacts are highly significant aspects for the mineralization emplacement.* • *The property is located along the Buey Muerto Fault Zone an interpreted north west-south east trending fault splay which control the location of Antucoya Porphyry deposit, as a part of a 3 to 15km wide zone of inter-related faults of the major regional, north-south trending, sinistral strike-slip Atacama Fault Zone,*

Criteria	JORC Code explanation	Commentary
		which was active during the Early Cretaceous, that extends for much of the length of the Coastal Cordillera. The Buey Muerto Fault Zone exhibit a 40 km length trace and contribute to lithological contact between the Upper Jurassic plutonic batholith to the west with the upper Jurassic-Cretacic volcanic sequences to the east. The syn-mineralization structures are likely to have controlled, to some degree, the localization of intense fracturing and emplacement of hydrothermal alteration. The local structures are significant in control of the rhyolite dome emplacement and in hosting oxide copper mineralization showing a good degree of continuity in the north, west-south and south east directions. • *Bedding has been observed within the volcanic rocks indicating a monoclynal attitude gently dipping to the north east.* • *The diamond drilling campaign included 2 holes systematically inclined to the East (-70° to -75°) with an azimuth between 50 and 90 degrees and 1 hole inclined to the South-West (-70°) with an azimuth of 245.*
Sample security	• *The measures taken to ensure sample security.*	• *Samples were transported by ALS using transport services (ALS code PKP-21) trucks and personnel, and were securely locked at the ALS Labs. Chain-of-custody procedures consisted of filling out core boxes submittal forms that accompanied the core shipments to confirm that all boxes were received by the laboratory. Sample security consisted of locking samples, once collected, in the Lab. This level of security is considered industry standard for early-stage exploration programs.* • *Sample rejects and Pulps are currently stored at ALS in a secure environment. Company sampling data are stored in an Excel spread sheet.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	•

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure	• *Type, reference name/number, location and ownership including agreements or material issues with*	• *Dania consists of 6 small scale mining permits (known as Pertenencia's) held by SQM. Estrella has a 4 year option*

Criteria	JORC Code explanation	Commentary
status	*third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	*agreement to explore the Dania tenements, which was initiated 12 months ago and has 3 years remaining.* • *Estrella holds 100% 'metals' rights with SQM maintaining 49% 'clawback' upon completion of a prefeasibility study. Royalty commitments have been previously published in ASX announcements.* • *There are no native title interests, historical sites, national parks, wilderness or environmental settings to Estrella's knowledge.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *SQM undertook exploration activities at Dania throughout 2009 and 2010 consisting of surface trenching and sampling and drilled and sampled 19 RC holes (Table 1 in this announcement).* • *SQM sampled 55% of the total metres drilled using chemical analysis performed by CIMM Laboratories. Pulverized samples were assayed for 33 elements by atomic emission spectroscopy/inductively-coupled plasma (ICP-AES) using the ALS ME-ICP61 method which comprises near-total, four acid digestion, followed by HCl dilution and ICP-AES determination. No intervals were composited and sampled. 45% of the metres drilled were not sampled however each metre drilled has been archived in rock chip cutting trays. Bag farms were not established at the drilling sites. Estrella has reviewed the archived rock chips to assist its exploration planning.* • *Estrella has used the assay results, geological logs, cross-sections and maps from SQM's drilling program to assist in 3D modelling, which is assisting Estrella's exploration planning.* • *SQM's historical exploration results have not been presented in this announcement to JORC 2012 standards because Estrella is still seeking: to establish Chain of Custody verification of SQM's assay testing, QA/QC standard, blank and duplicate sampling techniques used.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *A variety of copper deposits, including Stratabound copper-(silver), porphyry copper deposits, copper bearing veins and IOCG type deposit could be found in the district and represent an Early Cretaceous metallogenic episode along the Coastal Cordillera from Peru to Central Chile.*

Criteria	JORC Code explanation	Commentary
		• *The Antucoya porphyry copper deposit is located approximately 9 km SSE of Dania Project and is related to a succession of granodioritic and tonalitic porphyritic stocks and dykes that were emplaced within andesitic rocks of the Jurassic La Negra Formation. Copper-bearing ore occurs as disseminations in altered rocks and stockwork, and is hosted by granodioritic and tonalitic porphyries, and by magmatic to hydrothermal breccias, all within an area of 1600 x 1200 m. The Antucoya porphyry copper system is indicated to have been formed following the change in the stress field along the magmatic arc from extensional in the Late Jurassic to transpressive in the Early Cretaceous. The deposit is located immediately west of the Atacama Fault Zone.* • *The granodiorite and tonalite porphyries have mutual intrusion relationships, suggesting they are either composite intrusions or that they were intruded almost simultaneously. Four hypogene hydrothermal alteration assemblages have been recognised at Antucoya, namely: potassic, mainly within the tonalitic porphyry, characterized by a biotite, K-feldspar and quartz assemblage; chlorite-sericite; quartz-sericite; and propylitic, restricted to the volcanic host rocks of the La Negra Formation,* *Most of the hypogene orebody has been overprinted by a pervasive supergene argillic alteration assemblage. The supergene zone extends downward to depths of 300 to 350 m below the surface. The deposit is believed to contain: 300 Mt at 0.45% total Cu (Maksaev et al., 2006). Published reserve and resource estimates are as follows (Antofagasta PLC website, 2012): total measured + indicated resource at 31 December, 2010 - 1.1534 Gt @ 0.28% Cu; plus; total inferred resource at 31 December, 2010 - 0.3557 Gt @ 0.24% Cu.* • *The Dania project exhibits quartz-sericitic alteration; limonitic haematitic dominant and disseminated copper oxide mineralization in outcrops. Structures are mostly NNW-SSE and ENE-ESW trending faulting and fracturing zones from 500 to 800m long. The Dania system is related to an intrusion succession of porphyritic rhyolite dome type units and dykes that*

Criteria	JORC Code explanation	Commentary
		were emplaced within dacitic-andesitic rocks of the Jurassic La Negra Formation. Copper-bearing ore occurs as infill fractures, veinlets and disseminations in altered rocks and local stockwork, and is hosted by porphyritic rhyolite dome type unit, and by local hydrothermal breccia, all within an area of 800 x 800 m • *The altered and mineralized porphyritic intrusions that occur at Dania, is characterized macroscopically by approximately of 25% of quartz eyes, rounded, broken and euhedral; 25% plagioclase phenocrysts (altered to sericite and K Feldspar) in a groundmass (50%) composed of a microcrystalline aggregate of quartz and sericitized feldspar, with chlorite and disseminated opaque minerals and minor relicts of chloritized fine-grained mafic. This porphyritic rhyolite contains a conspicuous fracturing some with oxidized copper minerals (atacamite, chrysocolla and copper wad), hematite and limonites (after sulphide), and some with late veins of calcite and opaque minerals. A stockwork of D type veinlets and late calcite veins, as well as fractures coated by limonite and copper oxide minerals are present. The Porphyritic rhyolite units exhibits textural variations, suggesting they are either composite intrusions or that they were intruded almost simultaneously.* • *The contact between the porphyritic rhyolite and the country rock, the dacite-andesite are occupied by hydrothermal-contact breccia in the current centre of the deposit. This breccia is also spatially related to NW-striking fault interpreted zone, A second hydrothermal-late quartz matrix breccia bodies has been identified in the west part of the deposit and has a matrix of silica and opaque minerals, hematite after sulphide where breccia fragments are angular to sub rounded and are composed of altered and mineralized porphyritic rhyolite.* • *The NNW-striking, post-mineralisation dykes are dark-grey, dacitic and porphyritic and are composed of approximately by 25% plagioclase which are fresh or partly chloritized or with disseminated epidote. The country rock in the contact zone with the porphyritic rhyolite potassically altered is affected by weak potassic alteration (biotite), with partial chloritization.*

Criteria	JORC Code explanation	Commentary
		• *Three hypogene hydrothermal alteration assemblages have been recognised at Dania, namely: i). potassic, mainly within the deep levels of the porphyritic rhyolite dome and the dacite-andesite country rocks, characterized by a K-feldspar and local fine biotite respectively; ii). quartz-sericite in the upper levels of the porphyritic rhyolite and intense fractured zones; and iii). chloritic; as a background alteration in the quartz – sericite zone and in the volcanic country rocks of the La Negra Formation, characterized by chlorite, quartz, calcite and local pyrite.* • *A dissemination and local stockwork of veins with pyrite and chalcopyrite and chalcocite with local quartz-sericitic haloes occurs in the uppermost part of the deposit.* *Partly of the hypogene orebody has been overprinted by a local supergene alteration with oxidation of sulphide to produce atacamite and chrysocolla, copper wad, jarosite, and limonite.* • *The exposed country rocks of La Negra Formation strikes approximately NS and dips at from 20 to 30°NE. It is composed of massive aphanitic to porphyritic dacite-andesites, locally with coarse-grained, tuff sequence. These units are masked by a layer of post-mineralisation gravel, partly cemented by nitrates (caliche) and regolith.*
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• *See Table 1 and 2 of this announcement*
Data aggregation	• *In reporting Exploration Results, weighting averaging techniques,*	• *Nil*

Criteria	JORC Code explanation	Commentary
methods	*maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• *True widths are described in this announcement.*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• *Provided in this announcement.*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *All mineralised intercepts have been reported in this announcement.*
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *All other exploration information related to Dania (including historical drilling and geophysical work) has previously been disclosed.*
Further work	• *The nature and scale of planned further work (eg tests for lateral*	• *Assuming positive results from the current work, the second key issue can be tackled*

Criteria	JORC Code explanation	Commentary
	extensions or depth extensions or large-scale step-out drilling). • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	*which is more infill drilling to define the extents of the mineralized zones in depth and their extension in the north-south favourable corridor, and determine the both the nature and location of boundaries between mineralization and porphyritic rhyolite phases. There is evidence of mineralized drill holes from previous RC program of SQM.* • *Following the drill program, and assuming positive results, a new resource estimate will be carried out. It may be possible to include certain new geochemical analysis parameters within the data set and to interpolate this data into the block model, which could allow qualification of metallurgical ore types. Finally, grade blocks should be classified based on geostatistical properties to allow classification of ore into appropriate reporting categories.*