



# ASX ANNOUNCEMENT

7 September 2015

## 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



## LODESTAR TO TEST BIG SKY HIGH-GRADE GOLD WITH RC DRILLING

Please note the typing error in the description of this announcement. It should read BIG SKY.

We apologise for the inconvenience.

*For and on behalf of the Board*

David McArthur  
**Director and Company Secretary**



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Electronic lodgement

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#### CAPITAL STRUCTURE

##### **Shares on Issue:**

324,546,575 (LSR)

##### **Options on Issue:**

20,750,000 (unlisted)  
36,077,402 (listed - 31 Mar 2016)

ASX: LSR

#### PROJECTS

**Peak Hill – Doolgunna:**

**Camel Hills – gold**

**Neds Creek – gold**

**Marymia – gold**

**Imbin – gold and base metals**

## LODESTAR TO TEST BIG SKY HIGH-GRADE GOLD TARGET WITH RC DRILLING

- Request for tenders placed for RC drilling to test recent high-grade trench sampling that returned intervals up to 5 metres at 12.6g/t gold<sup>1</sup>.
- This interval occurs within a 65 metre wide halo of gold mineralisation.
- Big Sky is located within a metamorphic terrane with similar characteristics to areas hosting known high-grade, high value gold deposits.
- Drilling to commence as soon as a rig is available.

West Australian gold and base metal explorer Lodestar Minerals Limited (ASX:LSR, Lodestar or the Company) advises that it is preparing to undertake RC drilling of recently identified high-grade gold targets at the Big Sky prospect, within the Company's wholly-owned Camel Hills Project (Figure 1).

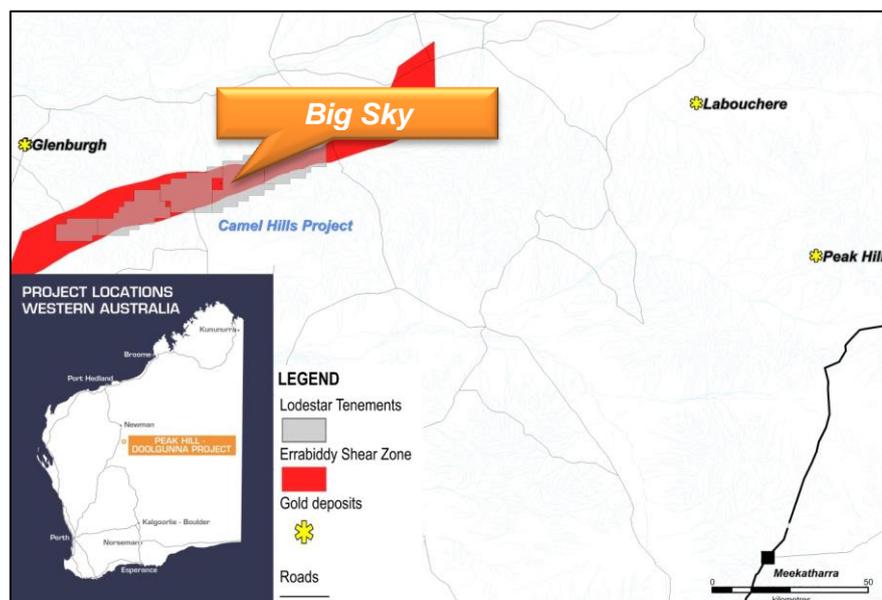


Figure 1 Location Plan - Camel Hills and Big Sky gold prospect.

<sup>1</sup> See Lodestar Minerals Limited ASX announcement dated 3<sup>rd</sup> September 2015.

Quotes for follow-up RC drilling from contractors are being compiled and drilling will commence once a suitable drilling contractor has been confirmed.

The Big Sky area is a priority target for high-grade lode gold mineralisation following the discovery of visible gold in quartz veining on the contact between the Petter Calc-silicate and the Quartpot Pelite<sup>2</sup>, a succession of high-grade and intensely sheared metamorphic schists. This contact is a major structure that has been traced for a distance of 12 kilometres within Lodestar's tenements.

The Petter Calc-silicate is strongly magnetic and is associated with a large gold anomaly in regional stream sampling in the Big Sky prospect area. Large areas of the prospective shear zone, to the north of the magnetic contact, are under cover and have not been effectively tested by previous exploration.

Lodestar's first test of this area, utilising shallow RAB drilling and trenching on a 25 metre traverse spacing, has discovered a high-grade gold anomaly within a halo of >0.1g/t gold extending for a distance of 65 metres across the shear zone (Figure 2) .

Big Sky is in a metamorphic terrane which has similar characteristics to the high-grade Challenger gold mine (1Moz Au) in South Australia. Challenger gold ore is hosted by a series of folded high-grade shoots within a geologically continuous enveloping surface. The **“footprint of economic mineralisation within the shoots is approximately 40 metres by 40 metres with a lower grade (to 0.1g/t Au) halo extending 150 metres along strike and 50 metres wide”**<sup>3</sup>, therefore the footprint of high-grade shoots (which constitute a very significant orebody) is small at the scale of first-pass exploration. An important feature of this style of deposit is the sharp cut-off between the ore grade mineralisation of the shoots and the wallrocks; the enveloping surface that hosts the ore shoots is characterised by “elevated” gold (>50ppb or 0.05g/t) and arsenic (>50ppb)<sup>4</sup>. Down-plunge continuity of mineralisation is a feature of Challenger and prominent lineations of consistent orientation suggest that this is also a local structural control at Big Sky.

Lodestar believes that the initial results at Big Sky justify immediate follow-up drilling and will advise the market once a drilling contract has been finalised.

Bill Clayton  
Managing Director

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<sup>2</sup> See Lodestar Minerals Limited ASX announcement dated 28<sup>th</sup> August 2015.

<sup>3</sup> Birt T. and Reid A.J., 2007, Archaean gold mineralisation in the Gawler Craton, South Australia, MESA Journal 46, p29-33.

<sup>4</sup> Unpublished presentation “Challenger – Understanding the Structural Geology, Key to Successful Mining and Exploration”, South Australian Exploration Conference, 2<sup>nd</sup> December 2005, Dominion Mining Limited.

## 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 2012 in the ASX announcements dated 28<sup>th</sup> August 2015 "First-pass drill results from Big Sky Gold Prospect" and 3<sup>rd</sup> September 2015 "Trenching Results Define New Gold Target at Big Sky". 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.*

## About Camel Hills

*The Camel Hills project is located 170 kilometres northwest of Meekatharra and 60 kilometres south and east of Gascoyne Resource's Glenburgh gold deposits (1Moz Au). The Errabiddy Shear Zone is 5 to 20 kilometres wide and is linked at depth to the Cardilya Fault, a major tectonic boundary between the Archaean Narryer Terrane and the accreted Palaeoproterozoic Glenburgh Terrane to the north. Re-worked craton margins are a favourable location for the formation of world-class orebodies, including orogenic gold deposits (e.g. Tropicana). The Errabiddy Shear Zone was reactivated during the collision of the Yilgarn and Pilbara cratons and is intensely deformed. Recent mineral systems prospectivity mapping by the GSWA has identified the Errabiddy Shear Zone as a favourable site for large-scale gold mineralisation, this view is supported by historic surface sampling that has identified strong gold anomalies associated with outcropping gneiss in the Main Grid area. Limited drilling completed by previous explorers is not regarded as a conclusive test of the gold potential at Camel Hills.*

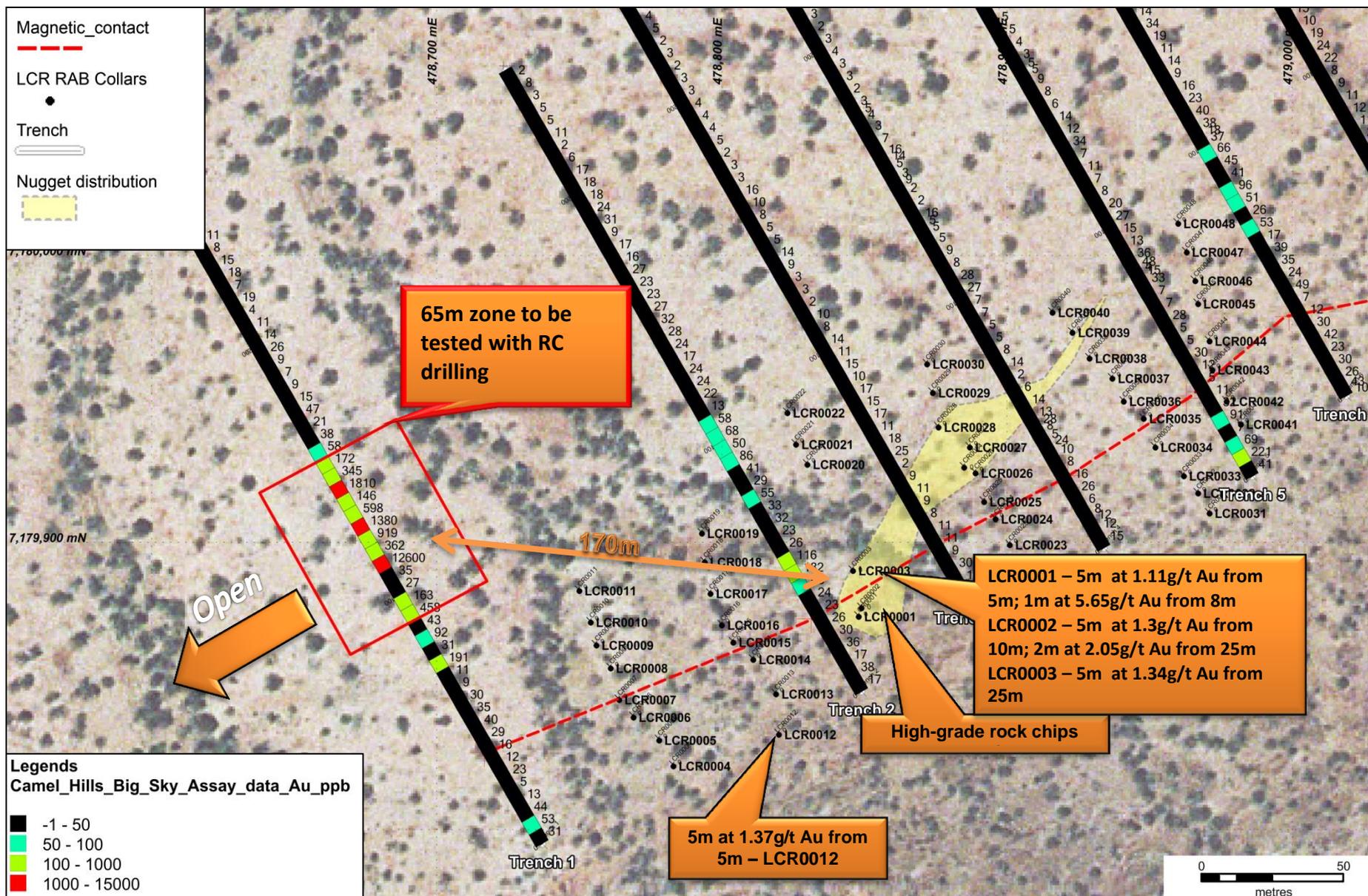


Figure 2 Target for RC Drilling (MGA94 Zone 50)