



LODESTAR MINERALS

MARCH 2013 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

CONTESSA

- Significant gold intersected in aircore drilling including:
 - 5 metres at 6.6 g/t Au from 55 metres in LNR532;
 - 10 metres at 5.6 g/t Au from 55 metres in LNR533;
 - 5 metres at 2.4 g/t Au from 55 metres in LNR543;
 - 10 metres at 1.2 g/t Au from 50 metres in LNR545;
 - 15 metres at 3.1 g/t Au from 40 metres in LNR546;
 - 5 metres at 3.8 g/t Au from 10 metres in LNR617 and
 - 5 metres at 1.1 g/t Au from 25 metres in LNR627in 5 metre composite samples.
- Drilling extended to delineate the Contessa mineralisation on 80 metre line spacing. Results pending.
- Gold anomalism extends along trend from Contessa, where it is untested. Additional drilling planned on completion of heritage surveys.

BRUMBY

- Drilling returns widespread elevated gold, with best result of 10 metres at 2.6 g/t Au from 10 metres in LNR598.

COMPANY SNAPSHOT

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CAPITAL STRUCTURE

Shares on Issue:
222,233,215 (LSR)

Options on Issue:
4,750,000 (Unlisted)

ASX: LSR

PROJECTS

Peak Hill – Doolgunna:
Base metals, gold

Kimberley:
Nickel, copper, PGM's



PEAK HILL-DOOLGUNNA

Neds Creek (E52/2440, E52/2444, E52/2456 & E52/2468)

The Neds Creek tenements extend over 830 square kilometres of the Proterozoic Yerrida Basin and cover part of the northern structural contact with Archaean basement. They are located 170 kilometres north east of Meekatharra and 7 kilometres east of the Thaduna-Green Dragon copper mines, currently being evaluated by Ventnor Resources (Figure 1).

The Basin contains thick volcano-sedimentary sequences that are bounded by large scale structures, the Jenkin and McDonald Well Faults. This setting has parallels in many of the world's major Proterozoic sediment-hosted base metal camps, highlighting the potential of this region to host large base metal deposits. In addition, Archaean granite/greenstone basement which forms the northern margin to the Basin, has potential to host significant gold mineralisation.

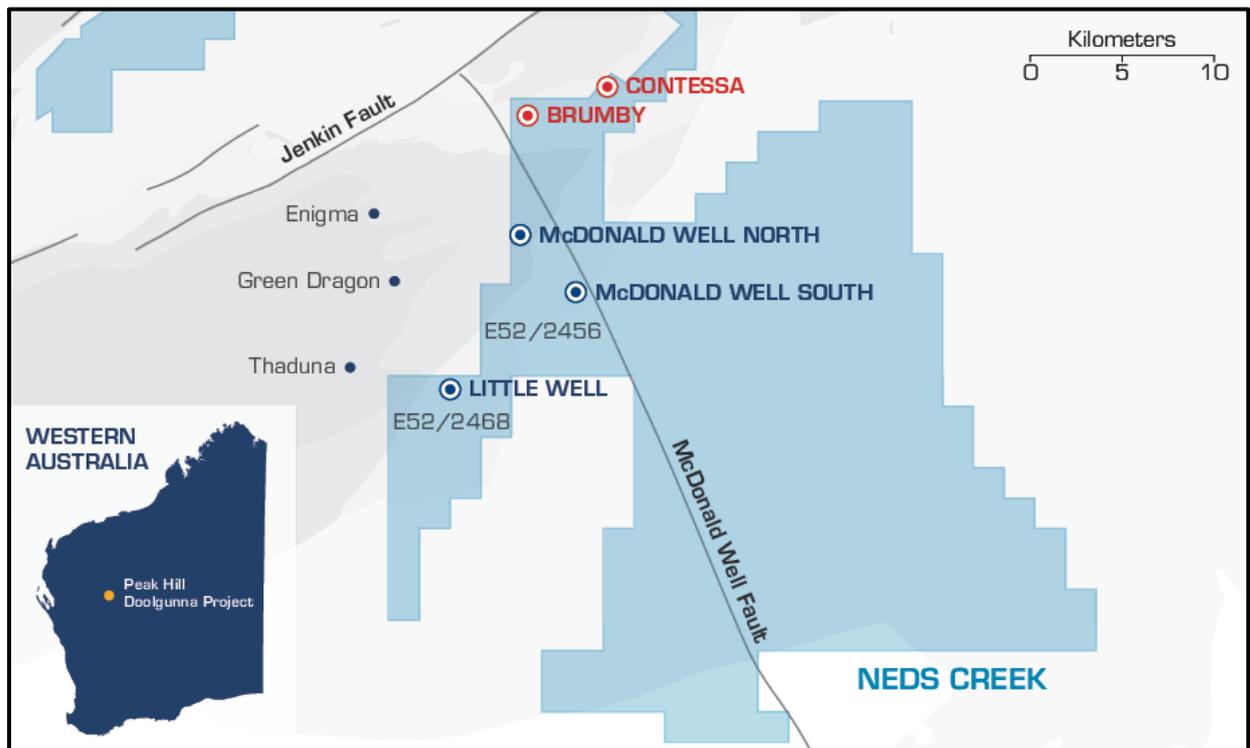


Figure 1. Location Plan showing the main Neds Creek prospects (Gold-red, Copper-blue).

EXPLORATION

Contessa (Gold)

Aircore drilling (total of 3,520 metres) was completed on traverses spaced 160 - 240 metres apart with holes 40 – 90 metres apart on section (drill hole intercepts are listed in Table 2).

Significant gold mineralisation (greater than 1 g/t over at least 5 metres) was intersected on four of the six sections drilled (Lodestar's ASX announcement of 18th March 2013). Drilling was still underway at the end of the reporting period, infilling to 80 metre section spacings, to define the distribution of the mineralisation.

Drilling has intersected mineralisation over a strike distance of 460 metres and a lateral extent of 70 – 130 metres on section. The gold is hosted within a weathered sequence of mafic rocks (gabbros and mafic to ultramafic volcanics) adjacent to a granite intrusive, which extends over 5 kilometres between the Contessa and Brumby Prospects (Figure 2).

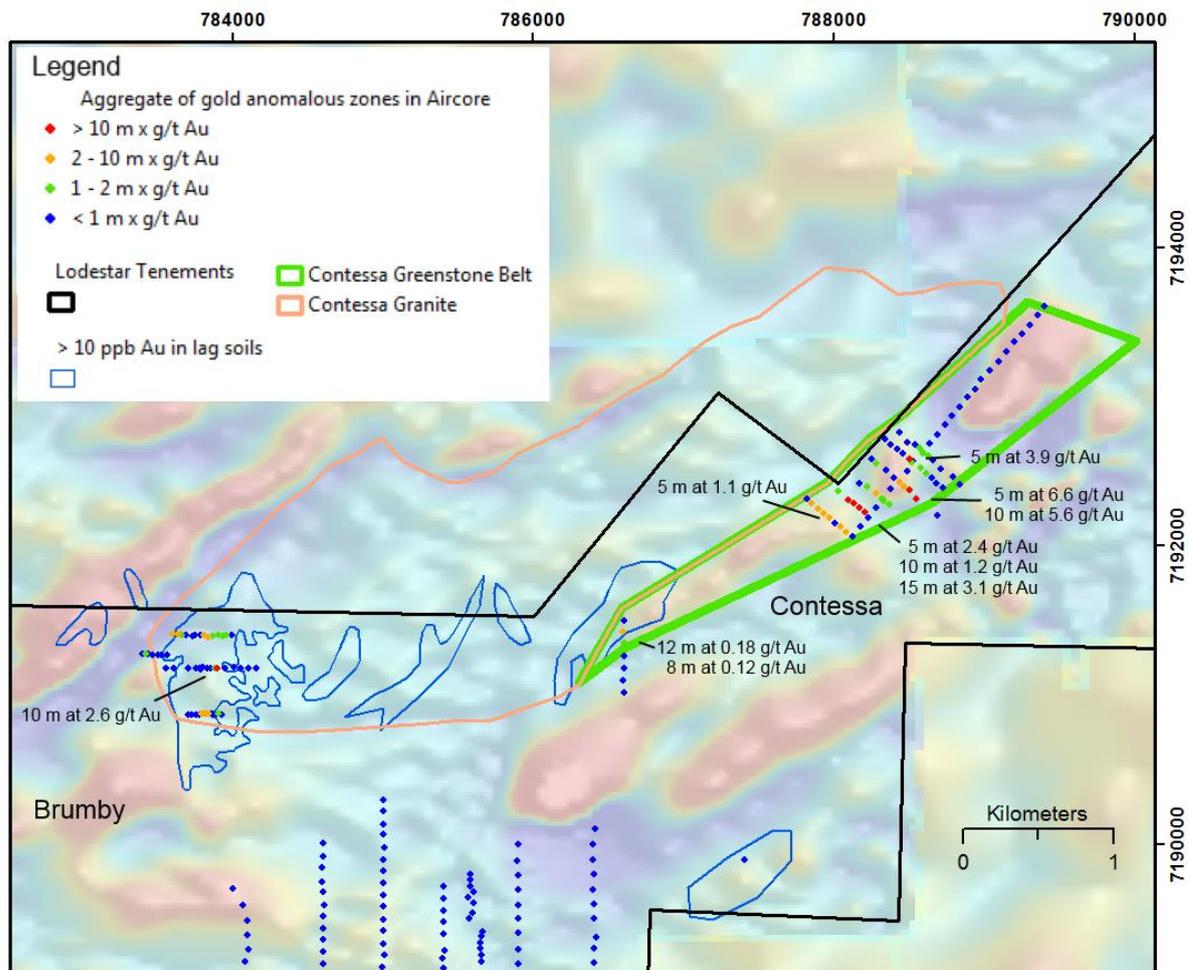


Figure 2. Regional gold targets Brumby and Contessa (E52/2456), highlighting prospective magnetic stratigraphy on aeromagnetic image (TMI 1VD)

The mineralisation forms a sub-horizontal layer near the base of complete oxidation, indicating remobilisation as a result of weathering processes.

Initial success at Contessa has confirmed the presence of a significant volume of Archaean greenstone to the south of the granite margin, interpreted as the south-western extension of the Baumgarten Greenstone Belt, and has highlighted the potential of this greenstone to host significant gold mineralisation. The target geology extends well beyond the area of current drilling. Drilling by Lodestar in 2011 reported 12 metres at 0.18 g/t Au (LNR027), located 1,600 metres southwest of Contessa, also within greenstone rocks adjacent to the granite contact (see Figure 2).

The Contessa target is located in a region of substantial gold endowment and shows similarities in its geological characteristics with many areas hosting vein or lode-gold style deposits. It has received minimal previous exploration.

The objectives of the forward programme at Contessa will be:

- improve the definition of the mineralisation by in-fill and step-out drilling in the areas where heritage clearance has been completed;
- RC drilling into bedrock to test for primary mineralisation beneath significant gold intercepts; and
- on completion of an expanded heritage survey and receipt of statutory approvals, extend the drilling programme to test adjacent targets.

Brumby (Gold)

Vein-hosted gold mineralisation was discovered at the Brumby Prospect in December 2012, when poorly exposed quartz veins reported up to 24.7 g/t Au in rock chip sampling. In-fill lag sampling outlined a gold lag-soil anomaly at greater 10ppb Au over an area of 3,700 x 800 metres. The gold anomaly at Brumby has a polymetallic Au-Te-Bi-Mo-Pb association similar to that at Contessa.

Four drill traverses totalling 1,504 metres have been completed at Brumby over a strike distance of 500 metres (drill hole intercepts are listed in Table 3). Three traverses tested gold lag-soil anomalies within the granite and one traverse tested the interpreted position of the granite contact.

Drilling reported widely dispersed gold anomalism within granite, with a best result of

- 10 metres at 2.6g/t Au from 10m in LNR598

Mapping has identified two vein orientations at Brumby, striking north-south and east-west. Additional drilling will be planned once the vein system and granite margin has been mapped in detail.

Little Well (Copper)

Regional drilling comprising 129 holes for 6,719 metres was completed at Little Well, 3 kilometres south-east of the Thaduna copper deposit (ASX announcement of 18th March 2013). The drilling tested regional lag-soil and rock chip copper targets, and major structures identified from interpretation of aeromagnetic data. Section spacing was 400 – 800 metres.

Zones of copper anomalism and minor disseminated chalcopyrite mineralisation were identified within an extensive sequence of haematitic sediments belonging to the Thaduna Formation, host to the Thaduna and Green Dragon copper deposits. However, the anomalism was not of sufficient order to justify immediate follow-up, and detailed interpretation work will be undertaken before deciding if additional drilling is required.

McDonald Well (Copper/Base Metals)

Drilling at McDonald Well is targeting large multi-element geochemical anomalies coincident with major structures identified from geological mapping and interpretation of aeromagnetic data. The

drill programme also will provide an initial test, on Lodestar's tenements, of the dolomite-sandstone sequence that hosts Sipa Resources' Enigma Prospect, 5 kilometres to the west.

The programme is at an early stage, with 25 aircore holes completed for 2154 metres (drill hole intercepts are listed in Table 4). The drilling continued beyond the end of the March quarter and most assay results are pending.

The early part of this programme tested a copper rock chip anomaly in ferruginous shales where surface sampling had reported up to 2300 ppm Cu from intermittent outcrop. Drilling returned low copper values of less than 500 ppm Cu in iron-enriched sediments, suggesting that the copper anomaly is due to surface enrichment of pyritic sediments.

A soil geochemical anomaly located above the structural termination of the black shale horizon at McDonald Well North was tested with five drill holes. No significant results were reported.

KIMBERLEY PROJECT (Nickel)

The Kimberley Project is located 50 kilometres north of Halls Creek, Western Australia and covers an area of 220 square kilometres over Proterozoic mafic-ultramafic intrusives that are prospective for Ni-Cu and PGM mineralisation. Historic reports note the occurrence of gossans after sulphide mineralisation within the tenements. Drilling completed in 2012 intersected narrow zones of nickel sulphide mineralisation in three areas on the western contact of a gabbro, with a best intersection of 1m at 0.76% Ni from 56m in SV38-DH1.

No field activities were carried out during the reporting period.

PLANNED ACTIVITIES

The following activities will be undertaken in the coming quarter:

- receive and interpret outstanding assay results from drilling at Contessa and McDonald Well;
- complete drilling programme over the McDonald Well geochemical – structural targets;
- improve the definition of mineralisation at Contessa by in-fill and step-out aircore drilling;
- extend heritage clearance survey at Contessa and Brumby;
- complete geological mapping over Contessa and Brumby;
- commence RC drilling at Contessa to test for primary mineralisation;
- extend aircore drilling coverage southwest of Contessa.



BILL CLAYTON

Media

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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.

About Lodestar Minerals

Lodestar Minerals Limited is a Perth-based explorer with projects in the Kimberley, Peak Hill and Kalgoorlie regions. Lodestar acquired the Peak Hill-Doolgunna project in March 2010. The Peak Hill-Doolgunna project forms the core of Lodestar's project portfolio and represents a strategic landholding of 2300 square kilometres covering 120 kilometres of the Jenkin Thrust Belt, a regional fault system that is adjacent to the recently discovered DeGrussa Cu-Au deposit. Lodestar believes the region has potential to host a number of styles of base metal deposit and is embarking on an aggressive exploration program to assess the potential of the under-explored north Murchison base metal province.

Table 1 Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Aircore drill holes were sampled as 5 metre composite samples Hole locations are fixed using a GPS, samples are logged and ground conditions that impact sample recoveries are recorded. Samples for analysis are collected as 5 metre composites by scooping using a PVC spear from the 1 metre residual samples, either as piles placed on the ground or from bagged samples. The 5 metre composite samples are submitted as 2.5kg samples, crushed, dried and pulverised to produce a 40g charge for aqua regia digest.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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). 	<ul style="list-style-type: none"> Aircore drilling technique using a 2.5" blade or hammer bit
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Sample recoveries and wet samples are monitored and included in Lodestar's drill hole database. Aircore & RAB drilling of wet samples is avoided by drilling practices, but some wet samples

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<p>are nevertheless encountered (see below). Drill sampling equipment was cleaned regularly to minimise contamination.</p> <ul style="list-style-type: none"> Lodestar monitors the distribution of high grade gold and sample recoveries. Individual 1m split samples are being assayed to refine the grade distribution.
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Chips samples are routinely geologically logged. The drilling and sampling methods used are exploration methods and not intended to support Mineral Resource estimation. Logging is qualitative in nature. All aircore samples are geologically logged.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Aircore samples are recovered from the drill hole via a cyclone at 1 metre intervals. This sample is then riffle split into a bagged 2kg sub-sample and a residual sample which is either piled on the ground in sequence or bagged. Wet samples are collected in a bag beneath the cyclone and placed in a hole in the ground in sequence to dry. When dry, a scoop of material is removed to submit with the 5 metre composite sample. The 5 metre composite samples are stored in pre-numbered bags and submitted to UltraTrace Laboratories for sample preparation and assay. Field duplicates are regularly submitted with the 5 metre composite samples. Sample preparation involves drying the whole sample, crushing and pulverising to 90% passing -75 microns. The sample is split with a rotary sample divider to obtain a 40 gramme charge.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> A nominal 40 gramme charge is digested with aqua regia and gold is determined by ICP-MS. This is a partial digest although it is extremely efficient for the extraction of gold. Re-assay of 1m split samples is by fire assay and ICP-AES finish. Base metals are analysed from the aqua regia solution by ICP-AES and ICP-MS. No geophysical tools were used to determine any element concentrations.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Laboratory QAQC involves the use of internal laboratory standards and replicate samples. Lodestar's certified reference standards and field duplicates were inserted throughout the programme. Results indicate that sample assay values are accurate and repeatable.
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Significant intersections have been validated and reviewed independently by the Company's consulting geologist . No twinned holes have been completed. Field and laboratory data are 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill hole locations are fixed by handheld GPS, differential GPS is used to record collars within mineralised zones. Accuracy is +/-5 metres or less. Drill hole coordinates are recorded in GDA94 Zone 50 grid. The topography within prospect areas is generally flat, RL's are averaged from GPS readings of individual drill holes in each area.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill holes are spaced between 40m to 90m on section and 160m to 240m between sections at Contessa. The data is insufficient to establish continuity for Mineral Resource estimation. 1 metre samples have been composited to 5 metre samples for assay.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The aircore drilling method does not provide structural information and the orientation of the underlying geology has not been established. Drilling is oriented perpendicular to the strike of the lithology as determined from interpretation of aeromagnetic data and local mapping.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples are stored at Lodestar's exploration camp under supervision prior to dispatch by licenced courier service (TOLL IPEC) or Lodestar staff to

Criteria	JORC Code explanation	Commentary
		Ultratrace Laboratories.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews have been carried out.

Table 1 Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Contessa, Brumby and McDonald Well are located on E52/2456, a tenement purchased by Lodestar Minerals Limited from Glenn Money. Lodestar has applied for the tenement to be transferred and the application is before the Office of State Revenue. Little Well is located on E52/2468, a tenement purchased by Lodestar Minerals Limited from Glenn Money. Lodestar has applied for the tenement to be transferred and the application is before the Office of State Revenue. E52/2456 expires on 16/09/2015 E52/2468 expires on 16/09/2016
Exploration done by other parties	<ul style="list-style-type: none"> 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, also 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 material exploration by other parties over Contessa or Brumby.
Geology	<ul style="list-style-type: none"> The geology of the project area comprises the northern margin of the Proterozoic Yerrida Basin. The geology forms two discrete units; <ul style="list-style-type: none"> 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. 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 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	<ul style="list-style-type: none"> Tabulated data is provided in Tables 2 to 4, attached.
Data aggregation methods	<ul style="list-style-type: none"> Assay data are reported as 5 metre composite samples, no cutting of high grades has been applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> Drilling is oriented -60 degrees towards 310 degrees at Contessa, perpendicular to the interpreted strike of the host sequence. The mineralisation forms a sub-horizontal body on section, close to the interface between partly weathered and completely weathered rock. This flat-lying orientation is believed to be a result of gold being mobilised from the underlying rock by weathering processes and precipitated near the base of oxidation. Intercept widths or apparent thickness may be less than (~90%) the true thickness of the mineralisation .
Diagrams	<ul style="list-style-type: none"> See Figure 2, the current interpretation is based on wide spaced drilling - sectional interpretations will be completed once in-fill drilling results are received.
Balanced reporting	<ul style="list-style-type: none"> All drill holes and intercepts are reported in Tables 2 to 4.
Other substantive exploration data	<ul style="list-style-type: none"> None to report.
Further Work	<ul style="list-style-type: none"> Exploration drilling continued at Contessa to in-fill the drill section spacing to 80 metres. The results of this drilling are pending. The mineralisation remains open at depth and along strike along the granite contact. Further drilling is planned, initially to extend the aircore drilling south west of the current grid and to test bedrock targets beneath the highest grade intercepts.

Table 2 CONTESSA PROSPECT DRILLING RESULTS

TABLE 2 Contessa Prospect - March 2013 Significant Results (greater than 100ppb gold) from 5 metre composite samples									
Hole	North	East	RL	Depth	Azimuth	Dip	From	To	Au(ppb)
LNR612	7192600	788629	580	55	310	-70	50	55	182
LNR613	7192712	788342	580	51	310	-60			no significant result
LNR614	7192685	788379	580	69	310	-60			no significant result
LNR615	7192647	788417	580	74	310	-60			no significant result
LNR616	7192623	788460	580	66	310	-60			no significant result
LNR617	7192593	788500	580	69	310	-60	10	15	3880
LNR618	7192521	788572	580	60	310	-60			no significant result
LNR619	7192483	788615	580	64	310	-60			no significant result
LNR620	7192463	788648	580	64	310	-60			no significant result
LNR621	7192416	788680	580	61	310	-60			no significant result
LNR622	7192389	788725	580	64	310	-60			no significant result
LNR623	7192560	788522	580	54	310	-60	25	30	149
LNR624	7192061	788122	580	19	310	-60			no significant result
LNR625	7192089	788085	580	71	310	-60	55	60	886
LNR626	7192121	788052	580	53	310	-60	40	45	187
LNR627	7192151	788008	580	95	310	-60	25	30	1080
							30	35	177
							45	50	226
LNR628	7192188	787968	580	99	310	-60	65	70	256
LNR629	7192221	787930	580	89	310	-60	75	80	331
LNR630	7192247	787896	580	83	310	-60	55	60	265
							60	65	197
							80	83	156
LNR631	7192283	787851	580	70	310	-60	60	65	437
LNR632	7192311	787818	580	63	310	-60			no significant result

Table 3 BRUMBY PROSPECT DRILLING RESULTS

TABLE 3 Brumby Prospect - March 2013 Significant Results (greater than 100ppb gold) in 5 metre composite samples									
Hole	North	East	RL	Depth	Azimuth	Dip	From	To	Au (ppb)
LNR561	7191407	783601	585	41	270	-60	20	25	392
							25	30	141
LNR562	7191409	783633	585	42	270	-60	5	10	172
							30	35	140
LNR563	7191404	783659	585	45	270	-60	no significant result		
LNR564	7191405	783687	585	43	270	-60	no significant result		
LNR565	7191397	783729	585	45	270	-60	no significant result		
LNR566	7191404	783744	585	38	270	-60	no significant result		
LNR567	7191401	783781	585	30	270	-60	no significant result		
LNR568	7191401	783806	585	42	270	-60	25	30	424
								35	619
LNR569	7191391	783839	585	33	282	-60	0	5	166
							5	10	139
LNR570	7191398	783869	585	30	270	-60	5	10	132
LNR571	7191402	783900	585	30	270	-60	no significant result		
LNR572	7191398	783933	585	30	270	-60	no significant result		
LNR573	7191399	783958	585	30	270	-60	0	5	108
LNR574	7191403	783989	585	30	270	-60	no significant result		
LNR575	7190870	783704	580	27	270	-60	no significant result		
LNR576	7190870	783726	580	26	270	-60	no significant result		
LNR577	7190870	783751	580	26	270	-60	no significant result		
LNR578	7190870	783776	580	25	270	-60	no significant result		
LNR579	7190877	783790	580	25	270	-60	0	5	165
							5	10	209
LNR580	7190877	783803	580	25	270	-60	0	5	123
							15	20	118
LNR581	7190877	783813	580	25	270	-60	15	20	193
							20	25	253
LNR582	7190877	783825	580	25	270	-60	0	5	178
							5	10	166
LNR583	7190877	783838	580	25	270	-60	15	20	233
LNR584	7190873	783857	580	25	270	-60	no significant result		
LNR585	7190872	783868	580	25	270	-60	no significant result		
LNR586	7190872	783879	580	25	270	-60	no significant result		
LNR587	7190873	783901	580	25	270	-60	no significant result		
LNR588	7190872	783924	580	25	270	-60	no significant result		
LNR589	7191181	783553	580	25	270	-60	no significant result		
LNR590	7191182	783603	580	4	270	-60	no significant result		

Hole	North	East	RL	Depth	Azimuth	Dip	From	To	Au (ppb)
LNR591	7191179	783702	580	25	270	-60	no significant result		
LNR592	7191181	783752	580	25	270	-60	no significant result		
LNR593	7191182	783778	580	25	270	-60	no significant result		
LNR594	7191185	783802	580	25	270	-60	no significant result		
LNR595	7191180	783828	580	25	270	-60	no significant result		
LNR596	7191180	783851	580	25	270	-60	no significant result		
LNR597	7191183	783877	580	25	270	-60	20	25	158
LNR598	7191182	783899	580	25	270	-60	10	15	1480
							15	20	3800
							20	25	370
LNR599	7191183	783950	580	25	270	-60	no significant result		
LNR600	7191184	784004	580	25	270	-60	no significant result		
LNR601	7191180	784051	580	25	270	-60	no significant result		
LNR602	7191180	784102	580	25	270	-60	no significant result		
LNR603	7191181	784155	580	25	270	-60	no significant result		
LNR604	7191273	783398	580	45	270	-60	no significant result		
LNR605	7191277	783418	580	49	270	-60	no significant result		
LNR606	7191273	783439	580	44	270	-60	no significant result		
LNR607	7191269	783468	580	39	270	-60	30	35	141
LNR608	7191270	783499	580	27	270	-60	no significant result		
LNR609	7191271	783523	580	25	270	-60	no significant result		
LNR610	7191272	783563	580	25	270	-60	no significant result		
LNR611	7191175	783781	580	33	180	-60	no significant result		

Table 4 McDONALD WELL NORTH DRILLING RESULTS

TABLE 4 McDonald Well North - March 2013 Significant Results (greater than 500ppm copper) from 5 metre composite samples										
Hole	North	East	RL	Depth	Azimuth	Dip	From	To	Cu (ppm)	Zn (ppm)
LNR547	7189415	785657	575	102	0	-60			no significant result	
LNR548	7189383	785654	575	92	0	-60			no significant result	
LNR549	7189341	785643	575	83	0	-60			no significant result	
LNR550	7189302	785648	575	89	0	-60			no significant result	
LNR551	7189262	785654	575	78	0	-60			no significant result	
LNR552	7189214	785656	575	79	0	-60			no significant result	
LNR553	7189803	785580	575	89	0	-60			no significant result	
LNR554	7189765	785578	575	92	0	-60			no significant result	
LNR555	7189720	785579	575	86	0	-60			no significant result	
LNR556	7189679	785600	575	86	0	-60			no significant result	
LNR557	7189646	785567	575	81	0	-60			no significant result	
LNR558	7189605	785598	575	80	0	-60			no significant result	
LNR559	7189541	785597	575	80	0	-60			no significant result	
LNR560	7189501	785575	575	80	0	-60			no significant result	
LNR633	7187404	782605	580	96	0	-60	5	10	695	295
LNR634	7187366	782607	580	20	0	-60			no significant result	
LNR635	7187366	782605	580	95	0	-60			no significant result	
LNR636	7187328	782605	580	95	0	-60	40	45	143	567
LNR636							90	95	76	696
LNR637	7187289	782598	580	95	0	-60	25	30	507	565
LNR637							70	75	80	583
LNR637							75	80	74	1090
LNR637							80	85	69	1120
LNR637							85	90	108	814

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

32 127 026 528

Quarter ended ("current quarter")

31 March 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(580)	(1,470)
(b) development	-	-
(c) production	-	-
(d) administration	(238)	(630)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	15	26
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(803)	(2,074)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1)	(8)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(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)	(8)
1.13 Total operating and investing cash flows (carried forward)	(804)	(2,082)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(804)	(2,082)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	643	3,701
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	(24)	(193)
	Net financing cash flows	619	3,508
	Net increase (decrease) in cash held	(185)	1,426
1.20	Cash at beginning of quarter/year to date	2,694	1,083
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,509	2,509

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	143
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

N/A

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

N/A

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	765
4.2 Development	-
4.3 Production	-
4.4 Administration	175
Total	940

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	2,509	2,694
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,509	2,694

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			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 <i>(description)</i>	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 **	222,233,215	222,233,215	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	15,368,716	15,368,716	3.5c	3.5c
7.5 +Convertible debt securities <i>(description)</i>	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 <i>(description and conversion factor)</i>	2,500,000 2,250,000	- -	<i>Exercise price</i> Various Various	<i>Expiry date</i> 29 November 2016 8 May 2017
7.8 Issued during quarter	N/A	N/A	N/A	N/A
7.9 Exercised during quarter	N/A	N/A	N/A	N/A
7.10 Cancelled during quarter	N/A	N/A	N/A	N/A
7.11 Debentures <i>(totals only)</i>	Nil	N/A		
7.12 Unsecured notes <i>(totals only)</i>	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: 
Director

Date: 30 April 2013

Print name: David 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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