

**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



**COPPER ANOMALIES CONFIRMED BY LODESTAR’S  
 FIRST MCDONALD WELL DRILL RESULTS  
 PEAK HILL-DOOLGUNNA PROJECT**

**HIGHLIGHTS**

- **First assay results confirm widespread copper anomalies to maximum 1220ppm (0.12%) Cu in first pass drilling at McDonald Well, with significant thicknesses encountered in several holes.**
- **The regional drilling program represents the second stage of a multi-stage program to identify geochemical anomalies worthy of deeper drilling.**
- **The anomalies are comparable to those identified in first pass drilling elsewhere in the district resulting in discoveries.**
- **The drilling program is incomplete and interpretation of the McDonald Well results is at an early stage. Follow up drilling and additional work will be undertaken to test identified targets as soon as possible.**

**Lodestar Minerals Limited (ASX: LSR) (Lodestar or the Company)** is pleased to advise that first analytical results received for the McDonald Well RAB/aircore drilling program within the Ned's Creek, Peak Hill-Doolgunna Project in Western Australia have confirmed regionally significant copper anomalies (E52/2456, Figure 1).

Results for the first 95 drill holes (of the 265 completed to date) have been received, including the first holes drilled on north – south oriented traverses along strike from Sipa Resource's Enigma copper prospect.

Drilling on a 500m x 100m regional grid has identified a number of anomalous zones within Lodestar's tenement. The interpretation is at a preliminary stage as assay results from limited numbers of the total holes drilled have been received to date. Further, a number of holes were limited in depth by silcrete (a hard, cemented duricrust) developed in the western part of the tenement. It is planned to re-drill these areas to base of weathering with a small RC rig later in the program. Drill hole locations and results are shown in Figures 2 and 3.

**Significant results include:**

- **End of hole anomalies** (shale-hosted) e.g.
  - **LNR112** 52m to 63m – 11m at 412ppm (0.04%) Cu and 0.8ppm Ag
  - **LNR114** 40m to 48m – 8m at 727ppm (0.07%) Cu and 1.3ppm Ag and
  
- **Regolith anomalies** e.g.
  - **LNR137 to LNR142**, with up to 16m at 550ppm (0.05%) Cu and 0.5ppm Ag in **LNR 138**

These anomalies are comparable to those identified in first pass drilling elsewhere within the district and confirm that the shale sequence is regionally anomalous in copper ore-forming metals.

Lodestar has completed 265 holes of a planned 375 hole regional drilling program at Ned's Creek. Follow up drilling is already planned for gold anomalies identified in the Contessa area (see ASX release 16<sup>th</sup> January 2012) and targeting of copper anomalies will proceed as results are received for the remaining holes.

COPPER ANOMALIES CONFIRMED BY MCDONALD WELL DRILL RESULTS

TABLE 1 Assay Results >300ppm Cu

Hole	From	To	Intersection (m)	Grade Cu (ppm)	Composite Thickness (m)	Composite Grade Cu (ppm)	Composite Grade Ag (ppm)
LNR096	40	44	4	658			
LNR099	88	90	2	418			
LNR103	88	90	2	383			
LNR112	8	12	4	445			
LNR112	12	16	4	395	8	420	0.2
LNR112	32	36	4	467			
LNR112	36	40	4	333			
LNR112	40	44	4	570	12	456	0.2
LNR112	52	56	4	395			
LNR112	56	60	4	505			
LNR112	60	63	3	314	11	412	0.8
LNR114	40	44	4	920			
LNR114	44	48	4	535	8	727	1.3
LNR127	8	12	4	535	4	535	0.1
LNR132	80	84	4	331			
LNR137	4	8	4	332			
LNR137	8	12	4	1220			
LNR137	12	16	4	765	12	772	0.2
LNR137	42	46	4	372			
LNR138	8	12	4	353			
LNR138	12	16	4	631			
LNR138	16	20	4	682			
LNR138	20	24	4	535	16	550	0.5
LNR139	12	16	4	352			
LNR140	16	20	4	302			
LNR140	20	24	4	346	8	324	0.3
LNR140	32	36	4	399			
LNR140	36	39	3	307	7	359	
LNR141	32	34	2	451			
LNR141	34	38	4	378			
LNR141	38	41	3	359	9	388	0.5
LNR142	24	28	4	549			
LNR142	28	32	4	339	8	444	0.2

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.

**COPPER ANOMALIES CONFIRMED BY MCDONALD WELL DRILL RESULTS**

Drill hole coordinates are listed below in Table 2.

TABLE 2 Drilling						
Hole ID	Easting MGA94	Northing MGA94	Type	Azimuth	Dip	Total Depth (m)
LNR096	784585	7189130	RAB	0	-60	63
LNR099	784598	7188878	RAB	0	-60	90
LNR103	784602	7188502	RAB	0	-60	90
LNR112	782097	7188495	RAB	0	-60	63
LNR114	782097	7188292	Aircore	0	-60	52
LNR127	782100	7186998	Aircore	0	-60	25
LNR132	782096	7186496	Aircore	0	-60	84
LNR137	782599	7188296	Aircore	0	-60	48
LNR138	782601	7188196	Aircore	0	-60	50
LNR139	782593	7188095	RAB	0	-60	28
LNR140	782601	7188014	RAB	0	-60	58
LNR141	782599	7187936	RAB	0	-60	62
LNR142	782601	7187860	RAB	0	-60	40

**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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COPPER ANOMALIES CONFIRMED BY MCDONALD WELL DRILL RESULTS

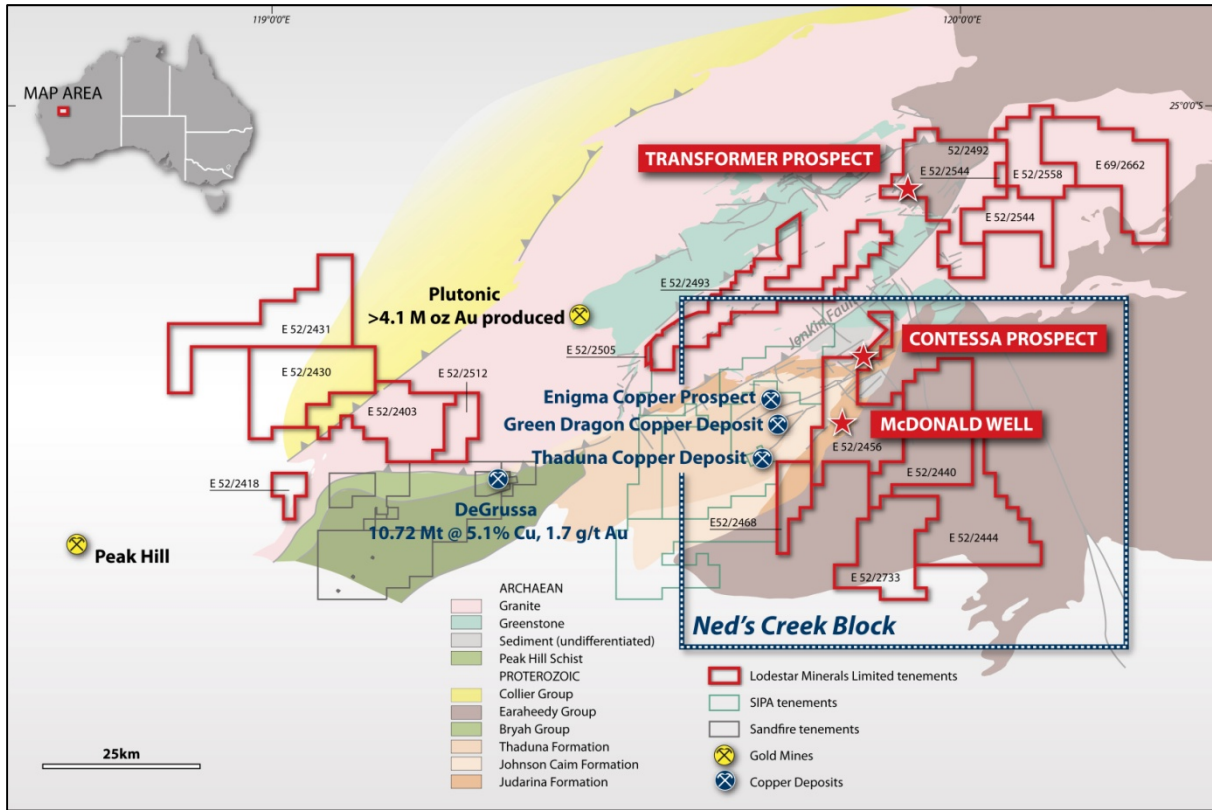


Figure 1 Peak Hill-Doolgunna Project - mines and prospects

COPPER ANOMALIES CONFIRMED BY MCDONALD WELL DRILL RESULTS

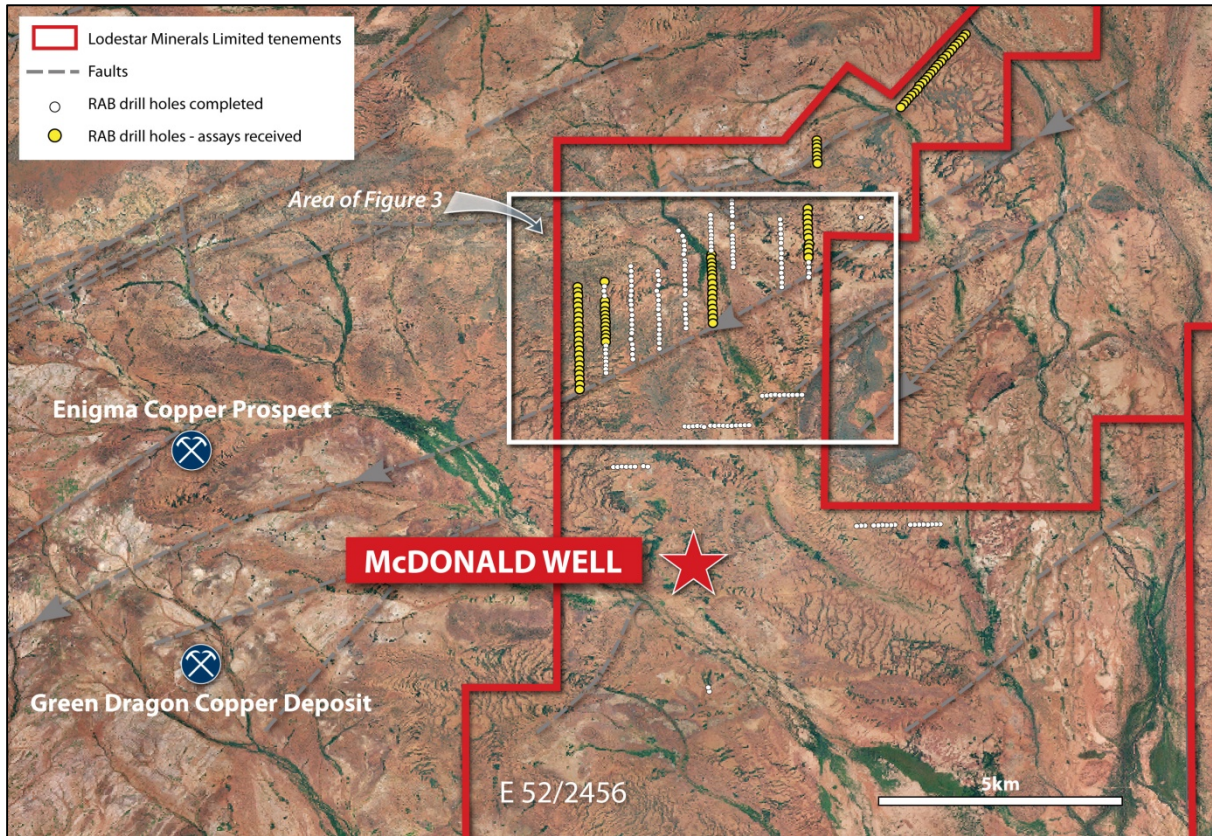


Figure 2 Location of McDonald Well regional drilling

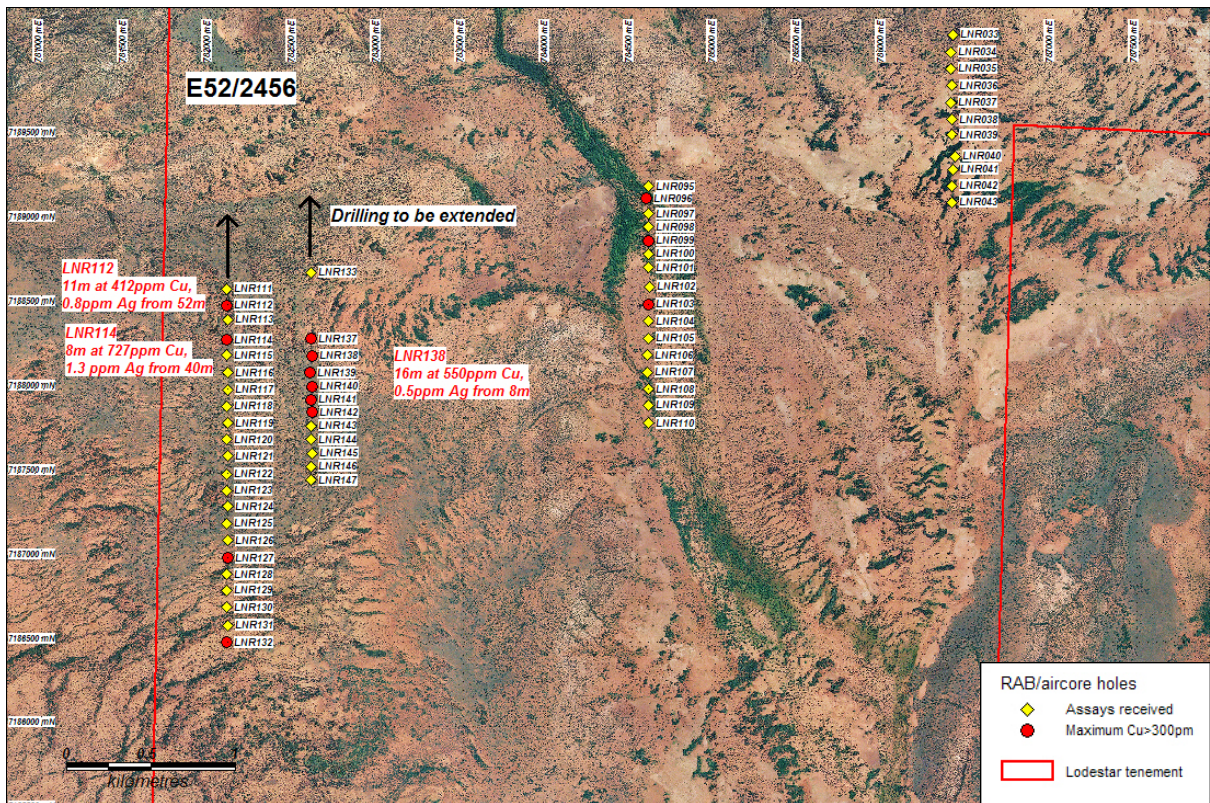


Figure 3 McDonald Well first-pass drilling, Cu > 300ppm