

**COMPANY SNAPSHOT**

**LODESTAR MINERALS LIMITED**  
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**CAPITAL STRUCTURE**

**Shares on Issue:**  
 116,489,477(LSR)

**Options on Issue:**  
 7,000,000 (Unlisted)

**ASX:** LSR

**PROJECTS**

**Peak Hill – Doolgunna:**  
 Base metals, gold

**Penfold:**  
 Nickel

**Kimberley:**  
 Nickel, copper, PGM’s



**INITIAL DRILL RESULTS IDENTIFY GOLD ANOMALIES  
 IN THE CONTESSA GOLD AREA, NED’S CREEK**

**HIGHLIGHTS**

- **Two encouraging Gold anomalies to 300ppb Au reported from the first drill assay results from widely spaced drilling in the Contessa Gold area, adjacent to tenements held by Dampier Gold.**
- **Immediate follow-up drilling is planned over a 3 kilometre strike length to systematically scope out the two anomalies and delineate potential targets.**
- **Results for the first of the drill holes testing the McDonald Well sediment-hosted copper targets, are being received and will be released once the data has been compiled, anticipated to be later this week.**

**GOLD ANOMALIES IN THE CONTESSA GOLD AREA**

**Lodestar Minerals Limited (ASX: LSR) (Lodestar or the Company)** is pleased to advise that first analytical results have been received for the regional RAB/aircore drilling program at Neds Creek (E52/2456 – Figure 1).

Lodestar has now completed 265 RAB/aircore holes (for 10,000m) of the planned 375 hole program to test for sediment-hosted copper, gold and polymetallic mineralisation. To date, results for the first 43 drill holes have been received. Drilling commenced in the Contessa Gold area due to wet weather restricting access to the structural/geochemical corridor extending eastwards from the Enigma copper prospect. Subsequently drilling moved to the north-south oriented traverses designed to test the sedimentary sequence east of Enigma.

**CONTESSA TARGET**

Wide-spaced (100m) drilling in the northern area of E52/2456 targeted gold and multi-element surface geochemical anomalies, in the area surrounding the Contessa Bi-Mo-Ag veins, within a major structural zone on the sediment-granite contact. The drilling has identified anomalous Au in adjacent holes intersecting weathered mafic-ultramafic rocks, in an area where the granite-sediment contact is intersected by a NW trending fault. A second area, 1.5 kilometres to the south west also reported anomalous Au and Ag-W results from first-pass drilling (Figure 2).

**LNR026 TARGET**

Drill hole LNR026, located on the northern end of a drill traverse, 1300m south west of the Contessa Bi-Mo-Ag bearing veins, reported high Ag and W values from the interval 0-4m. This result suggests that Ag mineralisation is derived from a source near LNR026 and extends well beyond the Contessa vein outcrop.

Significant results are listed below in Table 1.

<b>TABLE 1 Assays</b>						
Drill hole	From (m)	To (m)	<b>Au (ppb)</b>	<b>Ag (ppm)</b>	<b>W (ppm)</b>	Comment
Detection Limit			<b>1</b>	0.05	0.1	
LNR017	44	48	<b>100</b>			End of hole sample
LNR020	56	60	<b>133</b>			
	60	63	<b>311</b>			End of hole sample
LNR021	40	42	<b>154</b>			End of hole sample
LNR022	8	12	<b>273</b>			
LNR027	28	32	<b>358</b>			
	32	36	<b>83</b>			
	36	40	<b>108</b>			
LNR028	52	56	<b>115</b>			
	56	60	<b>130</b>			End of hole sample
LNR026	0	4		15.4	89.7	duricrust

*Assaying was completed by UltraTrace Laboratories using method AR001 aqua regia digest with ICP-MS read for gold. Base metals and silver were analysed using method AR101 or AR102 by aqua regia digest with an ICP-OES or ICP-MS read, respectively. Analytical standards and duplicate samples were inserted routinely during the program.*

**GOLD ANOMALIES IN THE CONTESSA GOLD AREA**

Drill hole coordinates are listed below in Table 2.

Hole ID	Easting MGA94	Northing MGA94	Type	Azimuth	Dip
LNR017	788587	7192629	Aircore	0	-90
LNR020	788431	7192428	Aircore	0	-90
LNR021	788375	7192379	Aircore	0	-90
LNR022	788323	7192314	Aircore	0	-90
LNR026	786599	7191499	Aircore	0	-90
LNR027	786597	7191422	Aircore	0	-90
LNR028	786600	7191349	Aircore	0	-90

Initial drill and surface sampling results have confirmed large-scale geochemical anomalies in the Contessa area and more detailed, systematic drilling across the projected strike of the anomalies is required. This work will be scheduled as soon as possible, following program of work and Heritage clearances.

Assay results will continue to be received through January and February and will be announced as they become available. The rig is expected to mobilise back to site in the next week to complete the initial program.

**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 2004 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:**

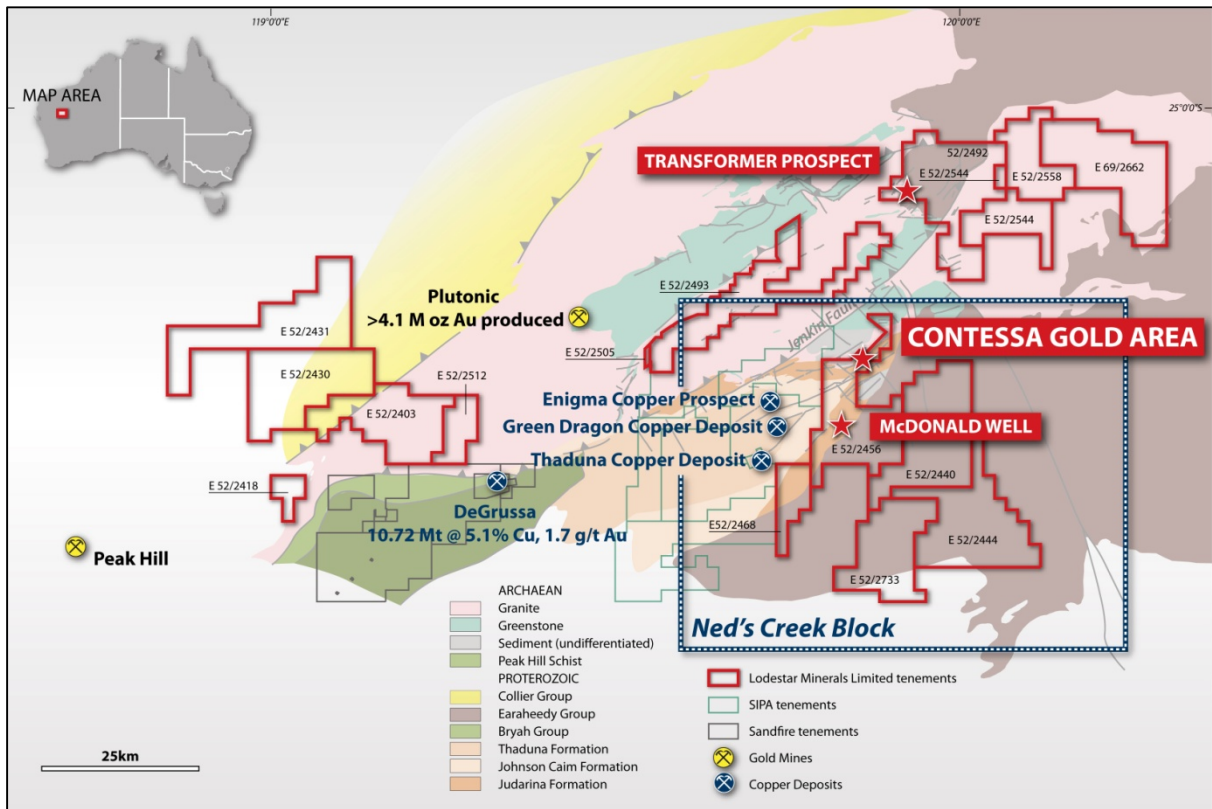
*Lodestar Minerals Limited is a Perth-based explorer with projects in the Kimberley, Peak Hill and Kalgoorlie regions. Lodestar acquired its "Flagship" Peak Hill – Doolgunna project in March 2010. The Peak Hill – Doolgunna project forms the core of Lodestar’s project portfolio and represents a strategic landholding of 2200 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 is embarking on an aggressive exploration program to assess the excellent potential of the emerging and under-explored north Murchison base metal province.*

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**Figure 1 Peak Hill-Doolgunna Project - mines and prospects**

GOLD ANOMALIES IN THE CONTESSA GOLD AREA

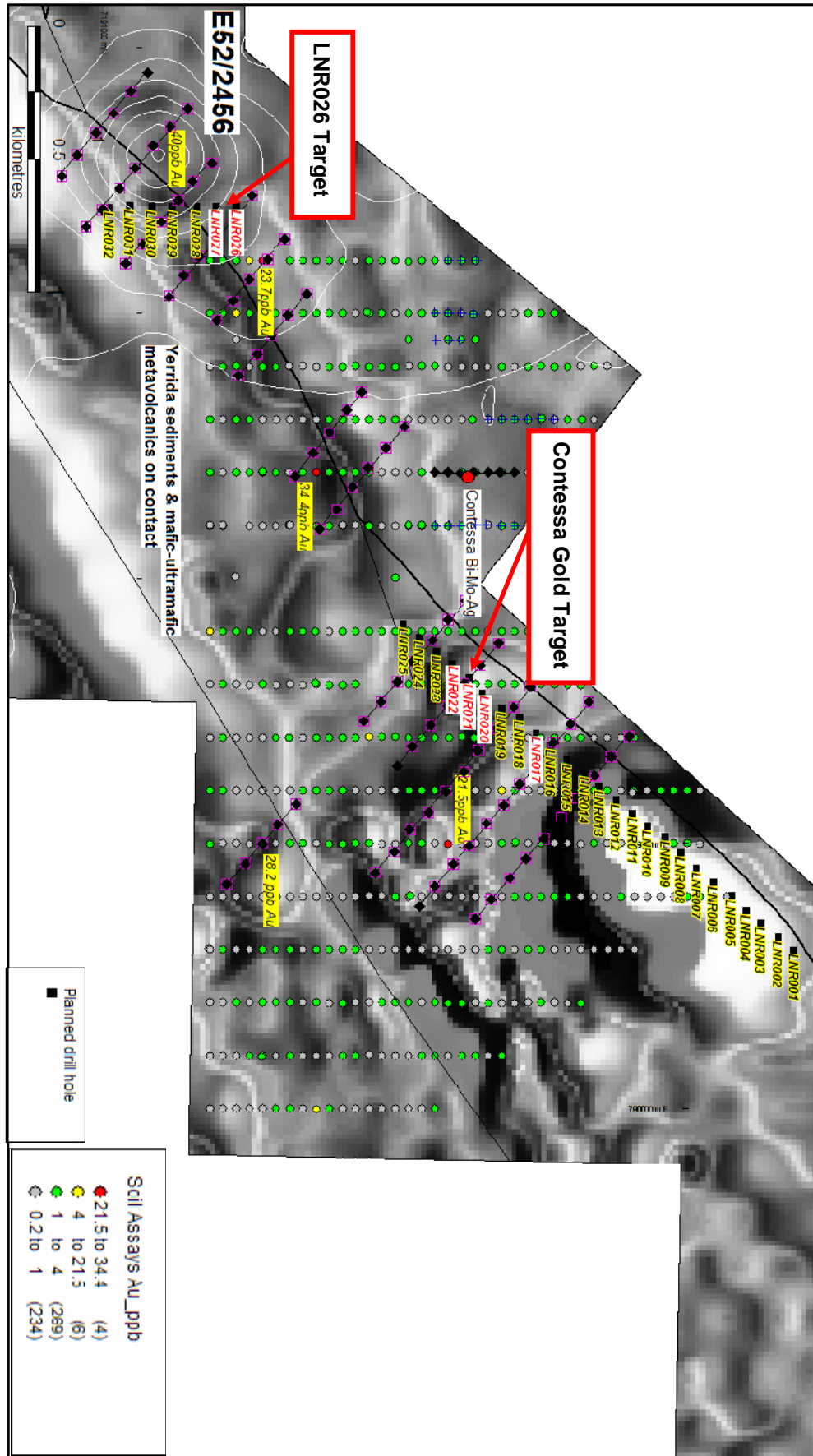


Figure 2 Contessa gold anomalies drill hole position, showing gold in soil/lag sampling anomalies and planned drilling on aeromagnetic image