Lodestar Minerals Limited ABN 32 127 026 528
Level 2, 55 Carrington Street PO Box 985
Nedlands WA 6009 Nedlands WA 6909
Tel: +61 8 9423 3200 Fax: +61 8 9389 8327

ASX ANNOUNCEMENT

30 January 2015

Electronic lodgement

COMPANY SNAPSHOT

LODESTAR MINERALS LIMITED
ABN: 32 127 026 528

CONTACT DETAILS
Bill Clayton, Managing Director
+61 8 9423 3200

Registered and Principal Office
Level 2, 55 Carrington Street
Nedlands, WA 6009

PO Box 985
Nedlands, WA, 6909

admin@lodestarminerals.com.au

www.lodestarminerals.com.au

CAPITAL STRUCTURE
Shares on Issue:
324,546,386 (LSR)

Options on Issue:
20,750,000 (unlisted)
36,077,591 (listed - 31 Mar 2016)

ASX: LSR

PROJECTS
Peak Hill – Doolgunna:
Base metals, gold

DECEMBER 2014
QUARTERLY ACTIVITIES REPORT
HIGHLIGHTS

NED'S CREEK PROJECT

- Maiden five hole RC drilling programme at Contessa reported significant supergene and primary gold intercepts over a strike distance of 400 metres, including
  - LNRC010
    - *2m at 1.86g/t Au from 40m and*
    - *1m at 1.92g/t Au from 46m*
  - LNRC011
    - *5m at 3.43g/t Au from 15m*
    - *3m at 3.88g/t Au from 54m and*
    - *3m at 1.56g/t Au from 71m*
  - LNRC012
    - *5m at 9.33g/t Au from 64m (including 1m at 37.5g/t Au from 67m) and*
    - *1m at 3.58g/t Au from 76m*
  - LNRC013
    - *1m at 1.13g/t Au from 69m*
    - *1m at 1.09g/t Au from 84m*
    - *1m at 1.76g/t Au from 153m*
    - *1m at 2.4g/t from 169m and*
    - *1m at 6.13g/t Au from 195m*
  - LNRC014
    - *1m at 2.18g/t Au from 180m and*
    - *1m at 1.35g/t Au from 186m*

  (see Lodestar's ASX announcement dated 29th December 2014)

- Gold mineralisation is associated with extensive alteration characteristic of Archaean gold mineralised terranes. Mineralisation at Contessa occurs within an intermediate host unit greater than 400 metres in length and is open in all directions.
- The Company believes there is a high potential for the discovery of a structurally hosted lode gold system within the Contessa environment. A review of all aircore and RC drilling has commenced, with the intent of mapping the geology, alteration style and alteration intensity in the Contessa region prior to the next phase of drill targeting (to locate the primary zone of mineralisation).

MARYMIA PROJECT

- In-fill geochemical sampling completed over gold targets related to major structures adjacent to the Marymia Inlier has defined robust anomalies requiring first-pass drill testing.

PEAK HILL-DOOLGUNNA

Ned's Creek (E52/2440, E52/2444, E52/2456, E52/2468 & E52/2733)

Lodestar has 100% interest in the Ned's Creek tenements that cover 830 square kilometres of the Proterozoic Yerrida Basin and surrounding Archaean greenstone and granite basement. They are located 170 kilometres north east of Meekatharra, 7 kilometres east of the Thaduna-Green Dragon copper mines currently being evaluated by Ventnor Resources and Sandfire Resources and 5 kilometres east of Sipa Resource's Enigma copper discovery. The Yerrida Basin contains thick volcano-sedimentary sequences that are bounded by major structures, the Jenkin and McDonald Well Faults and there is good potential for large-scale base metal mineralisation adjacent to these structures. In 2013 Lodestar discovered significant gold mineralisation at the Contessa Prospect (Figure 1). Contessa lies within a 5 kilometre long gold anomaly overlying Archaean greenstone, within a major structural corridor, on the southern margin of the Marymia Inlier.

Figure 1 Location Plan - Contessa & Brumby gold prospects

Lodestar Minerals (ASX:LSR, "Lodestar" or "the Company") has completed a multi-phase drill programme in the Contessa area, expanding the gold exploration potential on a number of fronts;

- A five hole maiden RC drilling programme (1010m) at the Contessa prospect designed to test beneath significant supergene mineralisation intersected in aircore drilling in 2013. The RC drilling has identified gold mineralisation associated with extensive pyrite alteration within an intermediate host unit.
- 50 aircore drill holes were completed (3,724m), targeting gold geochemical anomalies along the Contessa Trend, up to 1.6 kilometres southwest and northeast of the prospect area and over a magnetic anomaly at Gidgee Flat.

- Wide-spaced shallow RAB drilling was completed in areas of transported cover over magnetic anomalies south of the Contessa prospect and west of the granite contact at Brumby. Drilling was completed to a nominal depth of 9m with the intention of penetrating the transported cover and sampling the underlying weathered basement. A total of 127 shallow RAB holes were completed for 1094m of drilling.

RC Drilling

The results of the RC programme were released in Lodestar's announcement to the ASX on 29th December 2014 (Figure 2). The RC drilling revealed extensive alteration and pyrite mineralisation within an intermediate host unit that was intersected in all drill holes over a strike length of 400 metres. In the primary zone, below depths of 80 metres, gold mineralisation (>1g/t Au) is associated with locally increased abundance of sulphide mineralisation (predominantly pyrite) and elevated values of indicator trace elements Ag, As, Cu, Mo and Te. The host sequence is variably deformed and altered. Silicification, sericite, biotite, chlorite and carbonate alteration occurs with disseminated pyrite mineralisation over 1 to 10 metre intervals. Quartz veining is not abundant within the pyrite mineralized intervals, which reflect a widespread gold mineralizing event.

Lodestar is currently undertaking a review of all drilling in the Contessa region, including re-assaying selected drill samples for immobile and mobile trace elements, to improve the understanding of the geology.

The alteration assemblage at Contessa is similar to hydrothermal alteration commonly associated with Archaean structurally-hosted lode gold deposits. In exploration for this style of gold deposit, recognition of zoned alteration mineralogy surrounding the main ore zone is an important vector to mineralisation. The outcome of the review will be released to the market and will be used to guide the next phase of drill targeting.

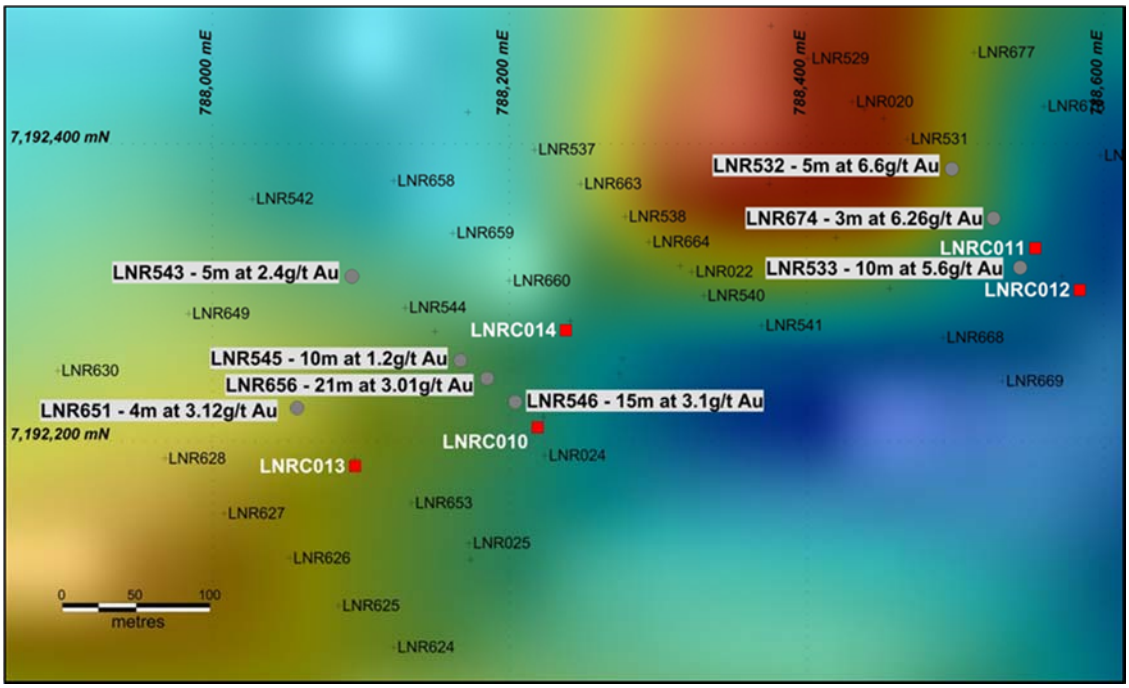


Figure 2 Contessa RC drill hole collar locations. The RC drilling targeted significant gold intersections in aircore drilling (shown). (Background 1VDRTP aeromagnetic image) MGA94 Zone 50

Aircore Drilling

The 50 hole aircore programme designed to test extensive auger gold anomalies along strike from the Contessa gold prospect was completed in November.

The aircore programme tested auger anomalies on a 160m by 40m drill pattern (Gidgee Flats), an 80m by 40m drill pattern (Contessa south) or a 320m by 80m drill pattern (Contessa north east). The best results were reported from a traverse across the Contessa Trend between Gidgee Flat and Contessa where previous scout RAB drilling reported 12m at 0.18g/t Au from 28m in LNR027 and 8m at 0.12g/t Au from 52m in LNR028 (Figure 3).

Results from two of the three holes drilled on this traverse (LNR757 and LNR758) are significant and highlight the untested potential of the 1 kilometre strike towards Contessa, within an interpreted shear zone adjacent to the granite contact. LNR731 reported a 40m interval at 0.6g/t Au from 55m (80m south of previous aircore drilling at Contessa), coinciding with the position of this structure.

At Gidgee Flats anomalous gold values were reported from the northern end of each of three traverses (Figure 3). LNR750 and LNR751 reported maximum values of 0.71g/t in 5m composite samples. LNR747 reported 10m at 1.89g/t Au from 40m and LNR743 reported a maximum of 0.66g/t Au in 5m composite samples.

Widely spaced traverses of aircore drilling completed north east of Contessa tested gold geochemical anomalies defined by earlier shallow RAB drilling. All aircore holes were drilled to blade refusal. The drilling was completed on 320 metre spaced traverses with holes spaced at 40 metre to 80 metre intervals (Figure 3), no significant gold results were reported from the aircore drilling which intersected intermediate to felsic rocks and probable granite overprinted by alteration of variable intensity. Due to the widely spaced positioning of the collars the aircore drilling has not conclusively tested the gold anomaly overlying the north eastern Contessa Trend and the characteristics of this sequence will also be assessed as part of the geological review.

Aircore drilling continues to confirm the presence of anomalous gold over large distances along the granite margin, a hallmark of a large mineralising event. The aircore results are presented in full in Lodestar's announcements to the ASX dated 24th November 2014 and 29th December 2014, significant results are summarised below and in Figure 3;

- ***LNR758 – 5m at 8.89g/t Au from 30m***
- ***LNR757 – 5m at 2.15g/t Au from 35m***
- ***LNR747 – 10m at 1.89g/t Au from 40m***
- ***LNR741 – 5m at 1.4g/t Au from 60m and 5m at 1.56g/t Au from 80m***
- ***LNR732 – 5m at 1.83g/t Au from 45m***
- ***LNR731 – 5m at 1.02g/t Au from 90m***

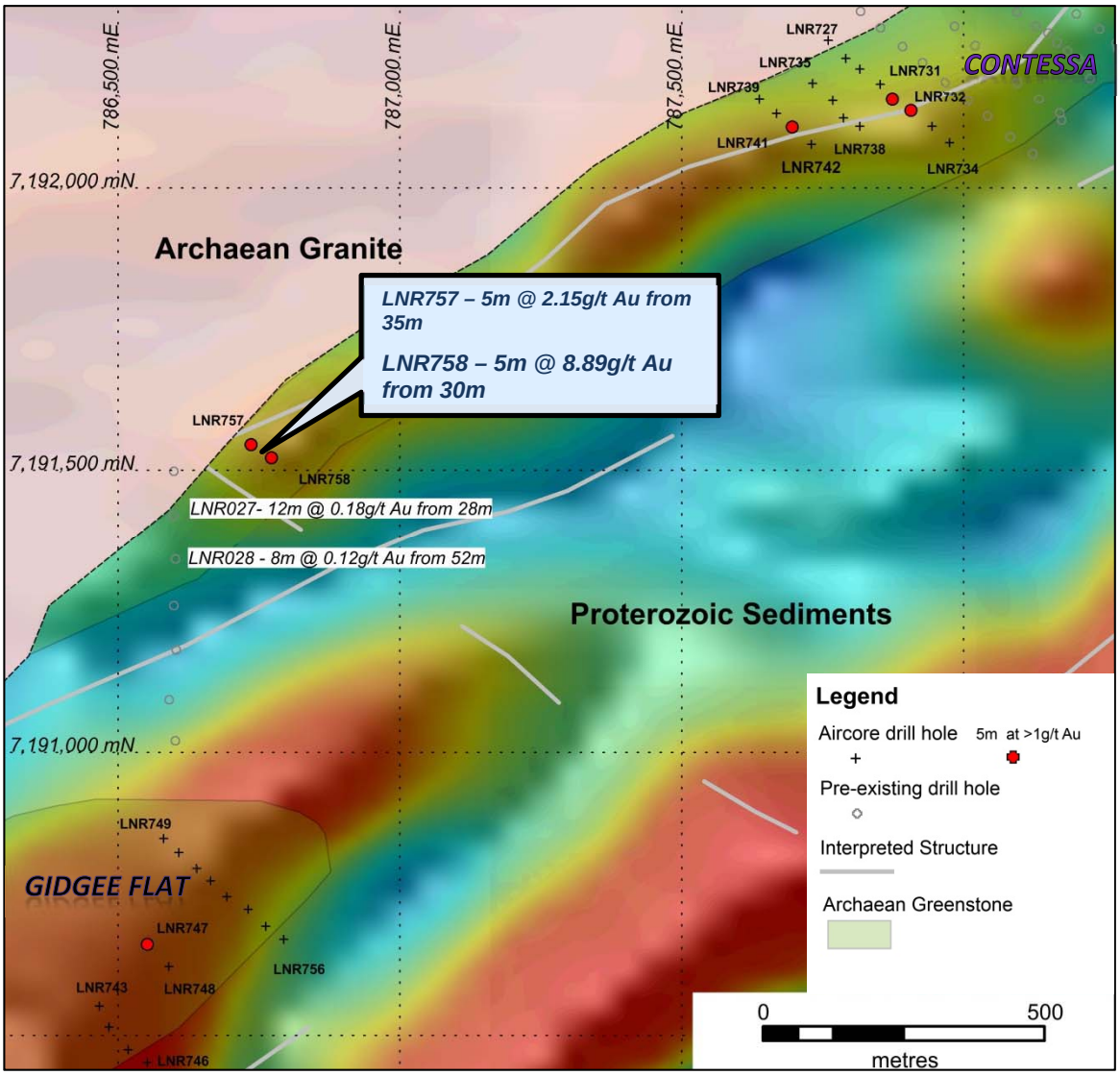


Figure 3 Aircore drilling Contessa South and Gidgee Flat with significant intersections greater than 1g/t Au shown. (Background aeromagnetic image 1VDRTP)

RAB Geochemical Drilling

Wide spaced traverses of shallow RAB drilling were completed to provide geochemical sampling in areas of shallow colluvial cover not amenable to surface sampling, Figure 4. The drilling was intended to penetrate the transported cover and provide a sample of the underlying weathered rocks. Significant results were reported to the Brumby prospect area, where altered granite hosts gold mineralisation in quartz veins. The drilling targeted Archaean felsic and mafic rocks adjacent to the granite contact, a position analogous to the Contessa Prospect (Figure 4). RAB sampling was completed on a 160 metre by 40m grid and defined a 160m by 300m gold anomaly (maximum drill sample values greater than 10ppb Au) that remains open to the south west. Several values greater than 100ppb Au (0.1g/t) in composite samples were reported from the anomaly and a follow up programme of drilling is planned. Results of the geochemical drilling were reported in full in Lodestar's announcement to the ASX dated 29th December 2014.

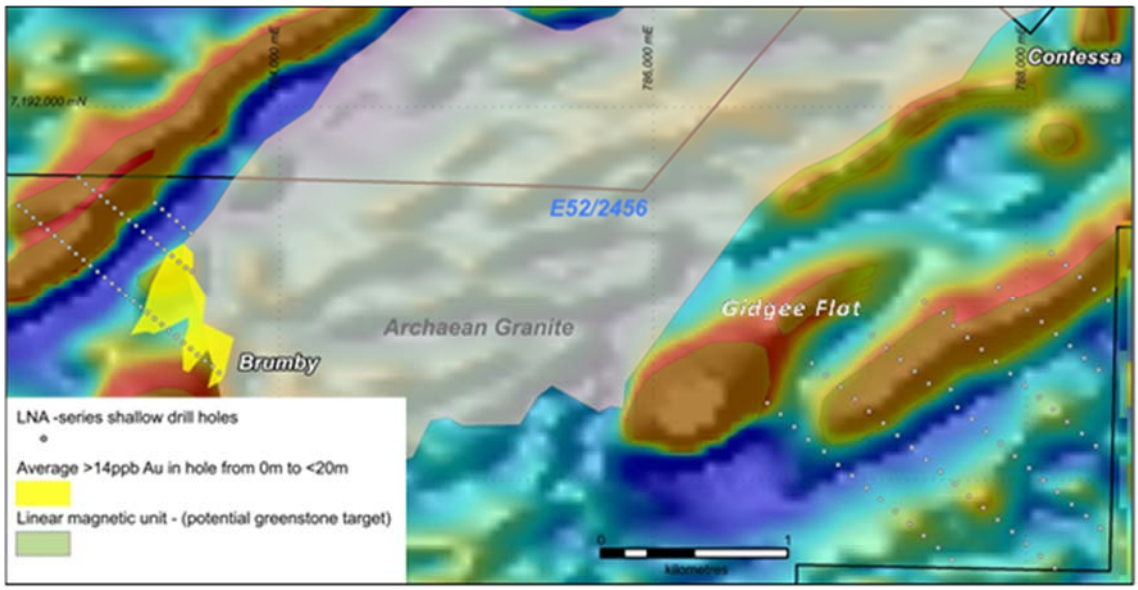


Figure 4 Shallow RAB drilling showing significant gold anomalies at Brumby (Background 1VDRTP aeromagnetic image)

Marymia (E52/2492, E52/2493 & E52/2734)

An additional 130 in-fill lag samples were collected over previously defined geochemical anomalies on E52/2493, where aeromagnetic interpretation suggested continuity of Archaean greenstone stratigraphy onto Lodestar's tenement. The areas identified in Lodestar's earlier regional sampling were infill sampled to a sample density of 250 x 500 metres (results are listed in Schedule 1). E52/2493 includes part of the southern boundary of the Plutonic Well Greenstone Belt, which is the magnetic area in the northwest corner of Figures 5-8, and partly overlies the northern extension of the Baumgarten Greenstone Belt, which is the magnetic area on the eastern part of Figures 5-8. Both the Plutonic Well and Baumgarten Greenstone Belts are prospective for gold, with the Plutonic Well Greenstone Belt having a gold endowment (production plus resources) in excess of 10 million ounces.

Field mapping and outcrop sampling will be completed before first-pass drilling of selected anomalous areas.

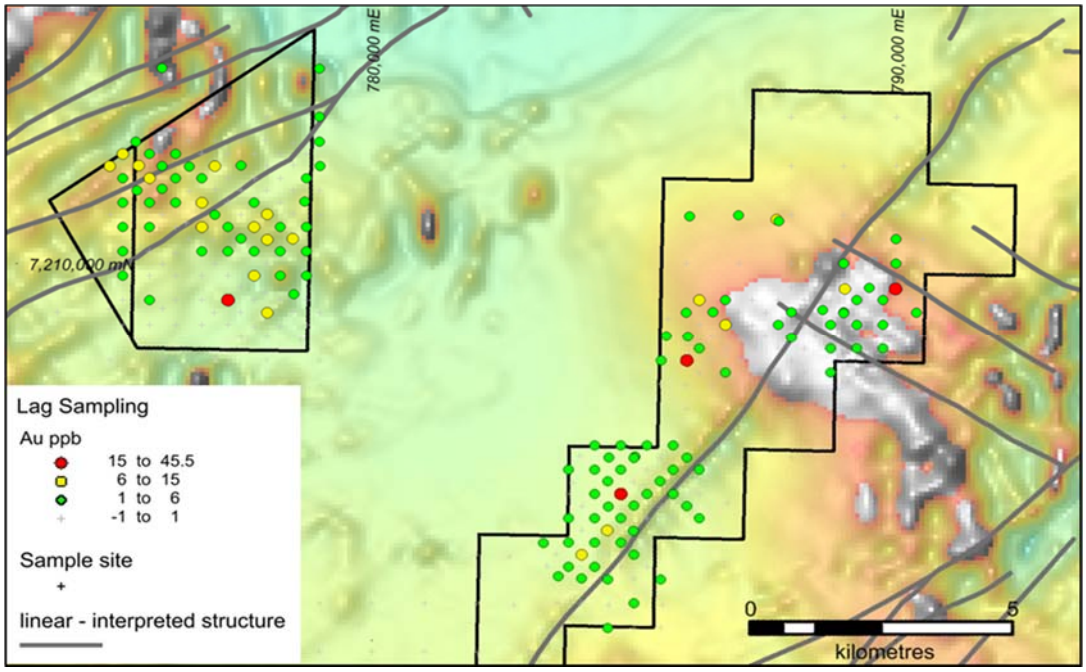


Figure 5 Lag sampling - gold results (Background TMI aeromagnetic image)

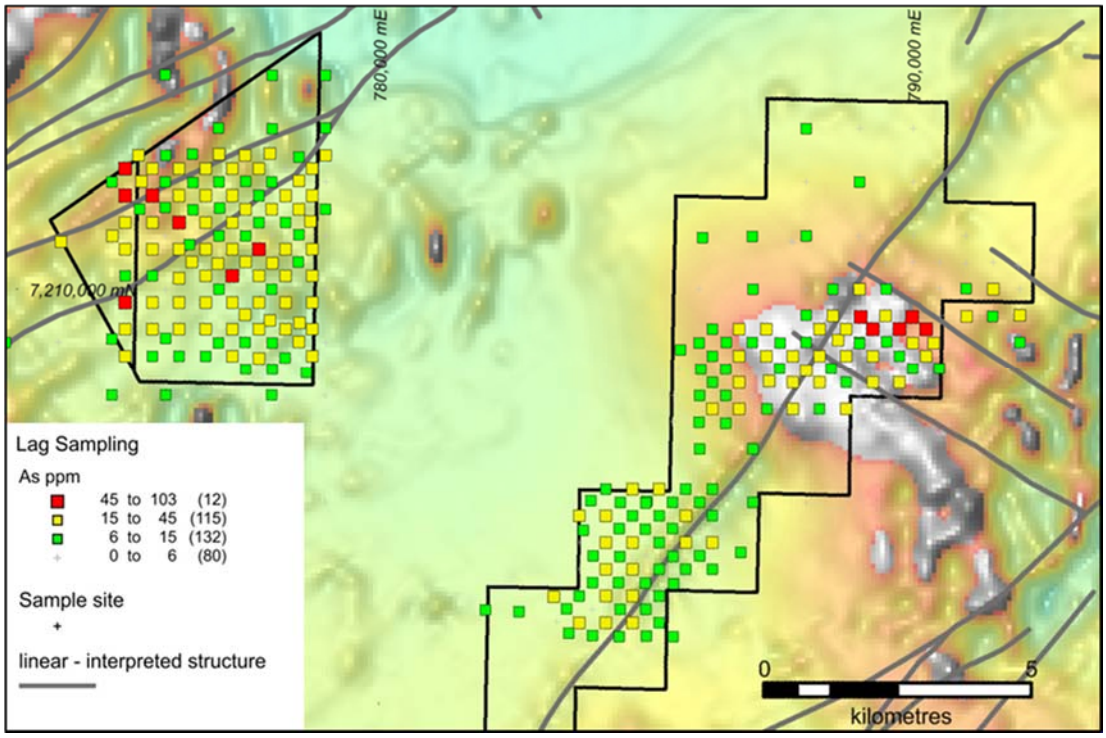


Figure 6 Lag sampling - arsenic results

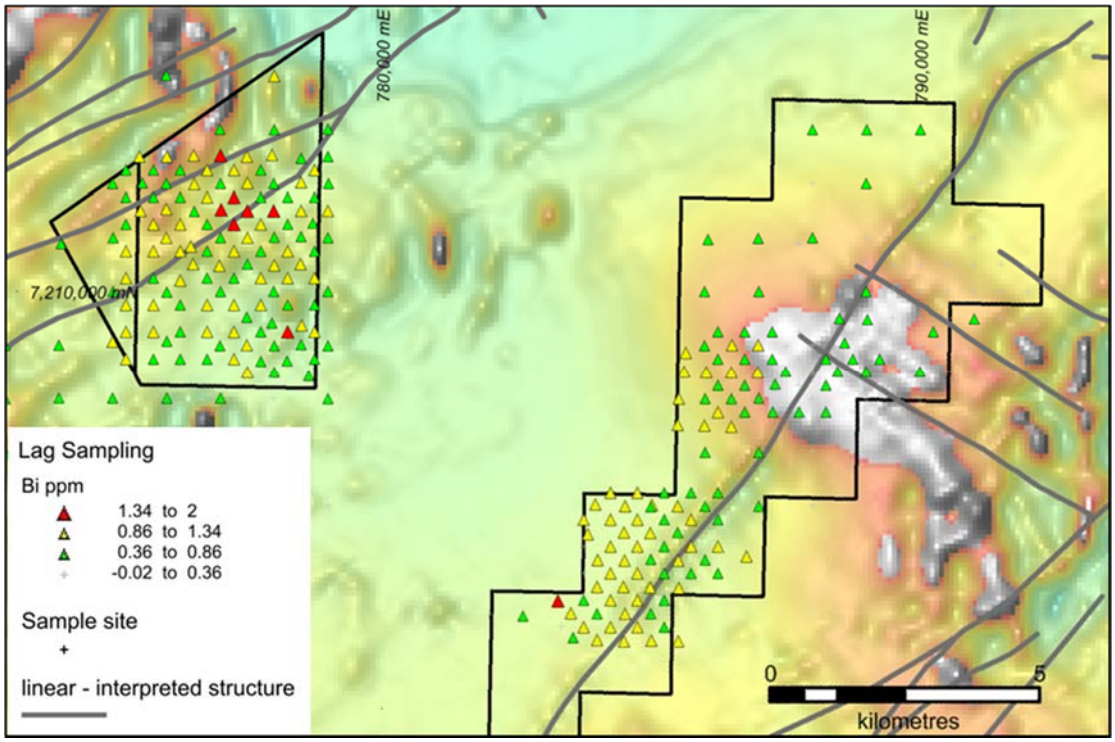


Figure 7 Lag sampling - bismuth results

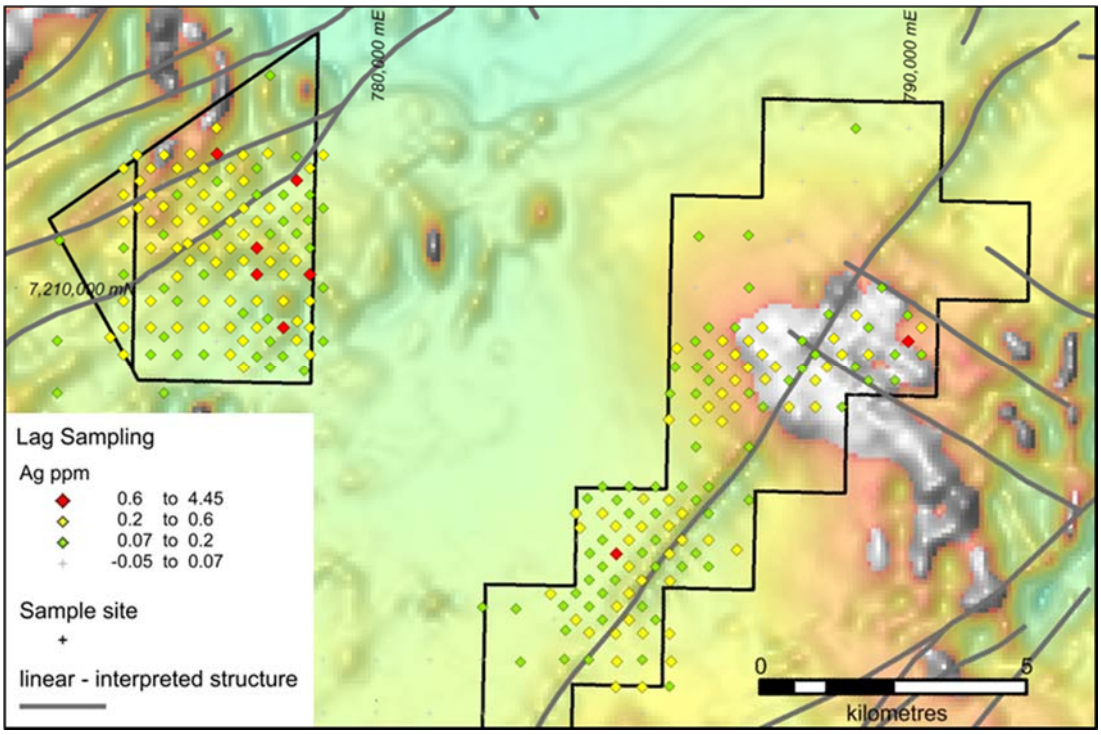


Figure 8 Lag sampling - silver results

BILL CLAYTON

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Bill Clayton, Managing Director, who is a Member of the Australasian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Clayton consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information in this announcement that relates to previously released exploration results was disclosed under JORC Code 2012 in the ASX announcements dated 24th November 2014 "Contessa Drilling Update" and 29th December 2014 "RC Drilling Intersects Significant Gold in Alteration Zone". The announcements are available to view on the Lodestar website. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

JORC Code, 2012 - TABLE 1 *Sampling Techniques and Data*

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Surface lag samples were collected by sweeping and area of approximately 2m square, collecting a gravel lag sample and sieving the sample to obtain a -5.7mm to +2mm size fraction. Sample sites that obviously lie in drainage systems are moved to the margins of the drainage. Sampling is guided by regional regolith interpretation. • Duplicate field samples are routinely collected (1 in 25) to ensure sample representivity. A suitable range of reference standards are inserted with the sample batches (1 in 50) to monitor laboratory accuracy. • Sample results reported in Schedule 1. Approximately 1kg of material was dried and crushed to 2mm, a 500-700g split (rotary splitter) is pulverized and split to produce a 40g charge for aqua regia digest and ICPMS/OES analysis. Gold is reported with a lower detection limit of 0.5ppb. .
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	• Surface sampling only – not applicable.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Sample sites with poor lag accumulation are noted, none were noted in the current programme. • Surface sampling is optimal over residual and erosional regolith profiles; interpretation of results is guided by the nature of the regolith and sample material. • Regional surface geochemical programme - only a weak geochemical expression is expected.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Surface sampling only – not applicable • Surface sampling only – not applicable • Surface sampling only – not applicable

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Surface sampling only – not applicable • Surface sampling only – not applicable • Samples of approximately 1kg were dried, crushed to 2mm, split to 500g to700g with a rotary splitter and pulverised to -75micron. A 40g sub-sample is prepared for analysis. • Quality control procedures include the routine use of certified reference standards and field duplicates for analysis with each batch of samples. These quality control results are reported with the sample results in the final laboratory reports. • Field duplicates are submitted with each sample batch (1 in 25).
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• A 40g samples is digested using aqua regia and analysed for gold by ICPMS. A separate portion of the sample is digested in aqua regia under high pressure and temperature in a microwave apparatus for multi-element analysis by ICPMS/ICPOES. The aqua regia digest is considered a near total digest for gold and a partial digest for refractory elements and some base metals. • No geophysical instruments were used. • Laboratory standards, replicate samples, certified reference standards and field duplicates are included in the final laboratory reports. Satisfactory accuracy and precision has been established.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No significant results (mineralisation) are reported. • Surface sampling only. Not applicable. • Field and laboratory data were collected electronically and entered into a relational database. Data collection protocols are recorded in Lodestar's operation manual. • There has been no adjustment to assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sample locations are fixed by handheld GPS; accuracy is estimated to be +/-5 metres. • Sample coordinates were recorded in MGA94 Zone 50 grid. • The topography within prospect areas is generally flat; RL's are averaged from GPS readings of sample sites in each area.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Samples are collected on a 250metre by 500metre grid which in-fills earlier 500metre by 500metre sampling. • Surface sampling only – not applicable. • Sample compositing has not been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Surface sampling only – not applicable. • Surface sampling only – not applicable.
Sample security	• *The measures taken to ensure sample security.*	• Samples were stored at Lodestar's exploration camp in sealed bags under supervision prior to dispatch by licenced courier service (TOLL IPEC) to Labwest Laboratories.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out.

Criteria	Commentary
Mineral tenement and land tenure status	• Sampling was completed on E52/2493 and E52/2734, within Lodestar's Marymia project. The tenements are owned by Audacious Resources, a wholly-owned subsidiary of Lodestar Minerals and Lodestar Minerals. • E52/2493 expires on 16/09/2015 and E52/2734 expires on 23/08/2017
Exploration done by other parties	• Exploration commenced at McDonald Well in the late 1960's, WMC explored for Zambian Copper Belt style mineralisation and completed regional geological mapping and sampling, followed by minor percussion drilling. CRA Exploration completed regional mapping and auger sampling at McDonald Well. No significant anomalies were identified on the tenements. Minor exploration drilling by Barrick and CRA Exploration east and south of Contessa intersected ultramafic lithologies, confirming the extent of the greenstone sequence in this area. There has been no known material exploration by other parties over the area.
Geology	• The geology of the project area comprises the northern margin of the Proterozoic Yerrida Basin. The geology forms two discrete units; o Proterozoic sediments of the Yerrida Basin that are prospective for sediment-hosted copper and base metal mineralisation in black shale and carbonate sequences, with evidence of secondary and primary copper mineralisation in the Thaduna district. o Archaean basement rocks on the northern margin of the Yerrida Basin. The basement-sediment contact trends east-west and Lodestar's exploration has recently identified extensive gold anomalism adjacent to this contact. The basement consists of granite and fringing mafic-ultramafic rocks that are not widely exposed at surface. The mafic-ultramafic rocks and the adjacent granite host the gold mineralisation and are thought to be Archaean in age and similar to the sequences that host the lode gold deposits in the Plutonic and Baumgarten greenstone belts.
Drill hole information	• Tabulated sample data is provided in Schedule 1, attached.
Data aggregation methods	• No data aggregation methods have been applied.
Relationship between mineralisation widths and intercept lengths	• Surface sampling only – not applicable.
Diagrams	• See Figures 5 to 8.
Balanced reporting	• All sample results are reported in Schedule 1.
Other substantive exploration data	• None to report.
Further Work	• Exploration lag geochemistry has identified a number of gold and pathfinder element anomalies on or near the southern margin of the Plutonic Well Greenstone Belt. The anomalies are associated with a series of major structures and require follow up field mapping, outcrop sampling and first-pass RAB drilling to assess the exploration potential of these tenements.

SCHEDULE 1 – *LAG SAMPLING ASSAY RESULTS*

SampleID	Easting	Northing	RL	Au_ppb	Ag_ppm	As_ppm	Bi_ppm
LSR101801	775,250	7,212,250	600	12.70	0.42	70.1	0.8
LSR101802	775,250	7,211,750	600	2.80	0.29	103	0.8
LSR101803	775,250	7,211,250	600	3.30	0.21	23.7	0.7
LSR101804	775,250	7,210,750	600	1.40	0.15	27.4	1.3
LSR101805	775,250	7,210,250	600	1.40	0.09	12.9	0.9
LSR101806	775,250	7,209,750	600	1.30	0.28	46.5	0.9
LSR101807	775,250	7,209,250	600	0.80	0.36	23.1	1.3
LSR101808	775,250	7,208,750	600	<0.5	0.23	15.7	1.3
LSR101809	775,750	7,208,750	600	0.70	0.19	13.9	0.7
LSR101810	775,750	7,209,250	600	1.30	0.27	23.7	1
LSR101811	775,750	7,209,750	600	0.60	0.23	28.3	1
LSR101812	775,750	7,210,250	600	0.80	0.05	9	0.4
LSR101813	775,750	7,210,750	600	1.60	0.38	23.5	1.1
LSR101814	775,750	7,211,250	600	1.00	0.32	22.5	1.1
LSR101815	775,750	7,211,750	600	11.60	0.26	45.4	0.7
LSR101816	775,750	7,212,250	600	1.20	0.23	43.3	0.7
LSR101817	776,250	7,212,250	600	1.00	0.3	36	0.8
LSR101818	776,250	7,211,750	600	1.50	0.13	28.1	0.5
LSR101819	776,250	7,211,250	600	2.20	0.36	48.8	0.9
LSR101820	776,250	7,210,750	600	0.80	0.29	38.7	1.2
LSR101821	776,254	7,210,205	600	0.50	0.23	33	0.9
LSR101822	776,250	7,209,750	600	0.80	0.16	20.3	0.6
LSR101823	776,250	7,209,250	600	0.90	0.25	28.1	0.8
LSR101824	776,250	7,208,750	600	0.70	0.17	14	0.6
LSR101825	776,750	7,208,750	600	0.50	0.17	12.9	0.6
LSR101826	776,750	7,209,250	600	<0.5	0.34	29.5	1
LSR101827	776,750	7,209,750	600	0.60	0.38	36.4	1
LSR101828	776,750	7,210,250	600	1.00	0.15	23.2	0.7
LSR101829	776,750	7,210,750	600	11.30	0.31	40.2	0.8
LSR101830	776,750	7,211,250	600	6.80	0.27	43.1	0.8
LSR101831	776,750	7,211,750	600	3.00	0.39	24.2	0.9
LSR101832	776,750	7,212,250	600	0.80	0.43	31.4	1
LSR101833	777,250	7,212,250	600	0.60	0.4	34.4	1.2
LSR101834	777,250	7,211,750	600	<0.5	0.41	32.7	1.9
LSR101835	777,250	7,211,250	600	<0.5	0.35	23.9	1.7
LSR101836	777,250	7,210,750	600	1.30	0.31	43.7	0.9
LSR101837	777,250	7,210,250	600	2.40	0.31	47.4	0.8
LSR101838	777,250	7,209,750	600	0.80	0.28	44.6	0.9
LSR101839	777,250	7,209,250	600	19.70	0.31	32	0.9
LSR101840	777,250	7,208,750	600	0.60	0.25	16.7	0.9
LSR101841	777,756	7,208,701	600	0.60	0.19	16.1	0.8
LSR101842	777,750	7,209,250	600	0.80	0.22	35.6	0.8
LSR101843	777,750	7,209,750	600	6.80	0.27	42.5	0.9

SampleID	Easting	Northing	RL	Au_ppb	Ag_ppm	As_ppm	Bi_ppm
LSR101844	777,750	7,210,250	600	1.00	1	44.1	1.1
LSR101845	777,750	7,210,750	600	12.60	0.79	46.4	0.8
LSR101846	777,750	7,211,250	600	1.40	0.3	14.3	1.2
LSR101847	777,750	7,211,750	600	0.70	0.12	12.6	0.5
LSR101848	777,750	7,212,250	600	<0.5	0.16	23.6	0.8
LSR101849	778,250	7,212,250	600	<0.5	0.04	5.5	0.3
LSR101850	778,250	7,211,750	600	0.50	0.15	20.7	0.6
LSR101851	778,250	7,211,250	600	0.80	0.1	12.1	0.4
LSR101852	778,250	7,210,750	600	1.00	0.3	43.8	0.9
LSR101853	778,250	7,210,250	600	1.20	0.31	43	1
LSR101854	778,250	7,209,750	600	2.00	0.2	42.2	0.7
LSR101855	778,250	7,209,250	600	<0.5	0.8	37.1	1.4
LSR101856	778,243	7,208,712	600	<0.5	0.15	14.4	0.6
LSR101857	778,750	7,208,750	600	<0.5	0.3	15.1	0.7
LSR101858	778,750	7,209,250	600	0.60	0.23	37.4	0.9
LSR101859	778,750	7,209,750	600	1.30	0.23	43.6	0.8
LSR101860	778,750	7,210,250	600	1.10	0.84	43.5	1
LSR101861	778,750	7,210,750	600	2.50	0.15	31.2	0.8
LSR101862	778,715	7,211,268	600	1.60	0.18	42.2	0.8
LSR101863	778,750	7,211,750	600	2.60	0.1	22.7	0.6
LSR101864	778,750	7,212,250	600	0.60	0.22	27.7	1
LSR101865	786,250	7,207,750	600	<0.5	0.25	21	1
LSR101866	786,250	7,208,250	600	1.60	0.09	10	0.4
LSR101867	786,250	7,208,750	600	0.70	0.09	11.8	0.6
LSR101868	786,250	7,209,250	600	9.00	0.17	14.1	0.6
LSR101869	786,750	7,209,250	600	1.40	0.16	16	0.7
LSR101870	786,750	7,208,750	600	14.60	0.22	17.3	0.7
LSR101871	786,750	7,208,250	600	0.60	0.2	16.5	0.8
LSR101872	786,750	7,207,750	600	1.00	0.2	16	0.7
LSR101873	787,267	7,207,748	600	<0.5	0.15	13.2	0.4
LSR101874	787,307	7,208,265	600	<0.5	0.31	24.8	0.4
LSR101875	787,250	7,208,750	600	<0.5	0.3	35.5	0.6
LSR101876	787,250	7,209,250	600	0.60	0.27	16.7	0.7
LSR101877	787,750	7,209,250	600	<0.5	0.03	3	0.1
LSR101878	787,750	7,208,750	600	1.30	0.06	22.1	0.2
LSR101879	787,750	7,208,250	600	0.70	0.19	22.6	0.3
LSR101880	787,750	7,207,750	600	<0.5	0.25	25.7	0.5
LSR101881	788,250	7,207,750	600	<0.5	0.21	12.9	0.4
LSR101882	788,250	7,208,250	600	<0.5	0.27	24.6	0.5
LSR101883	788,250	7,208,750	600	<0.5	0.1	35.1	0.4
LSR101884	788,250	7,209,250	600	<0.5	0.06	19.6	0.2
LSR101885	788,750	7,209,250	600	0.60	0.05	17.4	0.3
LSR101886	788,750	7,208,750	600	3.90	0.21	39	0.4

SampleID	Easting	Northing	RL	Au_ppb	Ag_ppm	As_ppm	Bi_ppm
LSR101887	788,750	7,208,250	600	2.10	0.06	11.8	0.2
LSR101888	788,750	7,207,750	600	2.00	0.11	31.2	0.2
LSR101889	789,250	7,208,250	600	2.10	0.08	17.6	0.2
LSR101890	789,250	7,208,750	600	1.80	0.24	24.8	0.4
LSR101891	789,250	7,209,250	600	4.90	0.12	59.1	0.3
LSR101892	789,750	7,209,250	600	1.70	0.03	77.4	0.2
LSR101893	789,750	7,208,750	600	1.70	0.09	14.6	0.2
LSR101894	789,750	7,208,250	600	1.10	0.09	24.7	0.2
LSR101895	790,250	7,208,250	600	0.80	0.03	4.6	0.2
LSR101896	790,250	7,208,750	600	0.90	0.08	17.5	0.3
LSR101897	790,250	7,209,250	600	0.90	0.2	82.9	0.5
LSR101898	783,269	7,204,239	600	2.30	0.2	16.2	1.4
LSR101899	783,334	7,203,766	600	0.80	0.05	5.9	0.3
LSR101900	783,750	7,203,750	600	2.50	0.21	19.6	1.1
LSR101901	783,750	7,204,250	600	1.10	0.1	10	0.5
LSR101902	783,750	7,204,750	600	1.30	0.03	5	0.3
LSR101903	783,750	7,205,250	600	0.90	0.03	5.4	0.3
LSR101904	783,750	7,205,750	600	1.10	0.22	19.4	1.2
LSR101905	784,250	7,206,250	600	2.30	0.16	13.6	1.1
LSR101906	784,250	7,205,750	600	2.20	0.21	15.4	1.1
LSR101907	784,250	7,205,250	600	1.10	0.18	17.6	1.2
LSR101908	784,250	7,204,750	600	1.70	0.15	15.1	0.9
LSR101909	784,250	7,204,250	600	3.20	0.18	17.2	0.9
LSR101910	784,250	7,203,750	600	1.70	0.19	15.7	1
LSR101911	784,750	7,203,750	600	0.90	0.25	17	1
LSR101912	784,750	7,204,250	600	1.60	0.27	19.3	1.1
LSR101913	784,750	7,204,750	600	1.90	0.26	17.6	1
LSR101914	784,750	7,205,250	600	45.50	0.21	17.5	1
LSR101915	784,750	7,205,750	600	1.70	0.14	14.8	1
LSR101916	784,750	7,206,250	600	1.20	0.17	15.3	0.9
LSR101917	785,250	7,206,250	600	1.20	0.15	15.3	0.8
LSR101918	785,250	7,205,750	600	0.60	0.12	11.1	0.5
LSR101919	785,250	7,205,250	600	1.20	0.1	12.1	0.7
LSR101920	785,250	7,204,750	600	0.80	0.07	10.1	0.5
LSR101921	785,250	7,204,250	600	0.70	0.06	7.6	0.5
LSR101922	785,250	7,203,750	600	0.70	0.08	7.8	0.6
LSR101923	785,750	7,204,750	600	0.90	0.13	11.7	0.6
LSR101924	785,750	7,205,250	600	1.10	0.24	17.3	1.1
LSR101925	785,750	7,205,750	600	1.20	0.26	16.7	0.9
LSR101926	785,750	7,206,250	600	1.50	0.17	12.6	0.8
LSR101927	786,250	7,206,250	600	0.90	0.13	11.8	0.6
LSR101928	786,250	7,205,750	600	1.00	0.12	11.3	0.5
LSR101929	786,250	7,205,250	600	0.80	0.26	18.2	1.1
LSR101930	786,250	7,204,750	600	1.40	0.13	12	0.6

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/01, 01/06/10, 17/12/10

Name of entity

LODESTAR MINERALS LIMITED

ABN	Quarter ended ("current quarter")
32 127 026 528	31 DECEMBER 2014

Consolidated statement of cash flows

	Cash flows related to operating activities		Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from product sales and related debtors		-	-
1.2	Payments for	(a) exploration and evaluation	(444)	(520)
		(b) development	-	-
		(c) production	-	-
		(d) administration	(213)	(308)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		4	4
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes received / (paid)		-	-
1.7	Other -		-	-
	Net Operating Cash Flows		(653)	(824)
	Cash flows related to investing activities			
1.8	Payment for purchases of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	-	-
1.9	Proceeds from sale of:	(a) prospects	-	-
		(b) equity investments	-	-0
		(c) other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other (provide details if material)		-	-
	Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)		(653)	(824)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(653)	(824)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,055	1,295
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	(65)	(102)
	Net financing cash flows	990	1,193
	Net increase (decrease) in cash held	337	369
1.20	Cash at beginning of quarter/year to date	258	226
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	595	595

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	58
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 - Includes salaries paid to directors, as well as superannuation paid on behalf of directors. Also includes corporate and accounting services paid to a company associated with one of the directors. A percentage of the Managing Director's salary has been capitalised to exploration activities.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	31
4.2	Development	-
4.3	Production	-
4.4	Administration	96
	Total	127

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	95	258
5.2	Deposits at call	500	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	595	258

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				-
6.2	Interests in mining tenements acquired or increased	E52/3112 E52/3113	Copper gold Copper gold	- -	100 100

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

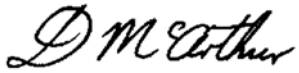
		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities *(description)*	Nil	N/A	N/A	N/A
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A	N/A	N/A	N/A
7.3	+Ordinary securities **	324,544,715	324,544,714	N/A	N/A
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	81,149,960	81,149,960	Various	Various
7.5	+Convertible debt securities *(description)*	Nil	N/A	N/A	N/A
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A
7.7	Options *(description and conversion factor)*	2,500,000 2,250,000 36,079,263 16,000,000	- - 36,079,263 -	*Exercise price* Various Various 3 cents 5 cents	*Expiry date* 29 November 2016 8 May 2017 31 March 2016 16 December 2017
7.8	Issued during quarter	29,043,981 11,000,000	29,043,981 11,000,000	3 cents 5 cents	31 March 2016 16 December 2017
7.9	Exercised during quarter	18,557	18,557	3 cents	31 March 2016
7.10	Expired during quarter	N/A	N/A	N/A	N/A
7.11	Debentures *(totals only)*	Nil	N/A		
7.12	Unsecured notes *(totals only)*	Nil	N/A		

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 30 January 2015

Company Secretary

Print name: David M McArthur

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.