

28 September 2018

ASX ANNOUNCEMENT

EXPLORATION UPDATE

HIGHLIGHTS

- High Powered Electro-Magnetics (HPEM) recommenced at Carr Boyd Rocks
- Phase 2 HPEM to cover the Carr Boyd Nickel Mine area
- Fosters Hill Prospect 8km East of the Carr Boyd mine also to be tested with modern HPEM

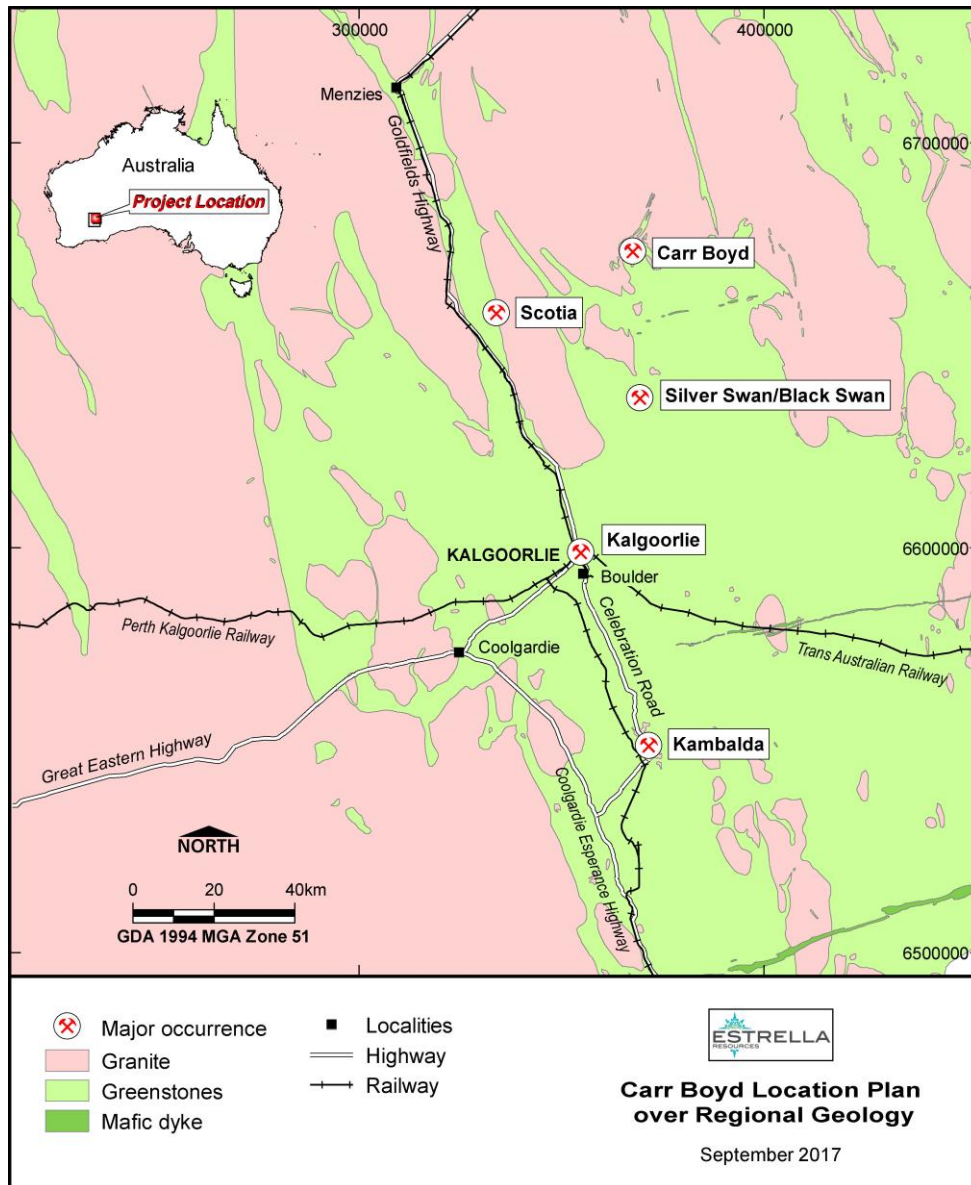


Figure 1. Location of Carr Boyd in relation to commercial centres and other major nickel projects.

Estrella Resources Limited (ASX: ESR) (Estrella or the Company) is pleased to provide an exploration update on the Carr Boyd Nickel Project (CBNP or the Project). The CBNP is comprised of the Carr Boyd Layered Complex (CBLC or the Complex).

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EM SURVEYING

The Phase II moving loop HPEM survey proposed to extend 3.3km further north from the current Phase I survey is now underway at Carr Boyd Rocks, screening the interpreted basal contact position and immediate footwall sequence to 1.4km north of the Carr Boyd Rocks Mine. There are several historic high priority exploration targets and prospects in this area based on surface geochemistry, downhole geochemistry, aero-magnetics, ground gravity, and interpreted geology datasets. HPEM will determine if significant conductor's indicative of the presence of well-developed sulphides are associated with any of the exploration targets.

A further area approximately 8km East at Fosters Hill will also be covered in the current exploration efforts. Fosters Hill is an area where previous historic exploration has uncovered favorable geology, elevated copper in soils and where a coherent GeoTEM target was identified.

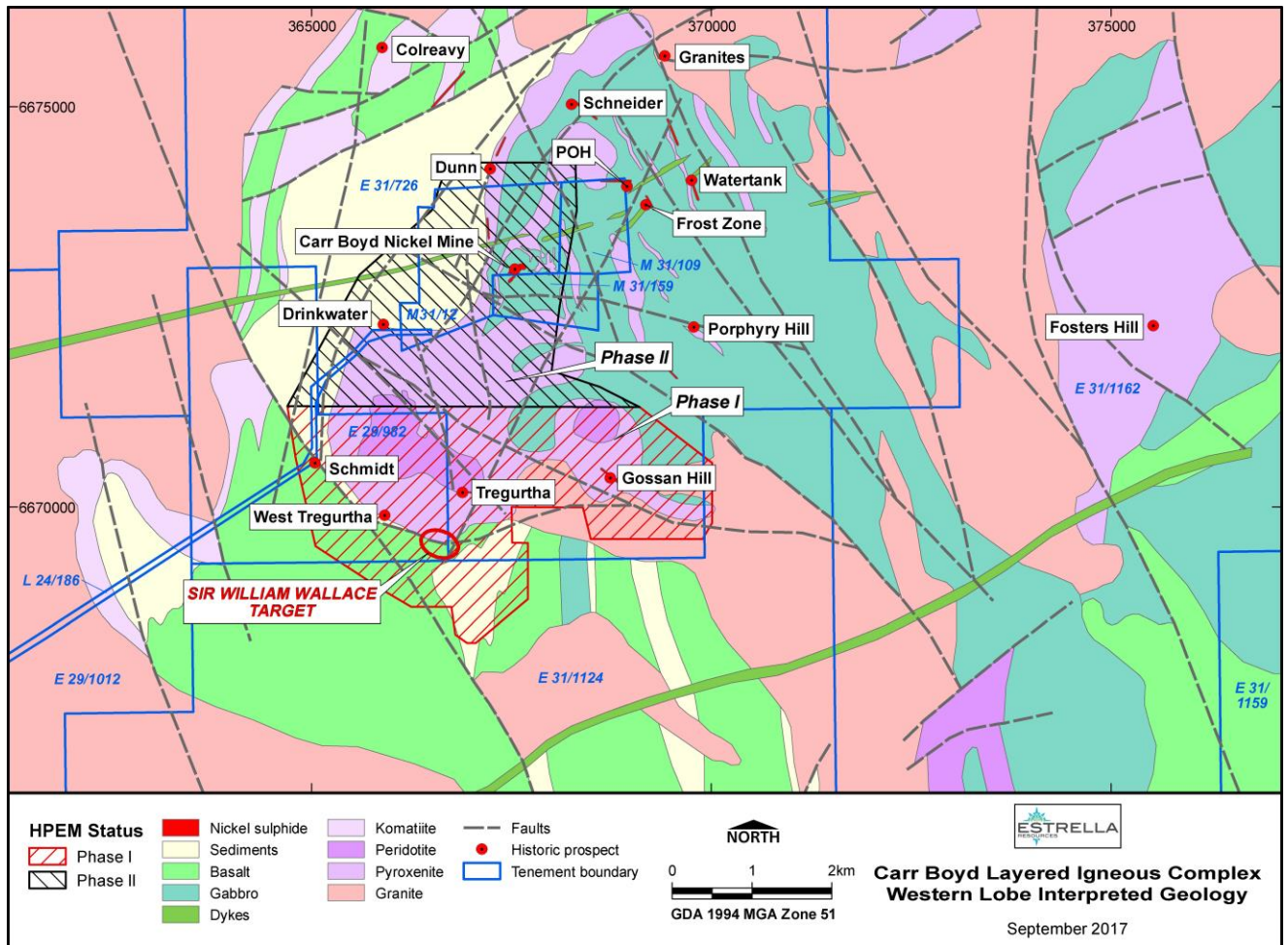


Figure 2. Geological map of the CBLC showing current Phase II HPEM coverage and previous Phase I .

ABOUT THE PROJECT AND THE CBLC

The CBLC is a 75km² layered mafic igneous complex, which hosts several occurrences of nickel and copper sulphides. The most significant occurrence discovered to date is at the Carr Boyd Rocks mine, where mineralisation is hosted by bronzitite breccias (pyroxenites) emplaced within the gabbroic sequence of the Complex. The CBLC is in a Tier 1 jurisdiction approximately 80km north north-east of Kalgoorlie Western Australia. An all-weather haul road accessible by Estrella under a granted miscellaneous license connects the Project to the Goldfields Highway via Scotia.

A "Voisey Bay" style model has not been adequately explored within the CBLC. This represents a compelling exploration target opportunity which the Company will continue to aggressively pursue.

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Table 1. Tenement Schedule of the CBNP.

Schedule of Mining and Exploration Tenements							
Country	State/Region	Project	Tenement ID	Area Ha	Grant Date	Mineral Rights	Interest %
Australia	WA	CBNP	E 31/1124	623	1/05/2017	All	100
Australia	WA	CBNP	E 29/1012	178	Application	All	100
Australia	WA	CBNP	E 29/982	89	2/01/2017	All	100
Australia	WA	CBNP	E 31/726	542	3/04/2008	All	100
Australia	WA	CBNP	M 31/12	27	20/11/1984	All	100
Australia	WA	CBNP	M 31/159	8	21/01/1997	All	100
Australia	WA	CBNP	M 31/109	10	25/07/1991	All	100
Australia	WA	CBNP	E 31/1162	920	Application	All	100

Competent Person Statement

The information in this announcement relating to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Luke Marshall, who is a consultant to Estrella Resources, and a member of The Australasian Institute of Geoscientists. Mr Marshall has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity 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 Resource and Ore Reserves". Mr Marshall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

FURTHER INFORMATION CONTACT

Christopher J. Daws
Chief Executive Officer
Estrella Resources Limited
 info@estrellaresources.com.au

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