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ASX ANNOUNCEMENT

10 July 2017

LODESTAR MINERALS

COMPANY SNAPSHOT

LODESTAR MINERALS LIMITED
ABN: 32 127 026 528

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CAPITAL STRUCTURE
Shares on Issue:
453,318,328 (LSR)

Options on Issue:
45,333,702 (listed)
41,050,127 (unlisted)

ASX: LSR

PROJECTS
Peak Hill – Doolgunna:
Camel Hills – gold
Neds Creek – gold
Marymia – gold
West Pinyrinny – gold

WIDESPREAD HIGH GRADE GOLD RESULTS ADVANCE NEDS CREEK TARGETS ON MULTIPLE FRONTS

HIGHLIGHTS

Widespread gold mineralisation in 5,000m of aircore drilling at Neds Creek with 55 of 88 holes returning results greater than 0.1g/t Au.

- **Multiple gold occurrences increase potential for significant gold discovery in fertile region 35 kilometres east of Plutonic mine.**
- **Single hole at Contessa confirms priority bedrock target for upcoming co-funded EIS diamond drill hole with 4m at 4.35g/t Au from 84m to end of hole.**
- **Drilling west of the granite contact at Brumby returned:**
  - **16m at 2.1g/t from surface, including high grade intersection of 4m at 6.3g/t from 12m.**
  - **8m at 1.1g/t from 24m, including 4m at 1.3g/t from 24m.**
- **Widespread gold mineralisation at Central Park including**
  - **4m at 8.69g/t Au from 28m and 4m at 1.61g/t Au from 44m**
  - **4m at 3.35g/t Au from 36m**
  - **4m at 1.43g/t Au from 32m and**
- **Additional positive results from Gidgee Flat include:**
  - **8m at 1.98g/t Au from 28m and 8m at 2.0g/t Au from 76 in one hole**
- **Review of results to inform planned RC program and two co-funded EIS holes to be drilled during the current quarter.**
- **Maiden Lodestar drill program for the Boundary Fence prospect within the Vango Farm-in planned for the current quarter.**

West Australian gold explorer Lodestar Minerals Limited, ("Lodestar" or "the Company", ASX: LSR) advises that assay results from the recently completed aircore drilling program on the Company's 100% - owned Ned's Creek project (see Figure 1) have been received.

The results show extensive gold mineralisation that further define important gold targets for follow up drilling and support the Company's view that the Contessa-Brumby area provides a significant opportunity for a major gold discovery.

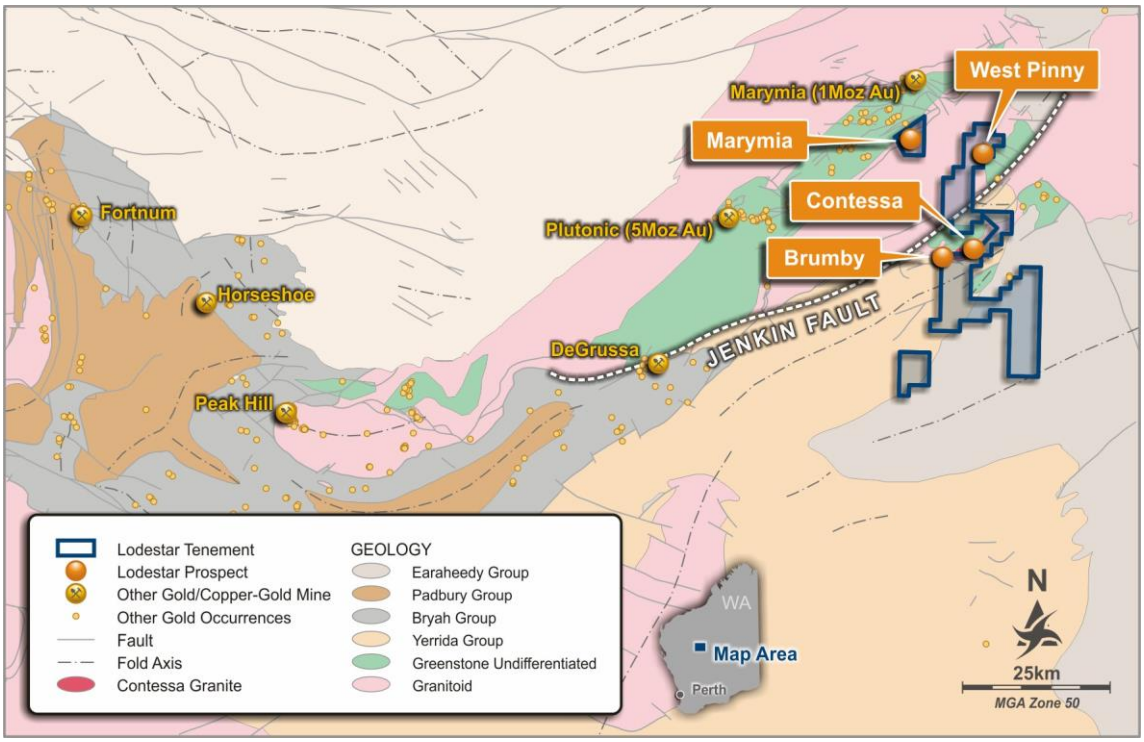

Figure 1 Ned's Creek project, showing the Brumby and Contessa gold targets.

In late May, Lodestar completed an 88 hole, 4833m aircore drilling program over a distance of 7 kilometres along the western and southern contacts of the Contessa granite (see Figure 2). The granite contact is considered to be a key structural control of gold mineralisation in the Ned's Creek and Yowereena area. The drilling specifically targeted areas where gold mineralisation had been incompletely tested.

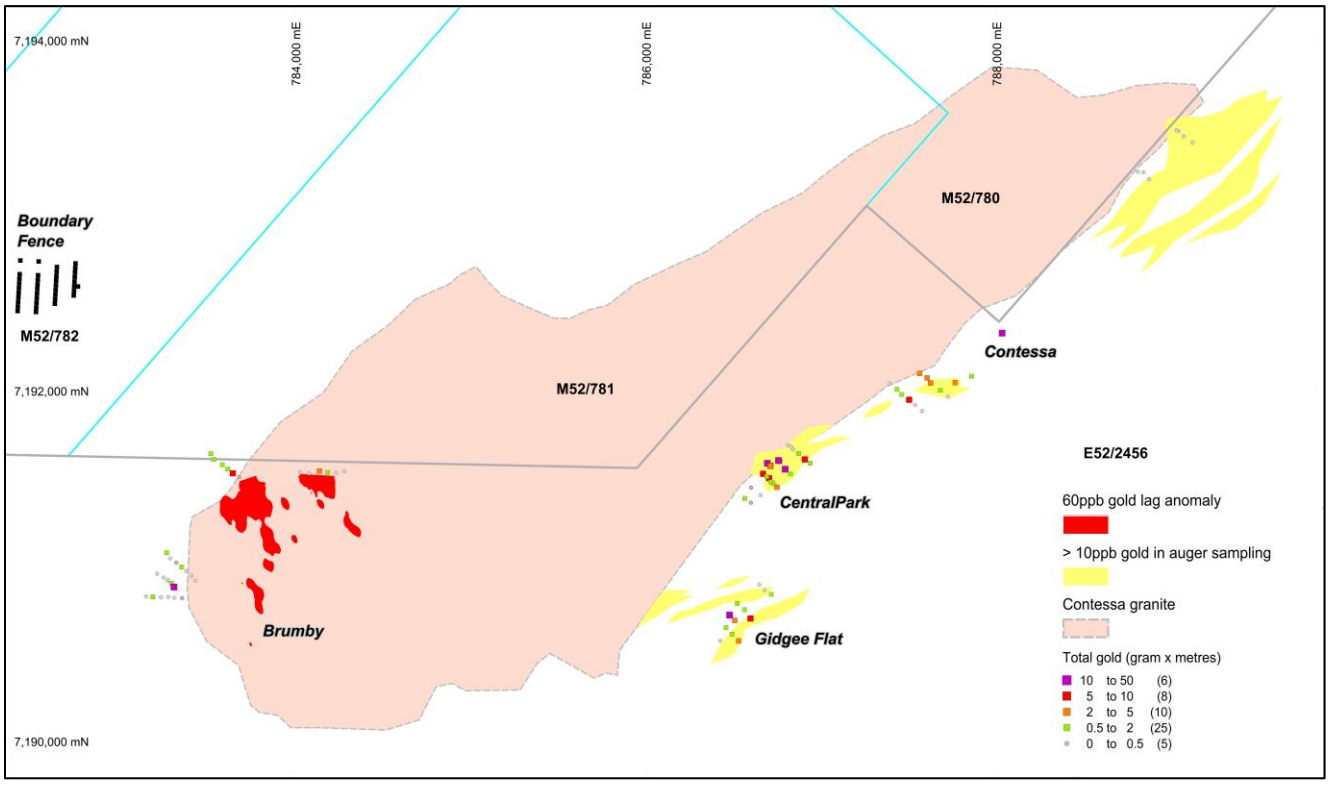

Figure 2 Drill hole location plan showing prospects, surface gold anomalies and colour coding total gold in each drill hole (grams per tonne of intersection x thickness of intersection).

CONTESSA – bedrock gold target

A single aircore hole, LNR906, tested the bedrock target intersected in LNR806 (3m at 1.0g/t Au from 96m, see Lodestar's ASX release dated 1 December 2016). LNR906 was drilled at 90 degrees to LNR806, towards grid south (130 degrees) to confirm the target and act as a pilot hole to a planned diamond drill hole to be completed under the EIS co-funded drilling program (see Figures 3 and 4).

LNR906 intersected 4m at 4.35g/t Au from 84m to end of hole and terminated due to water inflow. Both LNR806 and LNR906 were drilled to the limit of the aircore rig's capacity and the target, a siliceous unit containing oxidised sulphides, remains incompletely tested.

The Contessa bedrock target is thought to be located near the contact of the diorite and strongly sheared felsic rocks. Given the extensive distribution of supergene gold and gold anomalism through the transition zone in nearby aircore drilling the contact is an important target for planned diamond drilling to effectively test the target and obtain structural information to allow future drilling to be planned more effectively.

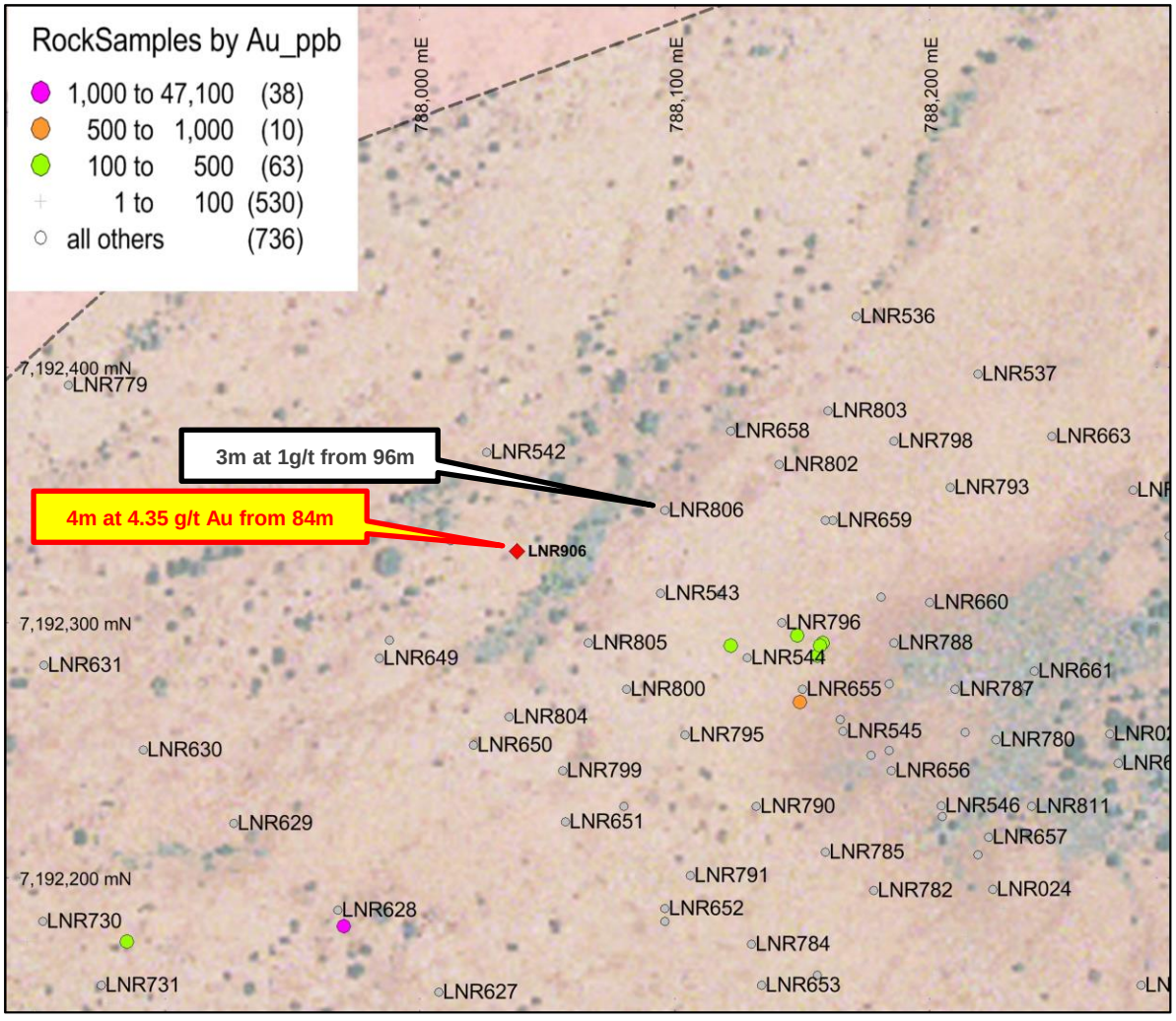

Figure 3 Bedrock gold target in LNR806 and LNR906 showing end of hole intercepts in mineralisation. Significant intersections from recent drilling shown in yellow/red boxes and previous intersections with black/white boxes. Red collars are recent drill holes.

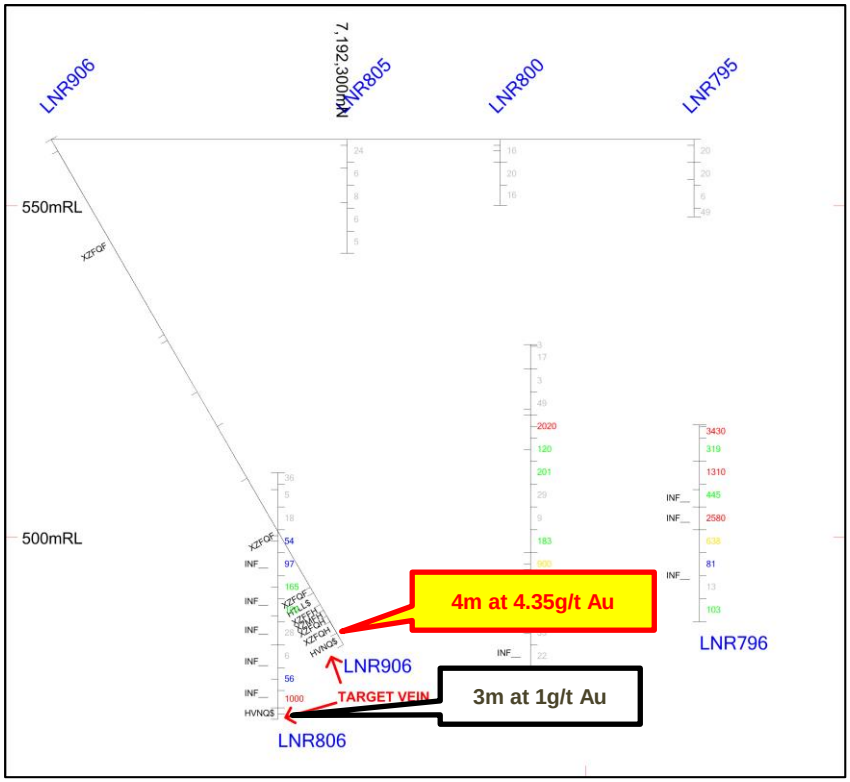

Figure 4 Cross section looking northeast showing relative intersections in LNR806 and LNR906.

BRUMBY

In-fill drilling on 25m hole spacing tested the intersection of 4m at 1g/t Au from 20m and 3m at 1.6g/t Au from 40m to end of hole in LNR824 (see Lodestar's ASX release dated 1 December 2016), and to the north reconnaissance drilling was completed on the granite contact and within the granite, to follow up anomalous lag and rock chip sampling (see Figure 4).

LNR912 was drilled beneath LNR824 and intersected a wide zone of gold mineralisation from surface to 30m, with a high grade zone reporting 4m at 6.4g/t Au from 12m, confirming the presence of mineralisation initially reported in LNR824. The dimensions of the mineralisation are unknown. It is located adjacent to a shear zone intersected in LNR825, whether it is shear-related or a mineralised intrusive plug in an area where several intrusive phases may be present is yet to be determined. This target will be tested by EIS co-funded diamond drilling to determine structure and rock type to assist future drilling.

Reconnaissance drilling on the northwestern contact of the Brumby granite reported low level mineralisation of >0.1g/t Au with a best intersection of 8m at 1.1g/t Au from 24m to end of hole in LNR886, adjacent to the granite contact. The drilling is further confirmation of the potential for intrusion-related mineralisation to occur along the largely untested western granite margin.

A single line of reconnaissance drilling, 250m long, tested near surface gold anomalies in the interior of the granite; four of the six holes reported >0.1g/t gold with a maximum of 0.44g/t Au. The drilling again demonstrates the large scale of gold mineralisation within the western margin of the intrusion, indicating a large hydrothermal system capable of hosting significant mineralisation.

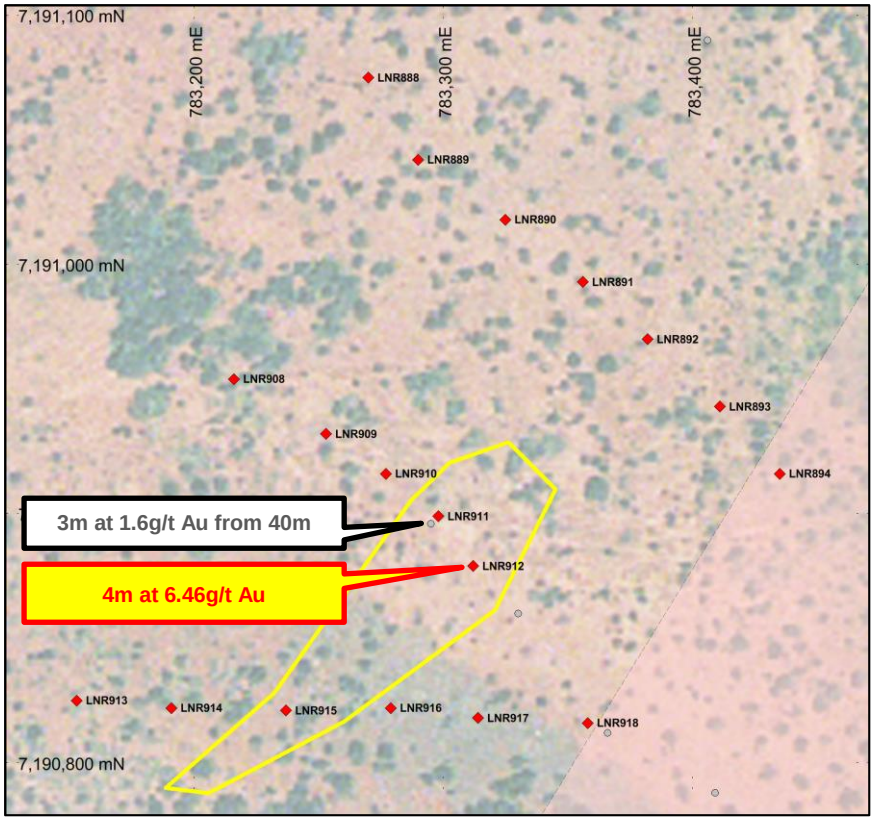

Figure 5 Brumby drilling - western contact, yellow outline marks favourable lithology.

GIDGEE FLAT

Follow up drilling targeted significant saprolite gold mineralisation in LNR747, 10m at 1.89g/t Au from 40m and lower magnitude anomalies in adjacent holes (see Lodestar's ASX announcement dated 24 November 2014). Drilling has now been completed on 80m by 60m centres (see Figure 6) and significant outcomes from the recent drilling include;

- LNR875, on the end of a traverse, intersected 8m at 1.98g/t Au from 28m and 8m at 2.1g/t Au from 76m, the hole ended in the mineralisation at 88m.
- LNR876, also at the end of a traverse, intersected low level gold mineralisation at the end of hole after intersecting vein quartz, the anomaly and quartz vein is largely untested.

Following drilling, results from rock samples taken from goethitic zones in a fracture system oriented at 130 degrees (parallel to drilling) near a drill traverse, reported results of 2.9 and 3.9g/t Au. The samples provide evidence of a brittle structural control on gold mineralisation at Gidgee Flat, parallel to drilling, and underline the importance of orienting drilling correctly when testing targets based on limited surface information.

The Gidgee Flat target remains open and the results will be reviewed, taking into account the latest information.

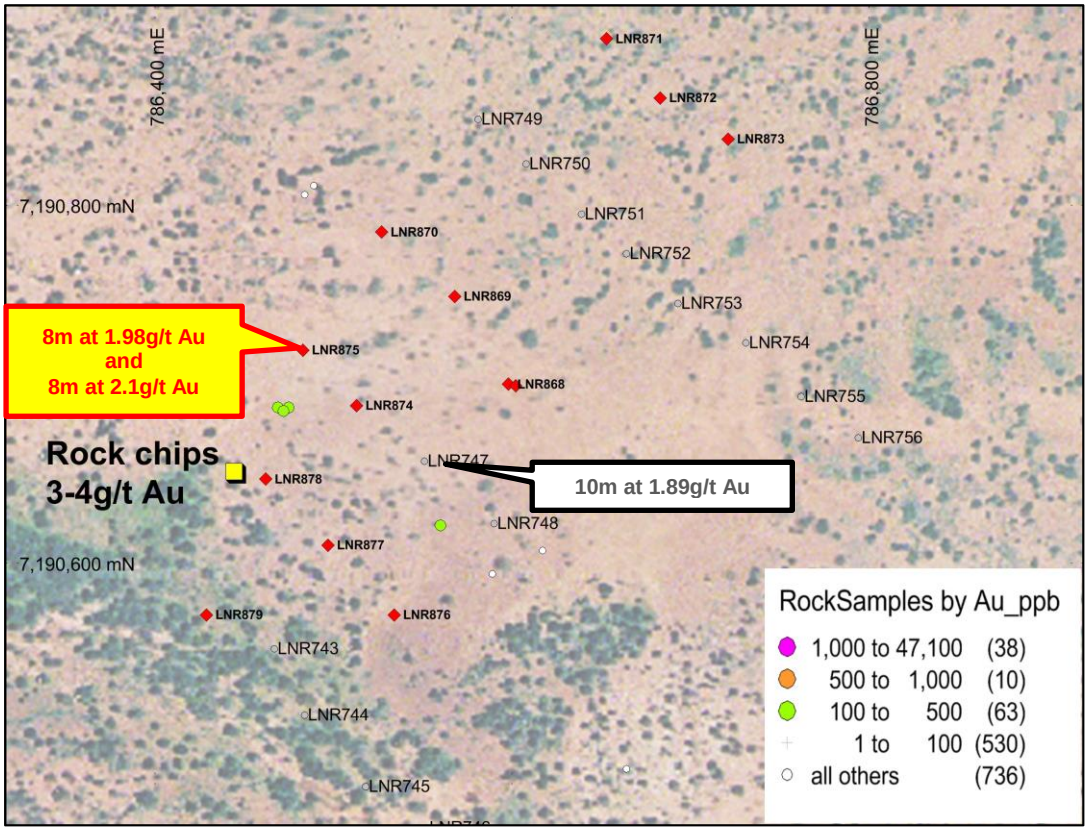

Figure 6 Gidgee Flat drilling showing significant intersections.

CENTRAL PARK (formerly Contessa SW)

Central Park is located adjacent to the southern granite contact; two lines of reconnaissance drilling completed in 2011 and 2014 reported significant supergene gold mineralisation including 5m at 8.90g/t Au from 30m (LNR758) (see Lodestar's ASX announcement dated 24 November 2014).

Drilling intersected thick intercepts of low-level gold mineralisation over an area of 200m by 200m (see Figure 7). Best intercepts include;

- 4m at 3.35g/t Au from 36m in LNR858 (vein quartz recorded)
- 4m at 1.37g/t Au from 72m in LNR853 (vein quartz recorded)
- 4m at 1.43g/t Au from 32m in LNR856 (vein quartz recorded)
- 4m at 1.45g/t Au from 32m in LNR861 (vein quartz recorded)

In addition to vein quartz identified in several drill holes, strongly weathered and goethitic samples were recovered from LNR857 and follow up hole LNR899.

Results from these holes, at the end of a traverse, include;

- 4m at 8.69g/t Au from 28m and 4m at 1.61g/t Au from 44m in LNR899
- LNR857 terminated in the anomaly at 78m, reporting a thick intersection of mineralisation reporting results up to 0.59g/t Au.

The extent and tenor of the Central Park anomalies identified by drilling is very positive at this early stage and further drilling is planned as a priority.

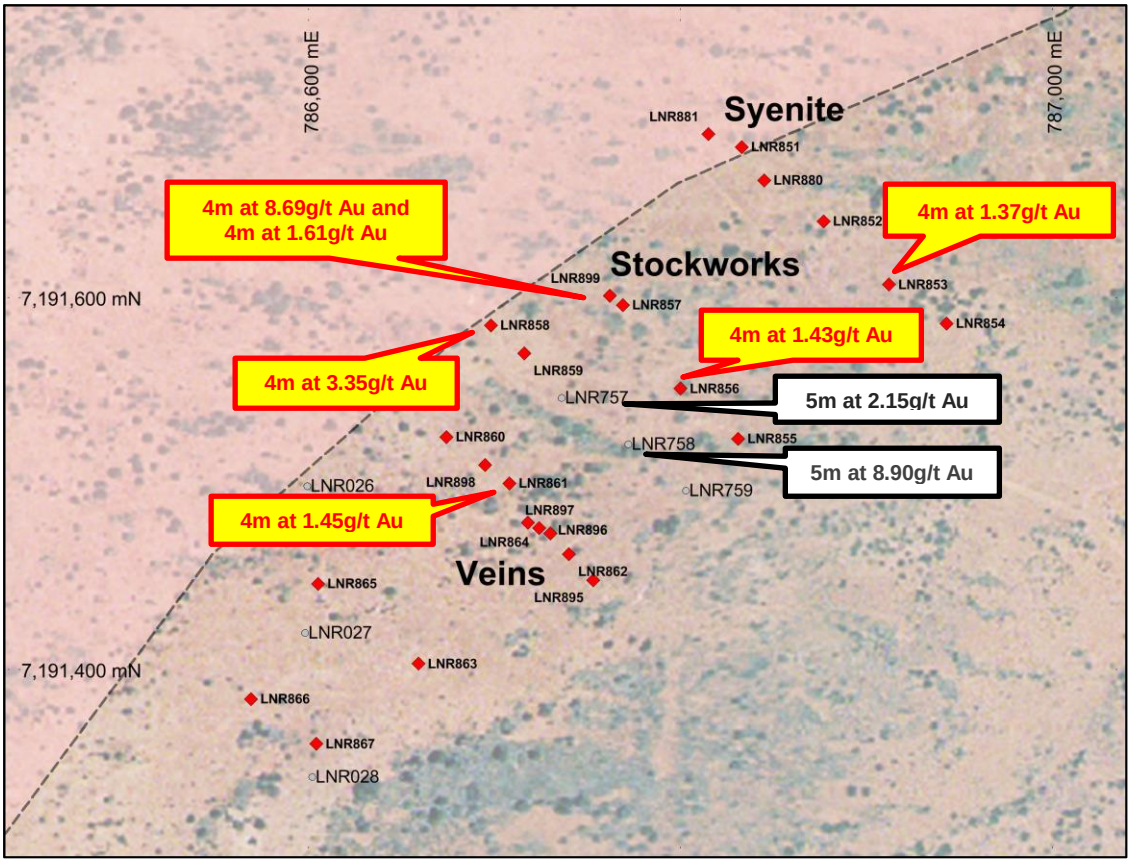

Figure 7 Central Park drilling showing significant intersections.

CONCLUSION AND NEXT STEPS

Lodestar will now complete a detailed review of the results of the aircore program which appear to support and will further develop to the Company's regional geological model. The outcomes of this review will assist with targeting the next programs of drilling.

Two EIS co-funded diamond drill holes, one each at Contessa and Brumby, will be completed to improve understanding of the geological sequence and structural controls on mineralisation. Statutory approvals are in place and it is expected this drilling will commence in August.

Based on current information, priority areas for follow up drilling are Gidgee Flat and Central Park to improve definition of mineralisation at these prospects. A first drill program at the Yowereena farm-in with Vango Mining Limited (ASX: VAN) is also currently being planned.

Table 1 summarises significant intercepts from the 88 hole aircore drilling program at Neds Creek. Table 2 at the end of this announcement lists the results from all 88 drill holes.

Table 1 Significant intersections from recently completed aircore drilling, Neds Creek. Note * denotes gold at end of hole, an open intersection.

Hole	DrillType	Easting	Northing	RL	Depth (m)	Dip	Azimuth	From	To	Length	Au g/t
LNR840	AC	787465	7191978	560	84	-90	0	**80**	**81**	**1**	**3.14**
								83	84	1	0.52*
LNR853	AC	786912	7191607	560	90	-90	0	**72**	**76**	**4**	**1.37**
LNR856	AC	786800	7191551	560	72	-90	0	**32**	**36**	**4**	**1.43**
LNR857	AC	786769	7191596	560	78	-90	0	74	78	4	0.12*
LNR858	AC	786698	7191585	560	78	-90	0	**36**	**40**	**4**	**3.35**
LNR859	AC	786716	7191570	560	71	-90	0	68	71	3	0.14*
LNR861	AC	786708	7191500	560	45	-90	0	**32**	**36**	**4**	**1.45**
LNR875	AC	786483	7190719	560	88	-90	0	**28**	**32**	**4**	**1.21**
								32	**36**	**4**	**2.75**
								76	**80**	**4**	**1.37**
								80	**84**	**4**	**2.82**
								84	88	4	0.89*
LNR876	AC	786534	7190571	560	104	-90	0	100	104	4	0.21*
LNR877	AC	786497	7190610	560	64	-90	0	4	8	4	0.19*
LNR885	AC	783619	7191552	580	72	-90	0	68	72	4	0.17*
LNR886	AC	783648	7191528	580	44	-90	0	**24**	**28**	**4**	**1.26**
LNR887	AC	783683	7191506	580	12	-90	0	8	12	4	0.11*
LNR899	AC	786762	7191601	560	84	-90	0	**28**	**32**	**4**	**8.69**
								44	**48**	**4**	**1.61**
LNR906	AC	788038	7192328	560	88	-60	130	**84**	**88**	**4**	**4.35***
LNR907	AC	786602	7190699	560	74	-90	0	**0**	**4**	**4**	**2.16**
LNR912	AC	783312	7190879	580	52	-60	310	**12**	**16**	**4**	**6.46**
LNR918	AC	783358	7190816	580	58	-60	270	56	58	2	0.14*
LNR920	AC	784083	7191528	580	13	-60	270	11	13	2	0.10*
LNR921	AC	784142	7191540	580	13	-60	270	11	13	2	0.10*
LNR922	AC	784189	7191532	580	13	-60	270	0	4	4	0.13*
LNR923	AC	784237	7191531	580	13	-60	270	11	13	2	0.26*

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Table 2 Neds Creek exploration drilling results: Contessa - Brumby

Hole	Type	Easting	Northing	RL	Depth (m)	Dip	Azimuth	From	To	Au_ppb	Au g/t
LNR837	AC	787581	7191883	560	47	-90	0	no significant assays			0
LNR838	AC	787541	7191917	560	34	-90	0	no significant assays			0
LNR839	AC	787508	7191948	560	47	-90	0	24	28	614	0.614
								28	32	801	0.801
LNR840	AC	787465	7191978	560	84	-90	0	48	52	463	0.463
								64	68	123	0.123
								72	73	229	0.229
								74	75	205	0.205
								76	77	303	0.303
								77	78	370	0.37
								78	79	106	0.106
								79	80	382	0.382
								80	81	3140	3.14
								81	82	180	0.18
								82	83	499	0.499
								83	84	520	0.52
LNR841	AC	787438	7192007	560	82	-90	0	44	48	125	0.125
LNR842	AC	787396	7192042	560	6	-90	0	no significant assays			
LNR843	AC	787864	7192082	560	65	-90	0	28	32	448	0.448
LNR844	AC	787771	7192045	560	53	-90	0	32	36	112	0.112
								36	40	165	0.165
								40	44	364	0.364
								44	48	410	0.41
LNR845	AC	787729	7191965	560	10	-90	0	no significant assays			0
LNR846	AC	787686	7192002	560	53	-90	0	40	44	134	0.134
LNR847	AC	787630	7192043	560	89	-90	0	36	40	593	0.593
								40	44	604	0.604
LNR848	AC	787610	7192072	560	122	-90	0	48	52	555	0.555
								52	56	434	0.434
								56	60	123	0.123
								64	68	112	0.112
								108	112	143	0.143
								112	115	284	0.284
								115	119	114	0.114
LNR849	AC	787568	7192098	560	114	-90	0	80	84	896	0.896
								84	88	203	0.203
								88	92	146	0.146
								96	100	172	0.172
LNR850	AC	789045	7193481	560	45	-90	0	no significant assays			0
LNR851	AC	786833	7191681	560	54	-90	0	no significant assays			0
LNR852	AC	786877	7191641	560	98	-90	0	64	68	342	0.342
LNR853	AC	786912	7191607	560	90	-90	0	72	76	1370	1.37
								76	80	132	0.132

Hole	Type	Easting	Northing	RL	Depth (m)	Dip	Azimuth	From	To	Au_ppb	Au g/t
LNR854	AC	786943	7191586	560	90	-90	0	48	52	158	0.158
								52	56	103	0.103
LNR855	AC	786831	7191524	560	63	-90	0	28	32	439	0.439
								36	40	172	0.172
								40	44	113	0.113
								48	52	117	0.117
								52	56	110	0.11
LNR856	AC	786800	7191551	560	72	-90	0	4	8	151	0.151
								8	12	428	0.428
								12	16	972	0.972
								24	28	103	0.103
								28	32	777	0.777
								32	36	1430	1.43
								36	40	345	0.345
LNR857	AC	786769	7191596	560	78	-90	0	40	44	161	0.161
								44	48	589	0.589
								48	52	365	0.365
								52	56	125	0.125
								60	64	123	0.123
								64	68	426	0.426
								74	78	122	0.122
LNR858	AC	786698	7191585	560	78	-90	0	24	28	511	0.511
								28	32	605	0.605
								36	40	3350	3.35
								44	48	359	0.359
								48	52	131	0.131
LNR859	AC	786716	7191570	560	71	-90	0	24	28	362	0.362
								28	32	370	0.37
								32	36	716	0.716
								36	40	120	0.12
								44	48	555	0.555
								60	64	151	0.151
								64	68	107	0.107
								68	71	144	0.144
LNR860	AC	786674	7191525	560	46	-90	0	24	28	190	0.19
								28	32	792	0.792
								32	36	477	0.477
								36	40	207	0.207
LNR861	AC	786708	7191500	560	45	-90	0	24	28	125	0.125
								28	32	105	0.105
								32	36	1450	1.45
								36	40	103	0.103
LNR862	AC	786740	7191462	560	51	-90	0	23	24	126	0.126
								27	28	481	0.481
								29	30	321	0.321

Hole	Type	Easting	Northing	RL	Depth (m)	Dip	Azimuth	From	To	Au_ppb	Au g/t
								30	31	114	0.114
								31	32	328	0.328
								33	34	177	0.177
								37	38	103	0.103
								41	42	104	0.104
								43	44	143	0.143
								47	48	110	0.11
LNR863	AC	786659	7191403	560	50	-90	0	no significant assays			0
LNR864	AC	786724	7191476	560	56	-90	0	no significant assays			0
LNR865	AC	786605	7191446	560	61	-90	0	28	32	110	0.11
								36	40	124	0.124
LNR866	AC	786569	7191384	560	62	-90	0	32	36	186	0.186
								44	48	103	0.103
								45	46	304	0.304
								49	50	126	0.126
LNR867	AC	786604	7191360	560	66	-90	0	28	32	114	0.114
LNR868	AC	786598	7190700	560	6	-90	0	no significant assays			
LNR869	AC	786568	7190749	560	63	-90	0	20	24	416	0.416
LNR870	AC	786527	7190785	560	58	-90	0	24	28	185	0.185
								52	56	128	0.128
LNR871	AC	786653	7190893	560	48	-90	0	no significant assays			0
LNR872	AC	786683	7190860	560	53	-90	0	no significant assays			0
LNR873	AC	786721	7190837	560	51	-90	0	28	32	110	0.11
								36	40	184	0.184
LNR874	AC	786513	7190688	560	72	-90	0	40	44	144	0.144
								44	48	216	0.216
								52	56	553	0.553
								56	60	287	0.287
LNR875	AC	786483	7190719	560	88	-90	0	28	32	1210	1.21
								32	36	2750	2.75
								56	60	199	0.199
								64	68	184	0.184
								72	76	583	0.583
								76	80	1370	1.37
								80	84	2820	2.82
								84	88	890	0.89
LNR876	AC	786534	7190571	560	104	-90	0	32	36	117	0.117
								48	52	125	0.125
								84	88	207	0.207
								96	100	364	0.364
								100	104	214	0.214
LNR877	AC	786497	7190610	560	64	-90	0	4	8	189	0.189
LNR878	AC	786462	7190647	560	54	-90	0	44	48	287	0.287
LNR879	AC	786429	7190571	560	90	-90	0	no significant assays			0
LNR880	AC	786845	7191663	560	58	-90	0	no significant assays			0

Hole	Type	Easting	Northing	RL	Depth (m)	Dip	Azimuth	From	To	Au_ppb	Au g/t
LNR882	AC	783522	7191640	580	75	-90	0	28	32	282	0.282
LNR883	AC	783539	7191607	580	54	-90	0	28	32	396	0.396
LNR884	AC	783587	7191577	580	39	-90	0	20	24	182	0.182
								32	36	119	0.119
LNR885	AC	783619	7191552	580	72	-90	0	28	32	380	0.38
								68	72	167	0.167
LNR886	AC	783648	7191528	580	44	-90	0	24	28	1260	1.26
								28	32	953	0.953
LNR887	AC	783683	7191506	580	12	-90	0	8	12	112	0.112
LNR888	AC	783270	7191075	580	45	-60	310	24	28	371	0.371
LNR889	AC	783290	7191042	580	42	-60	310	no significant assays			0
LNR890	AC	783325	7191018	580	28	-60	310	20	24	107	0.107
LNR891	AC	783356	7190993	580	36	-60	310	16	20	494	0.494
LNR892	AC	783382	7190970	580	43	-60	310	no significant assays			0
LNR893	AC	783411	7190943	580	42	-60	310	no significant assays			0
LNR894	AC	783435	7190916	580	36	-60	310	no significant assays			0
LNR895	AC	786753	7191448	560	60	-60	310	32	36	212	0.212
								36	40	265	0.265
								40	44	184	0.184
								52	56	104	0.104
LNR896	AC	786730	7191473	560	57	-60	130	32	36	106	0.106
								40	44	208	0.208
LNR897	AC	786718	7191479	560	54	-60	310	40	44	147	0.147
LNR898	AC	786695	7191510	560	46	-60	130	40	44	131	0.131
LNR899	AC	786762	7191601	560	84	-90	0	28	32	8690	8.69
								40	44	260	0.26
								44	48	1610	1.61
								48	52	407	0.407
								52	56	239	0.239
LNR900	AC	789033	7193486	560	61	-90	0	no significant assays			0
LNR901	AC	789075	7193451	560	61	-90	0	no significant assays			0
LNR902	AC	789125	7193415	560	64	-90	0	no significant assays			0
LNR903	AC	788813	7193249	560	60	-90	0	no significant assays			0
LNR904	AC	788845	7193245	560	64	-90	0	no significant assays			0
LNR905	AC	788877	7193206	560	70	-90	0	no significant assays			0
LNR906	AC	788038	7192328	560	88	-60	130	64	68	107	0.107
								68	72	116	0.116
								76	80	103	0.103
								80	84	427	0.427
								84	88	4350	4.35
LNR907	AC	786602	7190699	560	74	-90	0	0	4	2160	2.16
								32	36	197	0.197
LNR908	AC	783216	7190954	580	31	-60	310	no significant assays			0
LNR909	AC	783253	7190932	580	37	-60	310	no significant assays			0
LNR910	AC	783277	7190916	580	40	-60	310	no significant assays			0

Hole	Type	Easting	Northing	RL	Depth (m)	Dip	Azimuth	From	To	Au_ppb	Au g/t
LNR911	AC	783298	7190899	580	49	-60	310	28	32	134	0.134
								32	36	306	0.306
								40	44	113	0.113
LNR912	AC	783312	7190879	580	52	-60	310	0	4	656	0.656
								4	8	728	0.728
								8	12	549	0.549
								12	16	6460	6.46
								20	24	821	0.821
								24	28	720	0.72
								28	32	721	0.721
								36	40	260	0.26
								40	44	200	0.2
								44	48	103	0.103
LNR913	AC	783153	7190825	580	61	-60	270	no significant assays			0
LNR914	AC	783191	7190822	580	43	-60	270	32	36	195	0.195
LNR915	AC	783237	7190821	580	46	-60	270	no significant assays			0
LNR916	AC	783279	7190822	580	34	-60	270	no significant assays			0
LNR917	AC	783314	7190818	580	46	-60	270	no significant assays			0
LNR918	AC	783358	7190816	580	58	-60	270	4	8	108	0.108
								56	58	143	0.143
LNR919	AC	784032	7191535	580	22	-60	270	no significant assays			0
LNR920	AC	784083	7191528	580	13	-60	270	11	13	104	0.104
LNR921	AC	784142	7191540	580	13	-60	270	4	8	443	0.443
								8	11	148	0.148
								11	13	101	0.101
LNR922	AC	784189	7191532	580	13	-60	270	0	4	132	0.132
LNR923	AC	784237	7191531	580	13	-60	270	11	13	264	0.264
LNR924	AC	784283	7191540	580	13	-60	270	no significant assays			0

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 24th November 2014 "Contessa Drilling Update" and 1st December 2016 "Contessa – Brumby Aircore Drilling Results". These 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.

JORC Code, 2012 Edition

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• Aircore drill holes were sampled at 1m intervals from a cyclone on the rig and collected in sequence in plastic bags. From 0 metres to end of hole, 1m samples were composited to 4 metre samples and a 2.5kg sample is submitted for assay. Sample recoveries were monitored. Samples are logged and ground conditions that impact sample recoveries are recorded in the sample and geology ledger. • Sample representivity is maintained by placing the composite samples in a pre-numbered calico bag with a corresponding sample book entry. Certified reference materials, field duplicates and laboratory repeat samples are analysed routinely. • Sample results reported in Tables 1 and 2 and the Annexure used the sampling protocol described below; Samples from 0 metres to end of hole were collected as 4 metre composites by spearing consistently down the side of bagged 1 metre samples using a PVC spear. This method is applied as a first-pass screening for anomalous gold results. Approximately 2.5kg of material was dried, crushed pulverised and split to produce a 40g charge for aqua regia digest and ICPMS (DL 1ppb Au).
Drilling techniques	• *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).*	• Aircore method using a 3.34" blade bit, hammer bit used for end of hole samples if in mineralisation or silicified rock. Non-core method, no downhole surveys were recorded.
Drill sample recovery	• *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.* • *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.*	• Sample recoveries and wet samples were monitored and included in Lodestar's drill hole database. • Samples collected from a cyclone at 1 metre intervals in plastic bags and laid in rows of 10 sequentially. Drill sampling equipment was cleaned regularly to minimise contamination. • Lodestar monitors the distribution of high grade gold and sample recoveries, anomalous samples do not appear to be significantly affected by sample smearing although wet samples are present in some areas. The purpose of the drilling is to identify areas anomalous in gold rather than quantify gold content.

Criteria	JORC Code explanation	Commentary
Logging	• *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.*	• Chip samples were routinely geologically logged. The drilling and sampling methods used were first-pass exploration methods and not intended to support Mineral Resource estimation. • Logging is qualitative in nature. • All aircore samples were geologically logged.
Sub-sampling techniques and sample preparation	• *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.*	• Aircore samples were recovered from the drill hole via a cyclone at 1 metre intervals. Each 1 metre sample was placed in a plastic bag on the ground in sequence. A hollow PVC spear is used to obtain a sub-sample through each 1 metre interval; these are combined for submission as a 2.5kg 4 metre composite sample. Wet samples are recorded if present, in this program samples generally remained dry until the last 10m in some deeper holes. • All samples for assay are stored in pre-numbered bags and submitted to Bureau Veritas Laboratories for sample preparation and analysis. • Sample preparation for drill samples involved drying the whole sample, crushing to 3mm and pulverising to 90% passing -75 microns. The pulverised sample was split with a rotary sample divider to obtain a 40 gram charge. Duplicate field samples and laboratory repeats show satisfactory reproducibility. • Sample size is appropriate for early exploration drilling where mineral grainsize is unknown.
Quality of assay data and laboratory tests	• *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.*	• A nominal 40 gram charge is digested with aqua regia and gold is determined by ICP-MS, the detection limit is 1ppb. This is a partial digest for base metal and refractory elements, although it is extremely efficient for the extraction of gold. S was analysed from the aqua regia solution by ICP-AES. • No geophysical tools were used to determine any element concentrations. • Laboratory QAQC includes the use of laboratory standards and replicates; Lodestar's certified reference standards and field duplicates were inserted at a ratio of 1:50 (2%) with each batch of samples. These quality control results are reported with the sample results in the final laboratory reports. Lodestar's certified reference standards ranging from blanks to ppm gold were inserted throughout the drilling program, accuracy is within acceptable limits.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *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.*	• Significant intersections have not been independently validated at this time. • No twinned holes have been completed. • Field and laboratory data were 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	• *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.*	• Drill hole locations are fixed by handheld GPS, accuracy is estimated to be +/-5 metres. • Drill hole coordinates were recorded in MGA94 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 and individual elevations are subject to significant error.
Data spacing and distribution	• *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.*	• Drill holes have variable spacing, generally 40 metres on section and ranging from 80 to 320 metres between sections. • The data is insufficient to establish continuity for Mineral Resource estimation. • 1 metre aircore samples have been composited to 4 metre samples for assay.
Orientation of data in relation to geological structure	• *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.*	• The aircore drilling method does not provide structural information and the orientation of the underlying geology has not been established. At Contessa and Brumby drill traverses are oriented perpendicular to the interpreted strike of a shear plane as determined from interpretation of aeromagnetic data.
Sample security	• *The measures taken to ensure sample security.*	• Samples were stored at Lodestar's exploration camp in sealed bags under supervision prior to dispatch by registered courier or Lodestar staff to Bureau Veritas Laboratories.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out.

Criteria	Commentary
Mineral tenement and land tenure status	• Contessa is located on E52/2456, within Lodestar's Ned's Creek project. The tenement is held by Audacious Resources, a wholly-owned subsidiary of Lodestar Minerals and expires on 16/09/2020. The tenement is within the native title claim WC99/46 of the Yugunga-Nya Group. Lodestar has signed a Heritage Agreement with the traditional owners to carry out mineral exploration on the tenement.
Exploration done by other parties	• 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 the Contessa area.
Geology	• The geology of the project area comprises the northern margin of the Proterozoic Yerrida Basin. The geology forms two discrete units; 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 and Archaean basement rocks on the northern margin of the Yerrida Basin. The basement-sediment contact trends east-west and Lodestar's exploration has identified extensive gold anomalism adjacent to this contact. The basement consists of granite and fringing mafic to intermediate and ultramafic rocks that are not widely exposed at surface. The mafic-ultramafic rocks and the adjacent granite that hosts gold mineralisation are thought to be Archaean in age but may be part of the Glenburgh orogenic event along the norther Yilgarn margin. Identification of syenite-hosted, intrusion-related gold mineralisation at Brumby indicates that this region differs in comparison with other lode gold occurrences in the Plutonic Well greenstone belt and the surrounding Proterozoic fold belt and does not form part of the adjacent Marymia Inlier.
Drill hole information	• Tabulated data is provided in Tables 1 and 2.
Data aggregation methods	• Assay data are reported as 4 metre composite samples and reported aggregated intercepts are length weighted. No cutting of high grades, intersections have been calculated using a 0.1g/t lower cut-off.
Relationship between mineralisation widths and intercept lengths	• Generally vertical holes were drilled where there is uncertainty as to the orientation of mineralisation. At Brumby some traverses were drilled at -60 degrees orthogonal to the expected trend of mineralisation, based on interpretation of aeromagnetic data.
Diagrams	• See Figures 2 to 7.
Balanced reporting	• All drill holes and intercepts are reported in Tables 1 and 2.
Other substantive exploration data	• None to report.
Further Work	• Extensive zones of anomalous gold greater than 100ppb (0.1g/t) have been identified in drilling at prospects on the margin of the Contessa granite. The anomalies remain open at depth and along strike along the granite contact. In-fill drilling at Contessa has extended a zone of supergene gold mineralisation in several areas where low grade mineralisation persists into the transition zone below supergene mineralisation. A diamond drill hole is planned to target a zone of bedrock mineralisation intersected by recent aircore drilling. • A new zone of mineralisation has been identified at Brumby, where aircore holes targeted the western contact of a syenite intrusion. This drilling has successfully demonstrated "proof of concept" for the syenite intrusion-related gold model that identifies the structurally-modified contact zones of the intrusion as a potentially attractive exploration target. Further drilling is required to systematically test this margin.