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ASX ANNOUNCEMENT

22 August 2013

Altair Project Exploration Program Update

HIGHLIGHTS

- ✓ RC drilling program at Colupo Prospect to commence in September 2013.
- ✓ Ground Induced Polarisation (IP) survey at Colupo Prospect has revealed high priority drill targets.
- ✓ Vector IP survey at Antucoya West Prospect to commence in September 2013 to follow up identified airborne magnetic anomalies.
- ✓ Additional tenements pegged adding 40 km² adjacent to Antucoya West Prospect.

1. Introduction

Estrella Resources Limited (ASX:ESR) (Estrella or the Company) is pleased to advise that the ground gradient IP and resistivity survey completed in August 2013 by Southern Rock Geophysics (SRG) at our Colupo Prospect within the Altair Project was successful in identifying a number of high priority drill targets. The Colupo Prospect is Estrella's highest priority exploration prospect within the Altair Project (Figure 1)

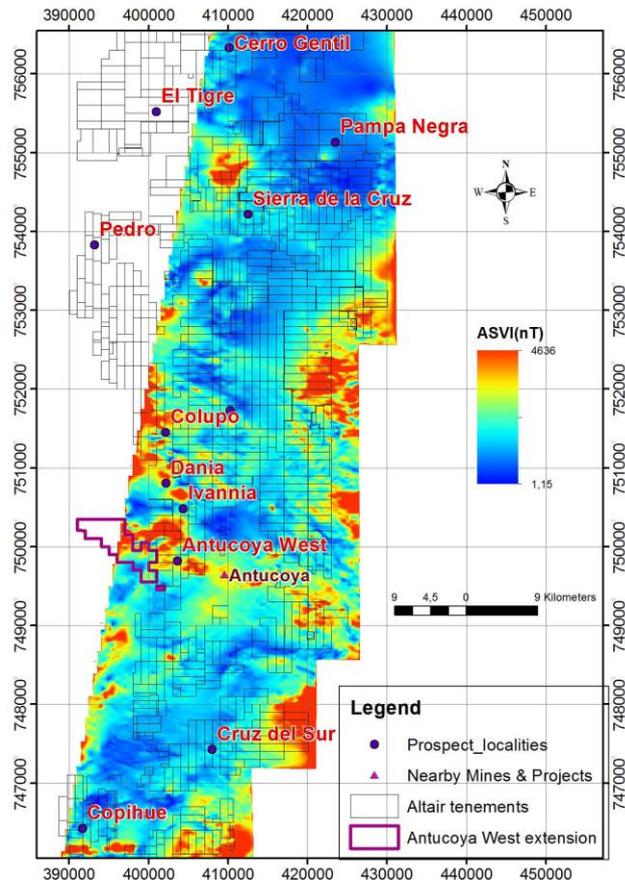


Figure 1. Analytic signal of the first vertical derivative (ASVI) of the reduced to pole (RTP) magnetic data for Altair Project.

2. Induced Polarisation Results compared with existing drill hole information

A total of 26 line-km of Gradient Array IP/Resistivity data was acquired by SRG using 50m and 100m dipoles along 9 north-south orientated survey lines - spaced between 100 metres and 400 metres apart. According to SRG the Gradient Array survey “has provided imaging of coherent trends in both chargeability and resistivity that may provide valuable insight into the distribution of sulphide mineralisation perhaps associated with copper oxides found at surface in trenches and at depth in shallow drill holes.”

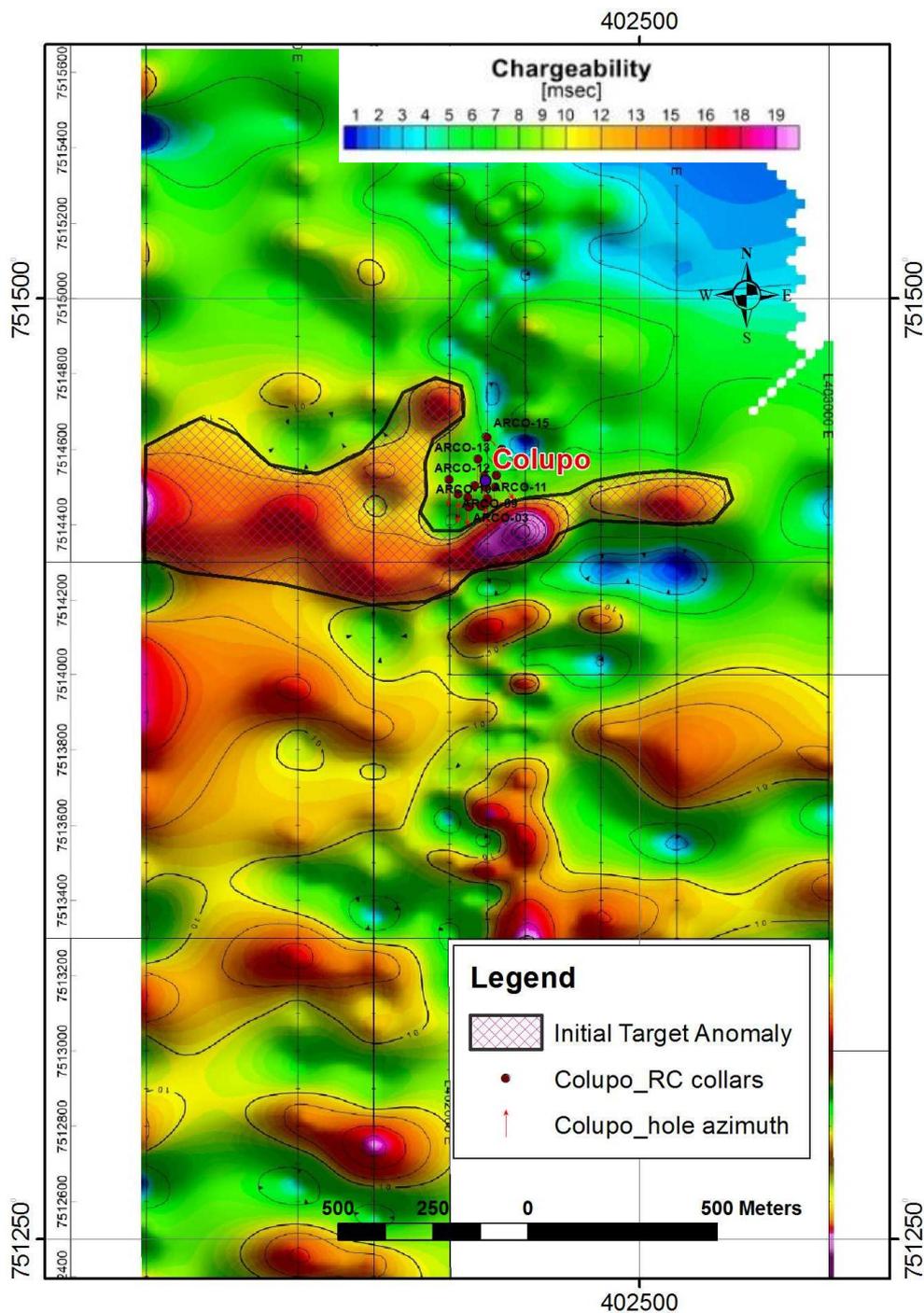


Figure 2 IP survey results by SRG at Colupo Prospect (Map Datum PSAD 1956).

The Colupo IP image (Figure 2) shows several high chargeability anomalies surrounding the existing SQM drilling program. These anomalous areas are prospective for sulphide copper mineralisation and require additional testing by an exploration drilling program. The highest priority within the Colupo Prospect is the strongest chargeability anomaly located approximately 100 metres south of the existing SQM drill holes. This anomaly trends for approximately 1.1 km east to west and about 150 metres north to south.

The existing SQM drill holes with significant copper intersections dip towards the southern anomaly (Figures 2 and 3). As such, the new IP results by SRG coupled with the existing drill hole data and the aeromagnetic dataset are highly encouraging for the potential of near surface oxide mineralisation within the Colupo Prospect extending at depth into copper sulphide mineralisation

Estrella is commencing Reverse Circulation (RC) drilling in September to test the IP targets and the likeliness of extending the current area of known mineralisation. The two most likely geological mineralisation models that Estrella requires exploration drilling to test for are:

- i. Breccia pipe feeders into porphyry at depth; and
- ii. IOCG manto style mineralisation.

SQM previously drilled 15 RC holes at Colupo in 2010-2011 with the mineralised intercepts were reported by Estrella (ASX announcements dated 18 March 2013 and 7 May 2013) (see Figure 3):

- 31 m @ 1.39% Cu from 28 m (ARCO 02)
- 22 m @ 0.98% Cu from 28 m (ARCO 10)
- 39 m @ 0.63% Cu from 1 m (ARCO 11)
- 8 m @ 1.34% Cu from 55 m (ARCO 11)
- 35 m @ 0.60% Cu from 6 m (ARCO 08)

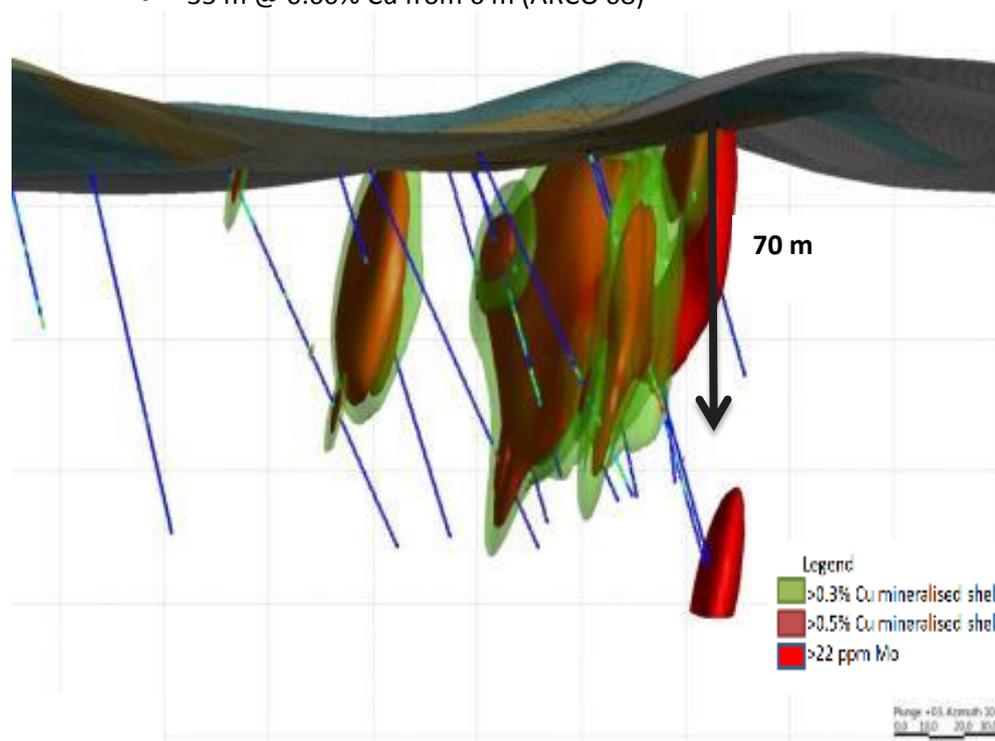


Figure 3. 3D mineralisation model from 15 RC drill holes by SQM at Colupo prepared for Estrella by SRK Consulting, view to the east, drill holes dip to south.

3. Colupo Prospect Drilling

The identification of a number of high priority anomalies within the Colupo Prospect has now allowed Estrella to develop a drilling program to immediately follow up these targets. The RC drill hole program will test for the extension of the existing mineralisation zone. Drilling contracts are being finalised and it is expected that earthworks and drilling will commence in early September 2013.

4. Antucoya West extension and Altair Project prospects

Estrella reports that it is now 100% owner (prime applicant) of an additional 40 km² of exploration tenement adjacent to the Antucoya West Prospect with Project Altair (see Figure 4). Estrella's pursuit of this additional tenure at Antucoya West was driven by the prospectivity of the region as recently revealed by the acquired airborne magnetic geophysical data. The data showed the magnetic anomaly over the Antucoya porphyry deposit continuing westward onto the Altair Project (as previously announced to the ASX 11 June 2013).

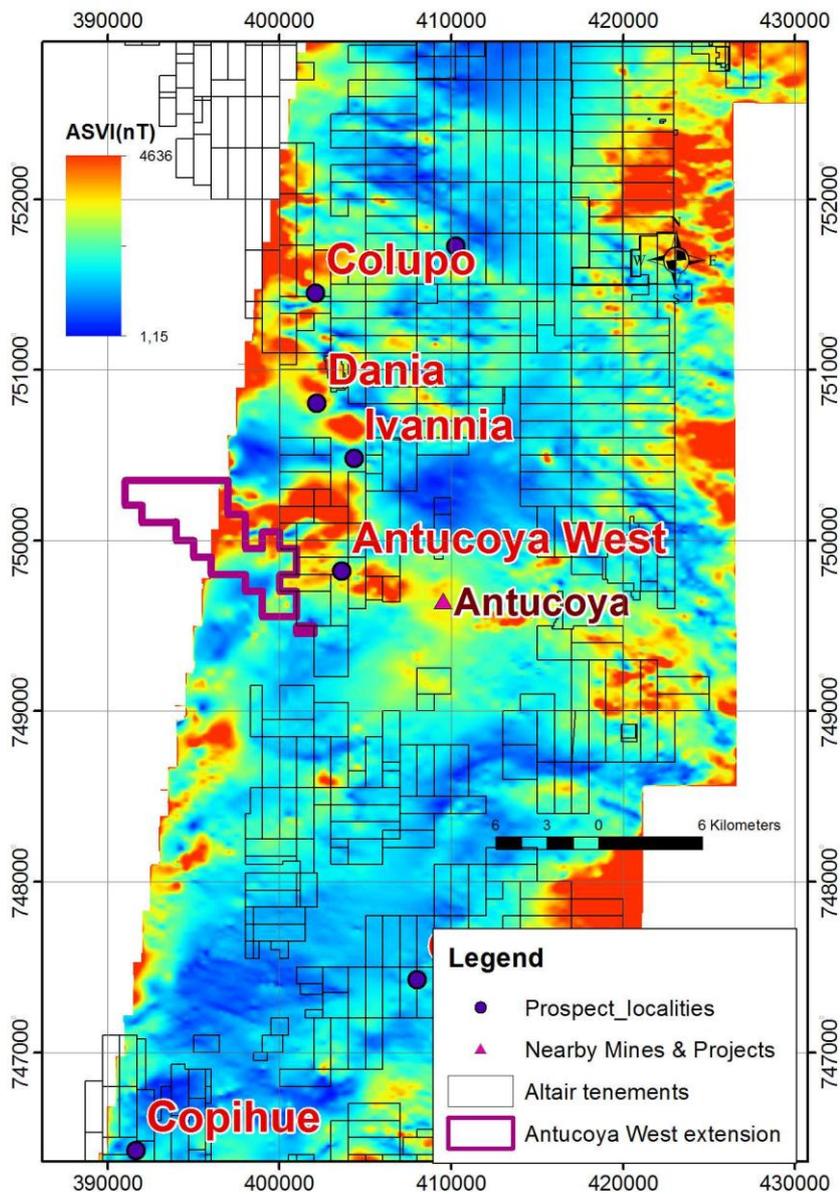


Figure 4. Closer view of the ASVI image and Antucoya West Prospect (Map Datum PSAD 1956).

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5. Exploration at Antucoya West: Vector Induced Polarisation.

The next exploration step that Estrella is now undertaking at the Antucoya West Prospect is to have SRG to remotely test the sub-surface for mineralised extensions from the Antucoya deposit owned by Antafasgo Minerals PLC. As can be seen in Figure 4, the Antucoya West project area is of considerable size. The Vector Induced Polarisation (VIP) ground survey technique has been recommended by SRG at Antucoya West for its rapid deployment and cost-effective area coverage as a first-pass identifier to likely sub-surface mineralisation. VIP is also an effective technique for identifying porphyry mineralisation targets.

6. Commentary

Commenting on the gold and silver results, Estrella's Managing Director, Dr Jason Berton, said:

“Estrella has continued to follow a methodical approach in our exploration at all the prospects within the Altair Project.

At Colupo, high level large spacing aeromagnetic data coupled with historic drilling data by SQM were utilised by Estrella to focus in on regions of potential high prospectivity. This was immediately followed by a focused ground IP survey which has only just been completed and which has enabled Estrella to quickly and precisely pinpoint new drilling targets with the Colupo Prospect.

The latest IP results at Colupo are consistent with the historical drilling results and points a potential large, near surface mineralised system.

Estrella is now commencing drilling activities at Colupo.

Antucoya West also remains exciting as a potential large scale porphyry target for Estrella and we have now commenced new follow up IP survey work on Antucoya West which will progress in parallel to our drilling campaign at Colupo”

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 Limited

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

Dr. Jason Berton
 Managing Director

Gavin Solomon
 Non-Executive Chairman

Julian Bavin
 Non-Executive Director

Simon Kidston
 Non-Executive Director

Juan Pablo Vargas de la Vega
 General Manager - Chile

Justin Clyne
 Company Secretary

ESTRELLA RESOURCES LIMITED
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ASX CODE: ESR

ORDINARY FULLY PAID SHARES:
 87,101,000

UNLISTED OPTIONS:
 7,655,000

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