

27 November 2018

ASX ANNOUNCEMENT

PHASE III GROUND HPEM COMMENCED

HIGHLIGHTS

- High Powered Electro-Magnetics (HPEM) Phase III commenced
- Northern historic target areas to be covered by modern geophysical techniques

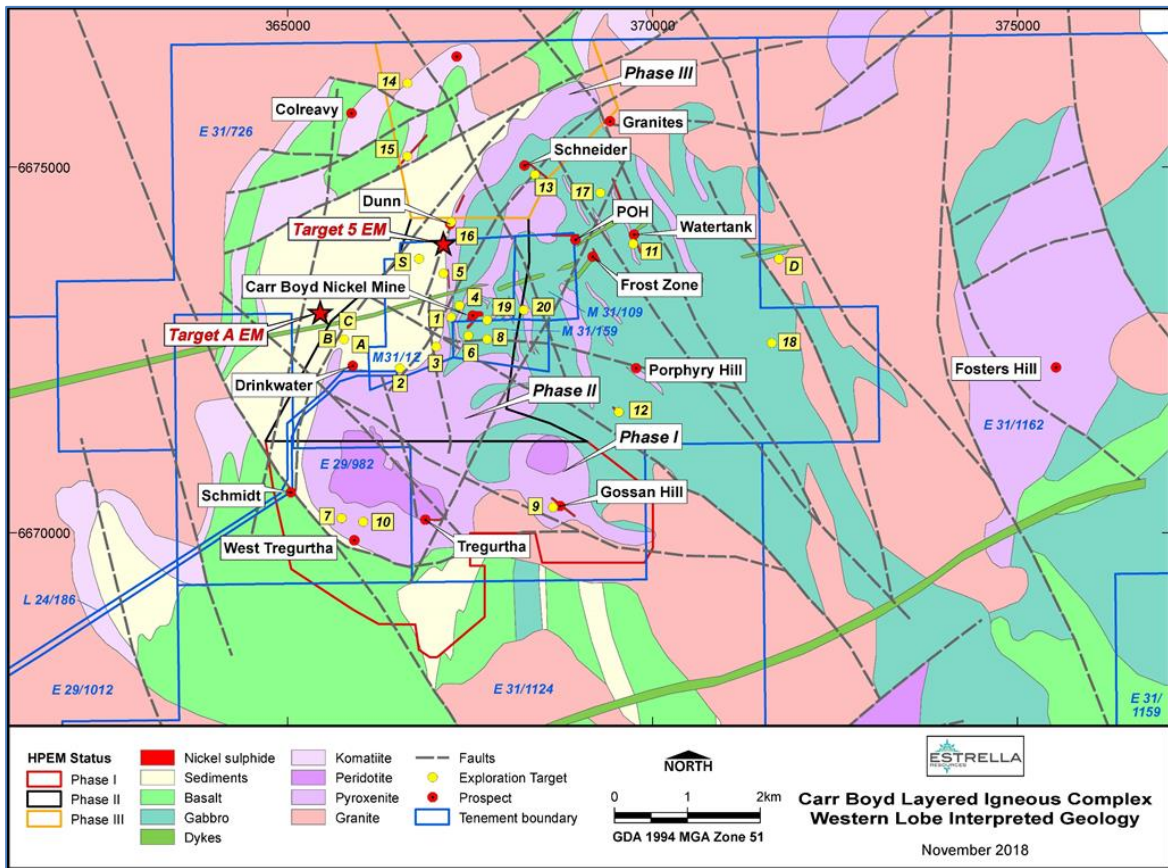


Figure 1. HPEM imagery map, showing the outline of Phase III coverage. The location of Carr Boyd mine, advanced prospects (red dots), and targets (yellow dots) are also shown.

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).

GROUND HPEM SURVEYING

Phase III moving loop HPEM survey has commenced after a very successful Phase II program identified high priority drill targets on interpreted northern basal contact and immediately West of the Carr Boyd Nickel Mine. The proposed Phase III survey will screen a further 2.2 km of the interpreted basal contact position and immediate footwall sequence north of the Carr Boyd Rocks Mine.

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There are several historic exploration targets and prospects in the Phase III area based on surface geochemistry, downhole geochemistry, aero-magnetics, ground gravity, and interpreted geology datasets. **HPEM has already defined two significant conductor's indicative of the presence of well-developed sulphides associated with two exploration targets south of the Phase III area, Target A and Target 5, which will be investigated further.**

The use of modern geophysical techniques is greatly assisting the Company to gain further important data which it hopes could ultimately lead to the discovery of the source of the high tenor massive magmatic nickel and copper sulphides at the Carr Boyd Nickel project.



Figure 2. Massive sulphide nickel from Carr Boyd Nickel mine.

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	6229	1/05/2017	All	100
Australia	WA	CBNP	E 29/1012	1780	20/09/2017	All	100
Australia	WA	CBNP	E 29/982	890	2/01/2017	All	100
Australia	WA	CBNP	E 31/726	5419	3/04/2008	All	100
Australia	WA	CBNP	E31/1162	9,196	26/03/2018	All	100
Australia	WA	CBNP	M 31/12	266	20/11/1984	All	100
Australia	WA	CBNP	M 31/159	79	21/01/1997	All	100
Australia	WA	CBNP	M 31/109	98	25/07/1991	All	100
Australia	WA	CBNP	L24/186	279	13/04/2007	N/A	100

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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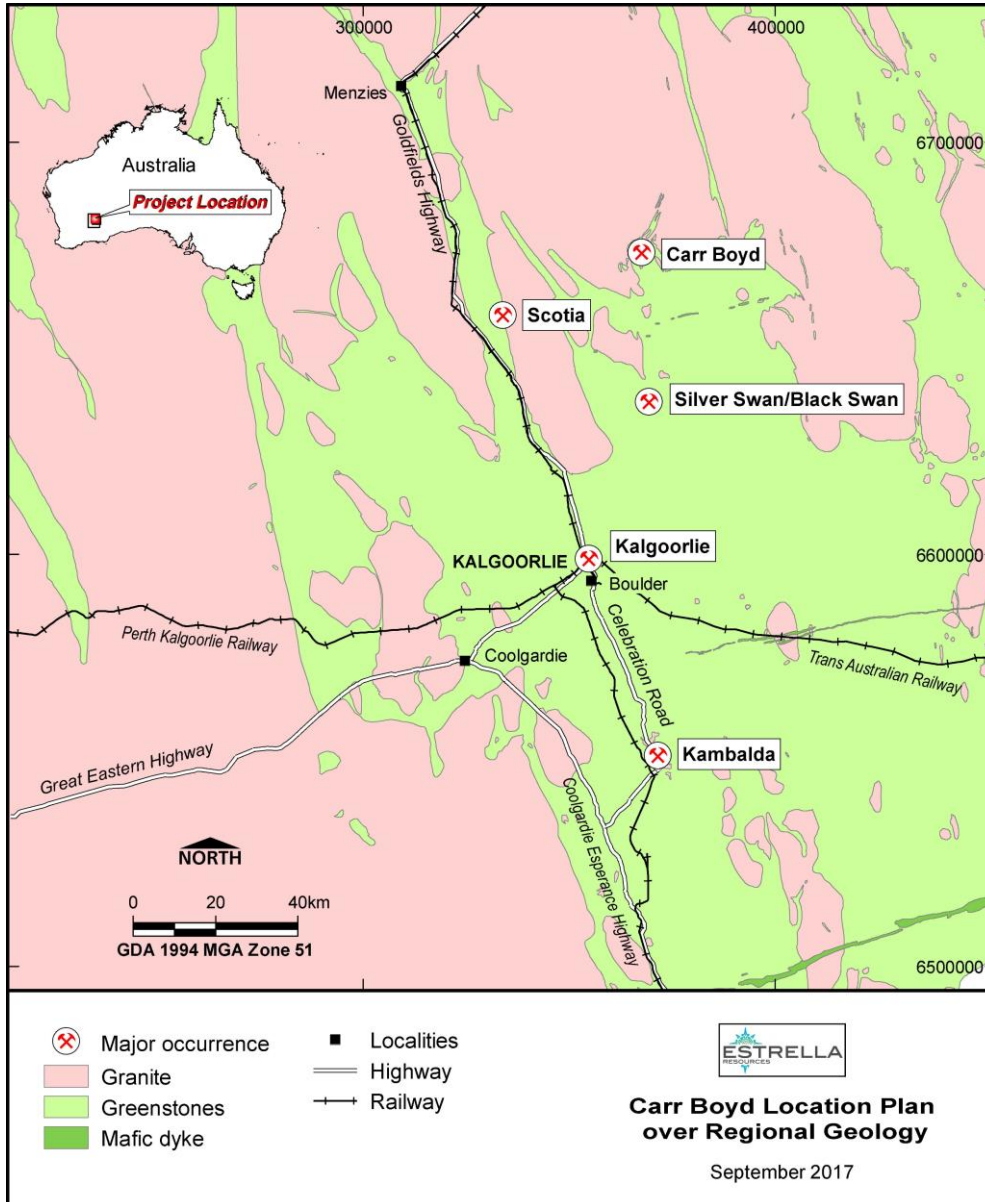


Figure 3. Location of Carr Boyd in relation to commercial centres and other major nickel projects.

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

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