



Lodestar Minerals Limited

ABN 32 127 026 528

Registered office

Level 2, 55 Carrington Street
Nedlands WA 6009

Postal address

PO Box 985
Nedlands WA 6909

Tel: +61 8 9423 3200

Fax: +61 8 9389 8327

Website

www.lodestarminerals.com.au

31 March 2016

Ben Secrett
Senior Adviser-Listings Compliance (Perth)
ASX Compliance Pty Ltd
Level 40 Central Park
152 – 158 St George's Terrace
Perth
WA 6000

Dear Mr Secrett

RE: ASX Aware Letter

Reference is made to your letter dated 31 March 2016. In response to your specific queries we advise as follows:

1. Lodestar does consider the Drilling Results disclosed in its announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities. It was for this reason that a trading halt was requested in the Company's securities on 30 March 2016.
2. Not applicable.
3. As previously advised to the ASX the Company first became aware of the results at 7.10 am (WST) on Wednesday 30 March 2016 and company officer was contacted to prepare and request a trading halt. The trading halt was placed after this request.
4. No announcement was made at the time as the results had only just been received and had in no way been reviewed or interpreted at the time of the trading halt request. The idea was to place the company on trading halt as soon as the results were received.
5. The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Yours sincerely,

A handwritten signature in black ink that reads "D McArthur".

David McArthur
Director



31 March 2016

Mr David McArthur
Director and Company Secretary
Lodestar Minerals Limited
Level 2, 55 Carrington Street
NEDLANDS WA 6009

By email

Dear Mr McArthur

LODESTAR MINERALS LIMITED (“ENTITY”): ASX AWARE LETTER

ASX Limited (“ASX”) refers to the following.

1. The change in the price of the Entity’s securities from a closing price of \$0.047 on Thursday, 24 March 2016 to an intra-day high of \$0.066 on Wednesday, 30 March 2016.
2. The Entity’s trading halt request released on the ASX Market Announcements Platform (“Platform”) at 7.51am AWST on Wednesday, 30 March 2016, requesting a halt in trading of the Entity’s securities pending an announcement regarding results from the Entity’s Big Sky drilling program (“Trading Halt Request”).
3. The Entity’s announcement entitled “Initial Gold Results from Big Sky RC Drilling” and released on the Platform at 6.39am AWST on Thursday, 31 March 2016 (“Announcement”), disclosing initial assays from a follow-up RC drill program at the Big Sky prospect within the Entity’s Camel Hills gold project (“Drilling Results”).
4. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.
5. The definition of “aware” in Chapter 19 of the Listing Rules. This definition states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information”*.



6. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

7. ASX’s policy position on the concept of “confidentiality” which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* “Listing Rule 3.1A.2 – the requirement for information to be confidential”. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Having regard to the above, we ask that you answer the following questions in a format suitable for release to the market in accordance with Listing Rule 18.7A:

1. Does the Entity consider the Drilling Results disclosed in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did the Entity first become aware of the Drilling Results disclosed in the Announcement? In answering this question, please specify the date and time when the Entity first became aware of the Drilling Results or any part thereof.
4. If the Entity first became aware of the Drilling Results disclosed in the Announcement before the Trading Halt Request was given to ASX, did the Entity make any announcement prior to giving the



Trading Halt Request to ASX? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe the Entity was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps the Entity took to ensure that the information was released promptly and without delay.

5. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, **by not later than noon AWST on Monday, 4 April 2016**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at tradinghaltspert@asx.com.au and ben.secrett@asx.com.au. It should **not** be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.



If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Please contact me if you have any queries or concerns about the above.

Yours sincerely

[sent electronically without signature]

Ben Secrett
Senior Adviser, ASX Listings Compliance



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Director and Company Secretary
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