



ASX ANNOUNCEMENT

3 August 2015

Electronic lodgement

COMPANY SNAPSHOT

LODESTAR MINERALS LIMITED
ABN: 32 127 026 528

CONTACT DETAILS

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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:
Base metals, gold



LODESTAR COMMENCES DRILLING AT THE BIG SKY GOLD TARGET - CAMEL HILLS PROJECT

Lodestar Minerals Limited (ASX:LSR, Lodestar or the Company) advises that RAB drilling has commenced at the Big Sky gold target, located within the Company's 100% owned Camel Hills tenements, 170 kilometres north west of Meekatharra, Western Australia (Figure 1 and see Lodestar's ASX announcement dated 24th June 2015). Big Sky was identified by historic gold in soil and rock chip anomalies associated with a litho-structural contact between magnetic (Petter Calc-silicate) and non-magnetic (Quartzite Pelite) rock units within the Errabiddy Shear Zone. The Big Sky target extends over a distance of 1200 metres, beyond this area surface geochemical sampling is incomplete.

Close-spaced, shallow RAB drilling, in combination with trench sampling, is intended to test the contact zone for the presence of gold (Figure 2). Individual drill traverses will extend up to 100m over the contact. In total, approximately 120 holes are planned for 2500 to 3000m of drilling. First assay results from the drilling are expected to be available early September.

Bill Clayton
Managing Director

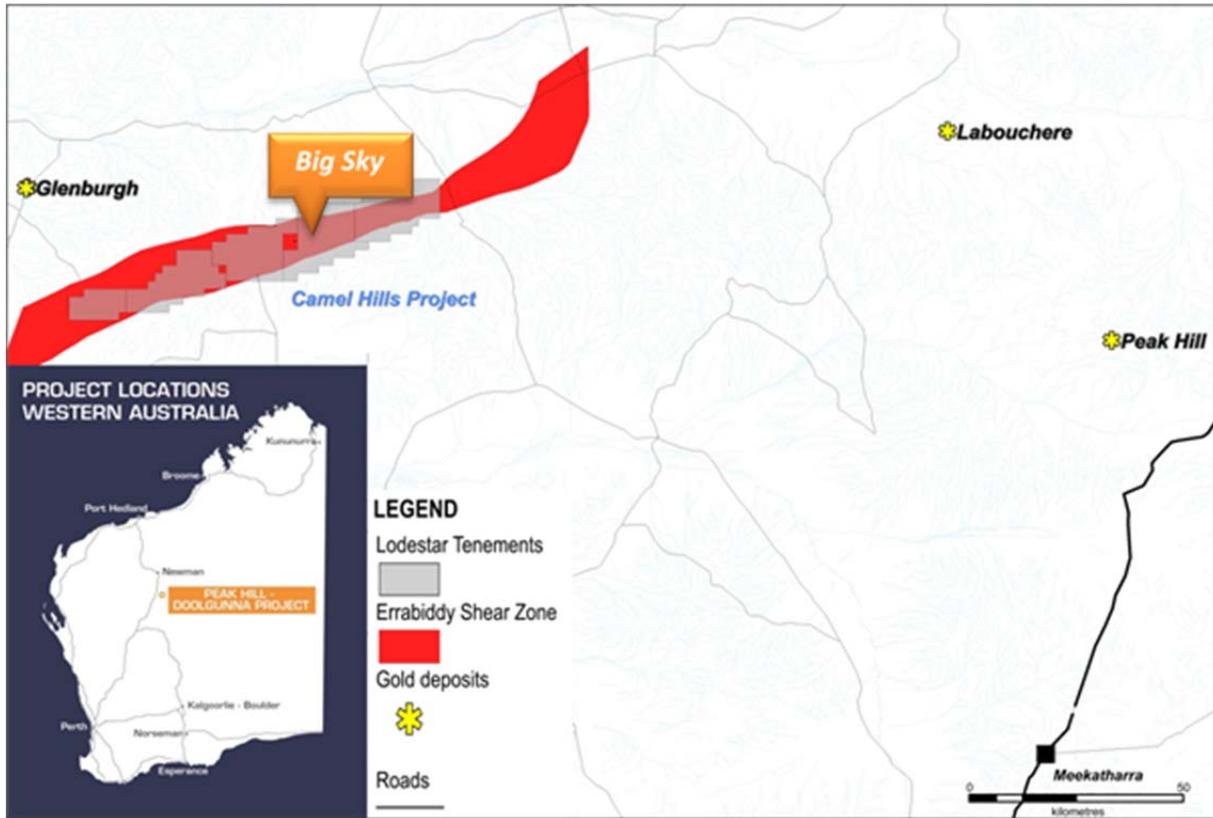


Figure 1 Location Plan – Big Sky prospect, Camel Hills Project

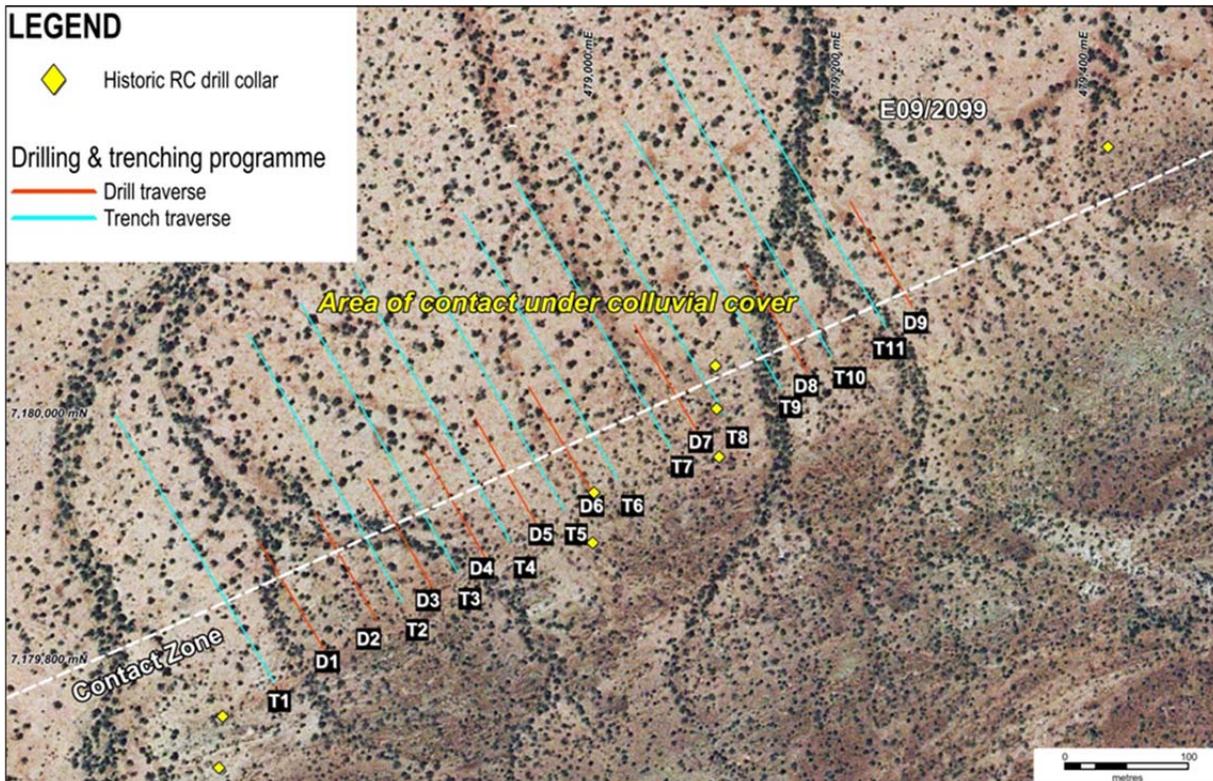


Figure 2 Planned test of mineralised shear zone, Big Sky prospect



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 is a full-time employee of the company. 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 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 Big Sky area. Limited drilling completed by previous explorers is not regarded as a conclusive test of the gold potential at Camel Hills.