ESTRELLA INTERNATIONAL ENERGY SERVICES LTD.
FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Estrella International Energy Services Ltd.
Carlos Pellegrini 1023
1st Floor
Buenos Aires, C1009 ABU

Item 2. Date of Material Change

May 31, 2012

Item 3. News Release

The news release announcing the material change was released on May 31, 2012 through Canadian newswires and subsequently filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**"). A copy of the press release is attached hereto.

Item 4. Summary of Material Change

On May 31, 2012, Estrella International Energy Services Ltd.(the "**Company**") reached a final resolution with the sellers in connection with its previously announced acquisition of Petroland S.A.S. ("**Petroland**"). In exchange for the monies already paid to the sellers by the Company for its acquisition of a 49% interest in Petroland, and the monies invested in Petroland by the Company to support Petroland's operations and improve its rig fleet during 2011, the Company will receive three 550 HP drilling/workover rigs. The Company will also return the shares representing its 49% ownership in Petroland to the sellers and will have no further obligations to either Petroland or its shareholders.
Petroland

Item 5.1.Full Description of Material Change

On May 31, 2012the Company reached a final resolution with the sellers in connection with its previously announced acquisition of Petroland. In exchange for the monies already paid to the sellers by the Company for its acquisition of a 49% interest in Petroland (US$1.1 Million), and the monies invested in Petroland by The Company to support Petroland's operations and improve its rig fleet during 2011 (US$4.1 Million), the Company will receive three 550 HP drilling/workover rigs. The Company will also return the shares representing its 49% ownership in Petroland to the sellers and will have no further obligations to either Petroland or its shareholders.
Petroland

The rigs will be transferred from Petroland's current rig fleet and consist of rigs PL01, PL20 and PL21. PL01 is currently being operated by the Company on contract in central Colombia. Rigs PL20 and PL21 are idle and will be delivered to the Company within the 30 days. The Company will also assume certain leasing debt outstanding on PL20 and PL21, in the sum of US$1.7 Million.

The Company has also agreed to purchase certain additional peripheral assets from Petroland at the depreciated book value of such assets, at an estimated value of US$1 Million.

For further information, please see the attached press release.

Item 5.2.Disclosure of Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Confidentiality is not requested.

Item 7. Omitted Information

No information has been omitted in respect of the material change.

Item 8. Executive Officer

Warren Levy, President, Chief Executive Officer
54 11 5217 5250

Item 9. Date of Report
June 11, 2012

ESTRELLA INTERNATIONAL ENERGY SERVICES LTD.

PRESS RELEASE

ESTRELLA FINALIZES TRANSACTION WITH PETROLAND RELEASES Q1 FINANCIAL STATEMENTS AND PROVIDES OPERATIONS UPDATE

Buenos Aires, Argentina, May 31, 2012 - Estrella International Energy Services Ltd. (the "**Company**" or "**Estrella**") (TSX-V: EEN), is pleased to announce that further to its press release dated February 23, 2012, the Company has reached a final resolution with the sellers in connection with Petroland S.A.S. ("**Petroland**"). Estrella also announces that it has filed its Interim Consolidated Financial Statements and the related Management's Discussion and Analysis ("**MD&A**") for the first quarter ended March 31, 2012. Copies of these documents can be found on SEDAR at www.sedar.com.

Petroland

In exchange for the monies already paid to the sellers by Estrella (US$1.1 Million) for its acquisition of a 49% interest in Petroland, and the monies invested in Petroland by Estrella to support Petroland's operations and improve its rig fleet during 2011 (US$4.1 Million), the Company will receive three 550 HP drilling/workover rigs. Estrella will also return the shares representing its 49% ownership in Petroland to the sellers and will have no further obligations to either Petroland or its shareholders.

The rigs will be transferred from Petroland's current rig fleet and consist of rigs PL01, PL20 and PL21. PL01 is currently being operated by Estrella on contract in central Colombia. Rigs PL20 and PL21 are idle and will be delivered to Estrella within the 30 days. Estrella will also assume certain leasing debt outstanding on PL20 and PL21, in the sum of US$1.7 Million.

Estrella has also agreed to purchase certain additional peripheral assets from Petroland at the depreciated book value of such assets, at an estimated value of US$1 Million. These peripheral assets are required for the contracts discussed later in this press release.

Q1 Financial Highlights Quarter Ended March 31, 2012 (all dollar amounts are US$ '000)

For the quarter ended March 31, 2012, Estrella's total revenues were up marginally to $14,349 ($14,114 in 2011). Revenues from rig operations were $10,591 ($11,572 in Q1 2011), down 8% compared to Q1 2011. The decrease in revenues from rig operations is principally due to a lower than expected rig utilization rate which was down for the quarter to 52% (78% in Q1 2011). This lower rig utilization rate can be attributed to a month long, industry wide strike, in the Barranca Bermaja region of Colombia in early 2012, impacting 7 of the Company's 17 rigs.

The decrease in revenues from rig operations was offset by a 90% increase in service revenues, $3,072 ($1,613 in Q1 2011). This is primarily due to strong directional growth, particularly in the geothermal market.

General and administrative expenses for the quarter ended March 31, 2012 were down to $2,578 ($3,499 in Q1 2011), while oilfield expenses were $12,488 ($9,586 in Q1 2011). The increased oilfield expenses can be partially attributed to the acquisition and consolidation by Estrella of all of the operations of Zigma Petroleum Services S.A. This transaction was completed during Q1 2012 and is detailed in the Company's press release of February 23, 2012. The Company recorded a net loss for the quarter ended March 31, 2012 of $5,622 (net gain of $4,349 in Q1 2011) or -$0.0417 per common share ($0.0430 in Q1 2011).

Operations Update

In Colombia, Canacol Energy has awarded Estrella a seven well fully integrated project to drill six stratigraphic well and one exploration well in Southern Colombia. The contract includes the well engineering, construction of roads, locations the drilling and evaluation of the wells and the management of all third party contractors. Rig 552 is being mobilized from Peru for this project. In parallel, Rig 205 is being mobilized to work on a contract with Ecopetrol in southern Colombia. The contract is for the remainder of the 2012 calendar year with the customer having an option to extend the contract for the 2013 and 2014 calendar years.

In Peru, Rig 204 has been awarded a 1 + 1 year contract for workover services in the Talara region. The rig will be mobilized to Peru in early June 2012.

Collectively, these moves result in two similar workover rigs being operated in Peru and drilling rig 552 being moved to Colombia; a market where it is uniquely suited to drill the shallow wells associated with the heavy oil resources in Colombia.

Rig 1201 has completed its contract for a geothermal operator in Chile and is currently being demobilized off the mountain. The rig is being offered to both geothermal and oil and gas operators and is expected to be back in operations in the third quarter of 2012.

Estrella's consulting group was retained last year by a major E&P operator in Argentina to study and plan the execution of drilling long reach wells from a remote shore based location to offshore targets with up to 4.5km of step out. The planning is now complete and the Company will be operating a 2250 HP drilling rig in conjunction with the rig owner. The rig is currently being prepared for the work. It is anticipated that the rig will mobilize to the location south of Rio Gallegos in early June.

Estrella's consulting group has also initiated engineering and planning work for a private Canadian company for its planned workover and drilling campaign in the Neuquen basin of Argentina.

Warren Levy, Chairman & CEO of Estrella commented: "*We are pleased to have resolved the transactions with Petroland and its shareholders. By coming to a resolution, we were able to acquire strategically valuable assets in exchange for vested interests, and can now move forward with a clear and cleaner operating position in Colombia. The Company is currently focused on obtaining contracts for all its rigs and bringing the rig utilization rate up to historical standards. The Company* *is also committed to controlling oilfield expenses and SG&A in an effort to drive profitability. Management has prepared an updated investor presentation, which includes the Petroland assets and the Company's progress on other key development areas. A copy of the presentation that can be found in the investor relations section of the Company's website at http://www.estrellasp.com."*

For further information:

Estrella International Energy Services Ltd.

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Statements in this press release may contain forward-looking information. Any statements in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expects" and similar expressions. Forward-looking statements in this press release include, but are not limited to, statements with respect to the future business plans and services.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances, such as future availability of capital on favourable terms, may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Estrella. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. The forward-looking statements contained in this press release are made as of the date of this press release, and Estrella does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities law.

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