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

**25 March 2014**

# Estrella consolidates tenement holdings within Chile

## HIGHLIGHTS

- ✓ **Estrella successful prime applicant for additional exploration tenements totalling 7,405 hectares adjoining Project Altair and, in particular, adjacent to Colupo.**
- ✓ **Estrella now holds 10,813 hectares of 100% owned tenement grounds in addition to tenements optioned under the SQM agreements.**
- ✓ **After technical review and in compliance with the provisions of the First SQM Option Agreement, Altair tenements from SQM have been reduced to 109,620 hectares.**
- ✓ **Consolidation of Chilean tenements by dropping Venus, Jupiter and Luna Projects.**

## 1. New Tenements added adjoining Project Altair

Estrella Resources Limited (ASX:ESR) (**Estrella** or **Company**) is pleased to announce that following work by its exploration and technical team and detailed review by the Board and Management, it has identified and become the successful prime applicant for an additional 7,405 hectares situated immediately to the north of the Colupo Prospect.

This additional tenement area which the Company has titled 'Mercurio' is of strategic benefit to Estrella given its adjacent proximity to Colupo coupled with the recent announcements from the Estrella drilling program regarding the prospectivity and mineralisation trends observed at Colupo.

Securing this new tenement is in addition to Estrella becoming the successful prime applicant for the tenement area adjacent to the Antucoya West Prospect within Project Altair titled 'Saturno' (3,408 hectares) as announced to the ASX on the 9 September 2013.

These additional tenement packages (see **Figure 1**) are:

- Consistent with Estrella's strategy of increasing its own tenement holdings along the Atacama Fault Zone and specifically the Buey Muerto Fault zone running through Altair.
- 100% owned by Estrella;
- Not subject to any agreement with any third parties; and
- Outside of any SQM agreement ie there are no royalty/claw-back or relinquishment requirements associated with any of these new tenements.

## 2. Tenement Consolidation under First SQM Option Agreement

As part of Estrella's strategy to focus and to prioritise exploration/development on the most prospective and advanced areas within the Altair Project and in compliance with the provisions of the Option Agreements held with SQM, Estrella has now relinquished certain parts of the SQM tenements.

Following a detailed review by the exploration and technical team including the Board of Estrella (see **Figure 1**) the areas relinquished are largely the northern and eastern part of Altair. The majority of this tenement package is located far from existing infrastructure, is under existing SQM operations and was determined to be highly unlikely to form part of Estrella's exploration/development program in the foreseeable future.

No ground has been relinquished relating to Colupo, Dania, Ivannia, and Antucoya West, Antucoya East or adjacent/adjoining areas.

A Summary of the entire Altair Project is set out below:

| Description | Tenement Size (hectares) | Tenement Size ($km^2$) |
|---|---|---|
| Tenement Ares under Option with SQM | 109,620 | 1,096.20 |
| Mercurio (100% owned by Estrella) | 7,405 | 74.05 |
| Saturno (100% owned by Estrella) | 3,408 | 34.08 |
| **Total tenement holdings of Project Altair** | **120,433** | **1,204.30** |

Following the addition of new tenements to Altair coupled with the abovementioned relinquishment, Estrella now maintains 120,433 hectares (1,204.3 $km^2$) within the Altair Project (See **Figure 1**).

The focus of Estrella's exploration will be on its prospects located along the strike length of the Buey Muerto Fault zone (**BMZ**). The BMZ trends north from Antucoya through Dania, Colupo, Ivannia and the new tenement areas acquired by Estrella.

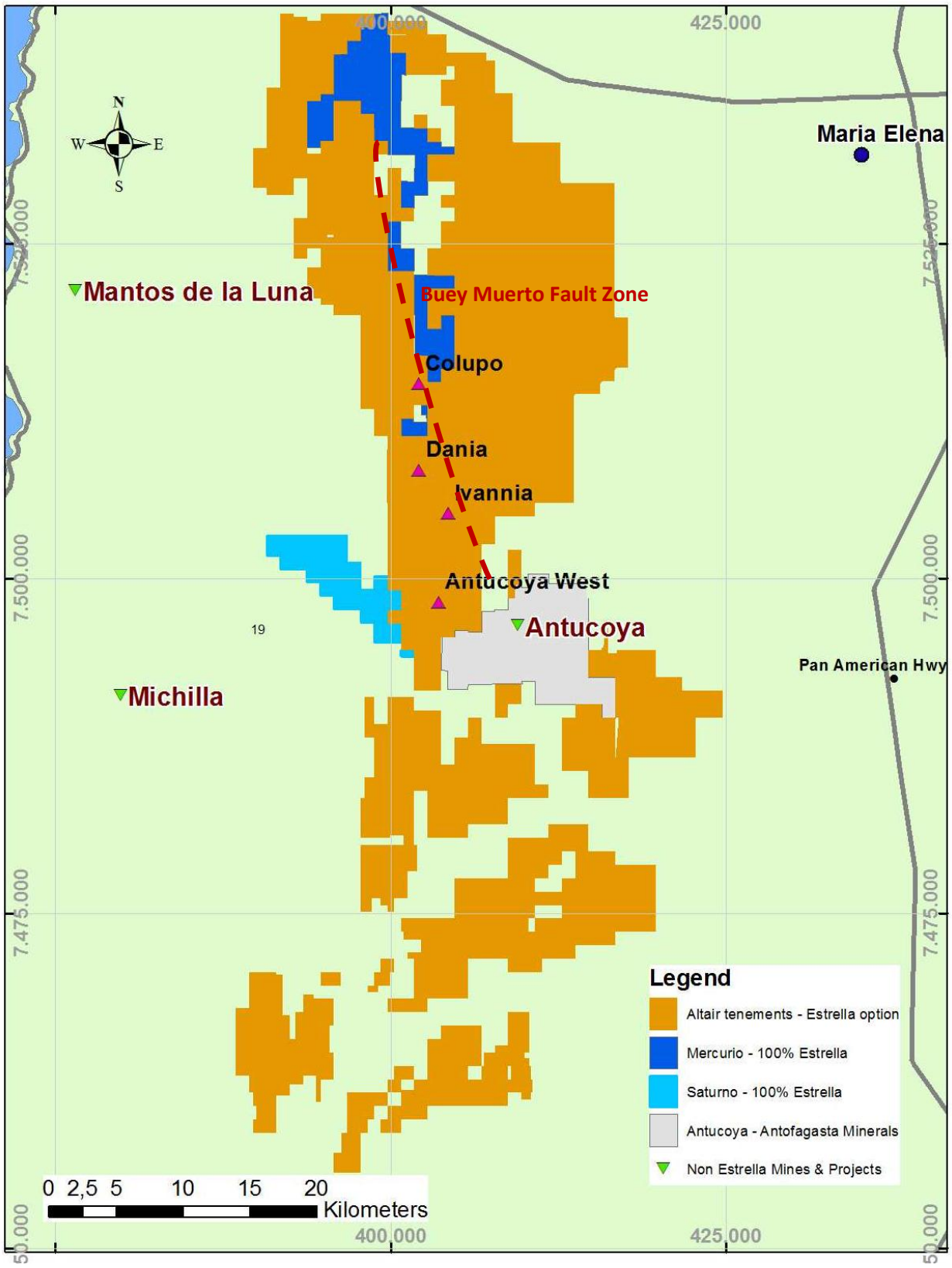


**Figure 1: Project Altair post additional new tenements and relinquishment to SQM**

## 3. Other Projects

Given the Company's focus on the Altair Project and its newly acquired areas, the Board has also decided to focus solely on its highest priorities within the Altair Project and to relinquish all other projects outside of Altair.

The Luna, Venus and Jupiter Projects have now been forfeited (without further cost to Estrella) and will now discontinue being included in Estrella's tenement portfolio. Given the size and prospectivity of Altair, these projects were not considered prospective enough to deter focus away from the Company's core priorities.

## 4. Commentary

Commenting on the today's announcement, Estrella's Managing Director, Jason Berton, said:

> *"The Board's decision to focus all its efforts in and around the Altair Project has resulted in a significant consolidation of the Company's tenement portfolio and conservation of funds that can now be directed towards exploration on the highest priority projects.*
>
> *Securing the Mercurio ground immediately north of Colupo gives Estrella another 100% owned prospect along with Saturno and supplements further attractive exploration opportunities with the Altair Project."*

**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

Non-Executive Directors:
-Julian Bavin
-Simon Kidston
-Robert Thomson

Managing Director
-Dr. Jason Berton

Company Secretary
-Justin Clyne

ESTRELLA RESOURCES LIMITED
ACN 151 155 207

ASX CODE: ESR

ORDINARY FULLY PAID SHARES:
96,601,000

UNLISTED OPTIONS:
11,130,000