

Date : 14 May 2018

Estrella Resources Limited

ABN 39 151 155 207

ASX Code: ESR

Board and Management

Chief Executive Officer
Christopher Daws

Non-Executive Directors
John Kingswood
Ray Shorrocks
Stephen Brockhurst

Company Secretary
Stephen Brockhurst

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ASX WAIVER DECISION – LISTING RULE 14.7

Estrella Resources Limited (**Company**) refers to the general meeting of its shareholders held on 26 April 2018 (**Meeting**).

The Company wishes to advise that the ASX has granted it a waiver to extend the period to issue the fully paid ordinary shares and unquoted Company options approved by shareholders pursuant to resolution 1 at the Meeting, of which 9,746,880 Shares and 3,889,600 Options will be issued to director Mr John Kingswood, to no later than 26 July 2018.

ASX granted the waiver on the terms as set out in full in Attachment 1.

For Further Information Contact

Stephen Brockhurst
Director / Company Secretary

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“Decision

1. Based solely on the information provided, ASX Limited (“ASX”) grants Estrella Resources Limited (“Company”) a waiver of listing rule 14.7 to the extent necessary to permit the Company to issue 42,600,000 fully paid ordinary shares (“Shares”) and 17,000,000 unquoted Company options with an exercise price of \$0.05 and an expiry date 3 years from the date of issue (“Options”) (together the “Consideration Securities”), of which 9,746,880 Shares and 3,889,600 Options will be issued to Mr John Kingswood, a director of the Company (“Related Party Securities”) as approved by the Company’s shareholders at the general meeting held on 26 April 2018 (“Meeting”), later than one month after the date of the Meeting, on the following conditions.
2. The Consideration Securities must be issued no later than 26 July 2018 and otherwise on the same terms and conditions as approved by the Company’s shareholders at the Meeting.
3. The Company immediately releases the terms of this waiver to the market.
4. ASX has considered listing rule 14.7 only and makes no statement as to the Company’s compliance with other listing rules.

Basis for Decision

Underlying Policy

5. If a notice of meeting states that an entity will do something that the listing rules require it to do, the entity must do that thing. This supports the integrity of listing rule requirements that forbid a listed entity from taking a particular action unless it has obtained the prior approval of ordinary security holders, and require the giving to security holders of specific information about the proposed action in order for such approval to be validly obtained.

Facts and Reasoning for Granting Waiver

6. Listing rule 10.13.3 requires a notice of meeting with a resolution to approve the issue of equity securities to state that the securities will be issued within 1 month of the date of the shareholders’ meeting. Listing rule 10.13.3 ensures that an issue of equity securities is made within a reasonably short time after the ordinary security holders approve the issue, so that there is less possibility that the circumstances of the entity may change by the time that the issue is made in such a way that they are different from those that the ordinary security holders may reasonably have had in contemplation at the time of giving their approval.
7. The issue of the Consideration Securities, including the Related Party Securities being issued as consideration for the Company acquiring the Carr Boyd Nickel Project (“Carr Boyd Project”) via the acquisition of 100% of the issued capital of Carr Boyd Nickel Pty Ltd (“Carr Boyd”) from Apollo Phoenix Resources (“Apollo”)

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("Acquisition") were approved by the Company's shareholders on the 26 April 2018. The issue of the securities is subject to settlement of the Acquisition which in turn is dependent on the satisfaction of a number of conditions precedent, including that the Carr Boyd shares are distributed to the shareholders of Apollo on a pro-rata basis ("Share Distribution"). Apollo has been advised and in turn has advised the Company that the Share Distribution constitutes a reduction in capital and as a result Apollo will have to comply with the requirements of its constitution and the Corporations Act ("Act") in the process followed to complete the Share Distribution. There exists a genuine delay (which is outside of the Company's control) to the issue of the securities, the Company's circumstances have not materially changed since shareholder approval was given for the issue, the issue is on the same terms and conditions as approved by shareholders, and the extension of time to complete the issue is not excessive in the circumstances. The Company is granted a waiver to permit it to issue the securities up to three months after shareholder approval was obtained."